

# The Role of Regions in EU-China Relations

edited by Tomasz Kamiński



**WYDAWNICTWO  
UNIwersYTETU  
ŁÓDZKIEGO**

**POLITICAL SCIENCE**

# **The Role of Regions in EU-China Relations**



WYDAWNICTWO  
UNIWERSYTETU  
ŁÓDZKIEGO

# The Role of Regions in EU-China Relations

edited by Tomasz Kamiński



**WYDAWNICTWO  
UNIwersytetu  
ŁÓDZKIEGO**  
Łódź – Warszawa 2021

**POLITICAL SCIENCE**

Tomasz Kamiński  
University of Łódź, Faculty of International and Political Studies, Department of Asian Studies  
90-131 Łódź, 59a Narutowicza St.

REVIEWER  
Noe Cornago

INITIATING EDITOR  
Witold Szczęsny

COORDINATING EDITOR  
Barbara Gawrysiak

LANGUAGE CORRECTION  
Małgorzata Ossowska-Czader  
Martin Hinton  
Paulina Zagórska

TYPESETTING  
Grzegorz Urawski

TECHNICAL EDITOR  
Maryla Broda

COVER DESIGN  
Grzegorz Urawski

© Copyright by Authors, Łódź–Warszawa 2021  
© Copyright for this edition by University of Łódź, Łódź–Warszawa 2021  
© Copyright for this edition by Wydawnictwo Naukowe PWN SA, Łódź–Warszawa 2021  
<http://dx.doi.org/10.18778/8142-517-9>

Publication financed by the National Science Centre, Poland.  
(Project number: 2015/19/B/HS5/02534 entitled “Rola regionów w polityce Unii Europejskiej wobec Chin/ The Role of Regions in the European Union Policy towards China”)

Published by Łódź University Press  
First edition. W.09137.19.0.M

Publisher's sheets 11; printing sheets 14,4

WUŁ ISBN 978-83-8142-517-9  
WUŁ e-ISBN 978-83-8142-516-2  
WN PWN ISBN 978-83-01-21501-9

Łódź University Press  
90-131 Łódź, 8 Lindleya St.  
[www.wydawnictwo.uni.lodz.pl](http://www.wydawnictwo.uni.lodz.pl)  
e-mail: [ksiegarnia@uni.lodz.pl](mailto:ksiegarnia@uni.lodz.pl)  
phone. (42) 665 58 63

# TABLE OF CONTENTS

<b>Introduction</b>	<b>7</b>
Tomasz Kamiński	
<b>Chapter 1</b>	
<b>EU–China paradiplomacy – the perspective of cities, regions and provinces</b>	<b>13</b>
Adriana Skorupska, Justyna Szczudlik	
<b>Chapter 2</b>	
<b>Germany</b>	<b>27</b>
Tomasz Kamiński, Joanna Ciesielska-Klikowska	
<b>Chapter 3</b>	
<b>Italy</b>	<b>59</b>
Tomasz Kamiński, Michał Gzik	
<b>Chapter 4</b>	
<b>The United Kingdom</b>	<b>79</b>
Justyna Szczudlik	
<b>Chapter 5</b>	
<b>France</b>	<b>111</b>
Adriana Skorupska	
<b>Chapter 6</b>	
<b>Spain</b>	<b>135</b>
Adriana Skorupska	
<b>Chapter 7</b>	
<b>Poland</b>	<b>161</b>
Adriana Skorupska	
<b>Conclusions</b>	<b>193</b>
Tomasz Kamiński, Adriana Skorupska, Justyna Szczudlik	
<b>Bibliography</b>	<b>201</b>
<b>Index of Tables and Figures</b>	<b>221</b>
<b>Annex: Local and regional authorities included in the analysis.</b>	<b>224</b>
<b>About Authors</b>	<b>227</b>



# INTRODUCTION

**Tomasz Kamiński**

<http://dx.doi.org/10.18778/8142-517-9.01>

Regions and cities are becoming increasingly more important elements of the international system. Together with other non-state actors, such as international organisations, multinational companies (MNCs), non-governmental organisations (NGOs) and terrorist groups, they have become inherent constituents of international relations. The “state-centric world” in which states operate as principal agents has been replaced by **the diverse “multicentric world” of various state and non-state actors.**

This trend is clearly visible when we look at the economic power of some American states (such as California or Texas) or of regions which use foreign policy to leverage their internal autonomy (such as Quebec or Catalonia). Regional governments are concerned with what has traditionally been defined as “low policy”: environmental issues, investment promotion, cultural and educational exchange, etc. It stands in contrast to “high policy” represented by the diplomatic and military security agenda of central governments.

The activities of regions and cities, as non-state actors, attracted considerable scholarly attention in the 1980s, and usually fall under the heading of ‘paradiplomacy’ (Cornago, 2010; Duchacek, 1984; Kuznetsov, 2015; Lecours, 2002). **Paradiplomacy is a part of the much broader process of “pluralisation” of diplomacy** in which diplomatic practices, institutions and discourses are no longer limited to traditional international diplomacy. Sub-state units are the main non-state actors which engage in paradiplomacy, an emerging area of academic scholarship (Cornago, 2013).

Local governments across the world are participating more and more actively in international relations (Tavares, 2016). They open trade and cultural missions abroad, join international networks of cooperation, and sign treaties and agreements with their partners from other countries. The subnational level of relations is exerting an increasing influence on the relations between European states and China, in particular in areas such as climate change and investment policy, in which local authorities play a vital role.

The fast development of the European Union's (EU) relations with China, starting about 25 years ago, would not have been possible without a growing network of links on all levels: supranational, interstate, and sub-state. At the sub-state level, **regional and local authorities in European countries have increased the number of contacts with their Chinese counterparts**, as European authorities are trying academic and business cooperation with them, and attract Chinese investors, students, and tourists.

The academic literature on EU-China relations has been largely reticent as regards the sub-state dimension. Even very recent publications ignore this phenomenon in the context of economic relations (T. Christiansen et al., 2018; T. Christiansen & Maher, 2017; Farnell & Irwin Crooks, 2016) and people-to-people dialogue (Burney et al., 2014). The first few publications regarding the cooperation between the EU and China on the regional level have been published only in the last few years (Kamiński, 2019b, 2019c; Skorupska, 2017; Skorupska et al., 2019).

Also, in the paradiplomacy literature there is no comprehensive analysis of the growing interconnections between European and Chinese regions. The existing studies concentrate either on intra-European activities among European regions (Tatham, 2015, 2016) or the paradiplomacy of Chinese regions (Liu & Song, 2019; Mierzejewski, 2016, 2018b; Summers, 2018a).

This book is the result of a three-year project conducted by the Faculty of International and Political Studies at the University of Lodz and the Polish Institute of International Affairs, funded by the National Science Centre. The aim of the project was to understand the role of cooperation between European and Chinese regions in the policy of the European Union as regards China.

The study involved the phenomenon of paradiplomacy, understood as foreign relations of subnational entities whose goal is to achieve economic,

cultural, and political benefits. It is assumed that **the empowerment of regions leads to the rise of regional authority in Europe and brings new challenges to the foreign policy of the state** (Tatham, 2018).

The book presents the specificity of the relations with China at the subnational level of the six largest EU countries in terms of population: Germany, France, Spain, Poland, Italy, and the UK<sup>1</sup>. It also analyses selected case studies of European regions cooperating with Chinese partners.

The analysis was based on a review of the literature and information gathered during a survey of all 82 regions in the five EU Member States included in the study (France, Spain, Germany, Poland, and Italy) and selected local government units in the UK. The survey was conducted in December 2016 and the first half of 2017. A questionnaire was distributed in paper and electronic versions to representatives of regional authorities (the units responsible for international cooperation). Some regions did not respond, and in the case of others, the obtained data was supplemented with information from the websites of the analysed local government units<sup>2</sup>.

The authors also conducted a series of interviews with representatives of the authorities of selected regions from the six surveyed countries, as well as with EU officials. In total, in 2017–2019, 16 interviews were conducted, out of which 12 were in the form of semi-structured extensive individual interviews, one was informal, and two were in the form of an e-mail exchange (written replies). 11 interviews were conducted in the surveyed regions: three in Germany, two in Spain, France, and Poland, and one in Italy and the UK. Additionally, interviews were conducted in the European Commission in the Directorate-General for Regional and Urban Policy (DG REGIO) and Energy (DG ENER), in the European External Action Service (EEAS), with the person responsible for EU-China relations, and with diplomats from selected Member States (Polish and German diplomats).

The book maps Sino-European contacts at the regional level in an attempt to close the gap in knowledge. Until now, we have not known what the network of contacts with China at the regional level looks like and what the

---

<sup>1</sup> The research project was conducted before the UK left the EU.

<sup>2</sup> In Germany, the survey was completed by eight out of 16 *Länder*. Information on the others was obtained from another survey.

determinants and institutional forms of inter-regional partnerships are. We present a detailed analysis of subnational contacts between European and Chinese regions in the 6 analysed states, illustrated by case studies of most interesting regions from each country.

The major findings of the book have already been presented in a shorter and more analytical form in a report published by the Polish Institute of International Affairs (Skorupska et al., 2019). The interactions between subnational and supranational (EU) level relations with China has been presented in a separate paper (Kamiński, 2019c).

At the beginning of our study we put forward a few hypotheses to be tested in our research. Some of them have been confirmed fully, but some only partially, which shows that not all our initial intuitions, based on anecdotal observations, turned out to be correct.

*Hypothesis 1. European regions try to “Europeanize” their interests, but in the institutional system of the EU foreign policy there are hardly any effective mechanisms to do so. Due to this fact, the impact of regions on the EU policy towards China is limited.*

This hypothesis was only partially confirmed. There are hardly any communication channels or information flows between regional authorities and Brussels; as a result, the impact of regions on the EU’s policy towards China is limited. On the other hand, the willingness to “Europeanize” the regions’ interests in relations with China was not confirmed by the research. The analysed regions did not show such ambitions. They have preferred to develop their relations with China in collaboration with national governments.

*Hypothesis 2. In their contacts with Chinese partners, regional authorities concentrate mainly on their regional goals and not on the implementation of political priorities of the central government or the EU.*

The hypothesis has been fully confirmed. Regional relations with China are conducted largely autonomously and are based on regional and not national or European interests. Although regional activities have to fit within the framework of national foreign policy, they are rarely coordinated on the state level.

*H3. Although interregional interactions between European and Chinese regions have been growing rapidly in the last decade, they are still inadequate in relation to their potential and European needs.*

The hypothesis has been confirmed. We have shown a significant increase in the number of links in the last few years, in particular after a larger opening of the Chinese side to cooperation, under the umbrella of the Belt and Road Initiative. Interviews with regional authorities also confirmed that there is potential for further development of contacts with China on the regional level, visible in many different areas: economic, academic, cultural, and people-to-people contacts. On the other hand, some regions have become more cautious, pragmatic, or sometimes even reluctant. Instead of intensive exchange of official visits, they want to focus on activities that may bring reciprocal benefits.

*H4. The scope of cooperation between regions goes beyond traditional topics (e.g. economy, academic exchange, culture) and covers also new areas such as local management, regional development, urban planning and environment.*

The hypothesis has been partially confirmed. Paradiplomatic relations with China are becoming more complex and include an increasing number of topics. Climate change and environmental protection have become one of the most important themes in the case of many regional links. However, the economic cooperation and academic exchanges clearly dominate the agenda of subnational contacts between the EU and China.

*H5. European regions have more and more contacts with Chinese provinces from the Central and Eastern part of the country, hence also less developed Chinese regions have collaborated with their European counterparts.*

The hypothesis has been confirmed. The number of regions involved in cooperation on both sides is growing. While it is still the regions of East China that have the most contacts with European partners, almost all regions from the Chinese interior are also developing cooperation with Europe. Such provinces as Sichuan and Chongqing have several European partners.

The book is divided into seven chapters. In the first chapter the authors present a general overview of the main findings of their research. They characterise EU-China subnational relations on the basis of the survey results, as well as from the Chinese perspective. The next six chapters are focused on individual countries included in the study, showing subnational relations with China in each of them. In the concluding chapter, we try to reflect on the major factors which determine the contacts of European regions with Chinese ones, speculate about future trends, and propose potential paths for further research. The book was written before the COVID-19 pandemic and the final decision on Brexit, therefore it does not cover the consequences of these events.

\* \* \*

As the editor of the book and the research coordinator in the project I would like to thank all the people who have contributed to this book. Apart from my co-authors, responsible for particular chapters, I would like to thank research assistants who helped us at different stages of our work. In particular I would like to stress the role of Sylwia Matusiak, who was responsible for conducting the survey. It was difficult work which she managed brilliantly.

# CHAPTER 1

## EU-CHINA PARADIPLOMACY – THE PERSPECTIVE OF CITIES, REGIONS AND PROVINCES

**Adriana Skorupska, Justyna Szczudlik**

<http://dx.doi.org/10.18778/8142-517-9.02>

### Introduction

The main goal of this chapter is to present some characteristics of the cooperation at the regional level from the European local government perspective, including the Chinese attitude to the matter in question. The chapter starts with some basic information about the methodology and the course of the research. Next the two perspectives are presented. The first one will be the characteristics of EU-China paradiplomacy based on the data from the questionnaire completed by the regions and selected cities from the six biggest European Union countries. The second perspective focuses on the paradiplomatic phenomena from the Chinese perspective. The chapter finishes with some conclusions about the EU-China paradiplomacy and general observations.

The questionnaires were sent to all 82 regions of five European countries: France, Germany, Italy, Poland, Spain and to the largest units of local and regional governments of the UK (about 40). It was completed by 63 regions from the first five countries, translating into nearly 82% of all the regions of

these countries. Information was also obtained from 12 local government units from the UK, two regions and 10 cities (See Annex 1).

In the analyses of particular countries in the following chapters of this book, apart from the data from the survey, authors considered also other information sources (such as official websites). In this chapter, only data from the survey is included in order to ensure the comparability of information. Apart from some basic information about the number of partners or activity status of partnerships with China, the analyses cover the characteristics of the areas of cooperation, its forms, engaged local partners, and observed problems. However, it must be underlined that the analyses have a rather qualitative character, so it is difficult to generalise, and the results should not be extrapolated onto other European countries. That is why data is expressed predominantly in numbers, and when it is more appropriate – in percentages.

## **The characteristics of the cooperation between European regions and partners from China**

Among 79 surveyed local units, 63 declared partnerships with Chinese counterparts and 16 did not have any partners in China at the time when the survey was conducted (2017). Among the latter group, five had maintained some cooperation in the past, and further 10 declared the will to establish contacts with Chinese partners (in fact, some of them were in consultations in 2017). Interestingly, all the surveyed local governments from the UK declared partnerships with China. According to the declaration from 2017, only 5 regions did not have any intention to begin cooperation with Chinese partners. Explanations for this lack of interest included: “there is no need” and “the cost of such cooperation would be too high” (Table 1).

Among all the analysed local government units of the six largest EU states, **135 partnerships with China were identified** (Table 2). The representatives of local governments described 107 (79% of these partnerships) as active at the time, 26 (19%) as inactive, and in the remaining cases there was no information. It is worth underlining that the term “inactive” refers to a relationship in which there has been no activity in the last two years, but it is possible that the cooperation will be resumed in the near future.

**Table 1.** Cooperation of the surveyed regions (France, Germany, Italy, Poland, Spain, UK) with Chinese partners

No.	Country	Regions which have currently established cooperation	Regions which maintained cooperation in the past	Regions which want to cooperate in the future	Regions with no intent to cooperate in the future	Local governments studied as part of the project
1	France	10	1	1	0	11
2	Germany	7			1	8
3	Italy	11	1	4	1	16
4	Poland	13	0	2	1	16
5	Spain	10	3	3	2	16
6	The UK	12				12
	<b>Total</b>	<b>63</b>	<b>5</b>	<b>10</b>	<b>5</b>	<b>79</b>

Source: own elaboration

**Table 2.** Partnerships of Chinese Provinces with Regions in Six EU States

Country	Active partnerships	Inactive partnerships	Total partnerships
France	12	2	14
Germany	8	1	9
Italy	27	4	33*
Poland	12	3	15
Spain	18	13	31
the UK	30	3	33
<b>Total</b>	<b>107</b>	<b>26</b>	<b>135</b>

\*In two cases the activity status is unknown

Source: own elaboration

**The first 17 partnerships with China were established in the 1980s.** They represent 14% of all the surveyed partnerships. Cooperation was launched mainly by Germany, the UK and France. Chinese partners were located mostly in the eastern part of that country, on the coast. It seems that the reason for this geographical distribution was the creation of special economic zones (SEZs) in coastal China by Deng Xiaoping as the first step in the country's modernisation after the Mao era. SEZs were granted incentives which facilitated their cooperation with foreign partners.

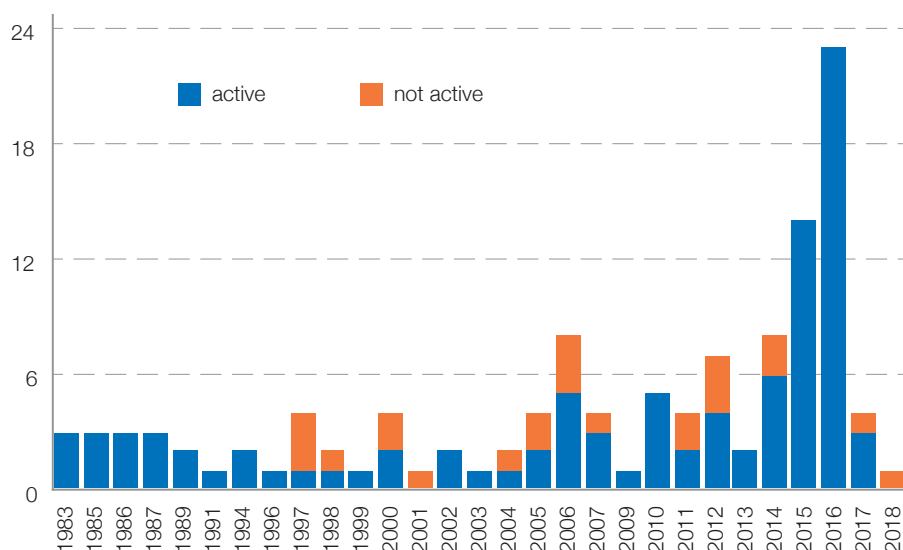
The next phase was the 1990s with 11 new partnerships (9%). Contrary to the previous phase, in this case there is no particular leader on the European side. France established three partnerships, Germany, Spain and Italy two each, while Poland and the UK one each. Supposedly, the reason for a lower dynamic were the events in the PRC in 1989 (Tiananmen Square massacre) and Europe's reluctant approach towards China.

In 2001-2009 there were 27 new partnerships (22%) with Chinese partners, with Spain, Italy and Poland at the forefront, followed by Germany and the UK. Presumably, **a significant increase in contacts may have resulted from an intensive bilateral dialogue between central governments.** For example, in 2004 and 2005 Germany, the UK, and Spain upgraded their relations with China to the strategic partnership level, while Poland joined the EU in 2004 thus becoming more "visible" for the PRC (it is worth mentioning that a month later PRC's Chairman Jiang Zemin visited Warsaw).

In the period 2010-2017, one may notice a significant increase in the number of new partnerships – 70 (56%). New cooperation frameworks were established mostly by Italy, Spain, and then the UK and Poland. Possible reasons include the process of catching up with China. The aforementioned countries had not been very active until then in terms of subnational cooperation with Chinese regions. The other reason might be the announcement of the Belt and Road Initiative of 2013, with Chinese pledges of new investments abroad as well as greater activities of Chinese regions in launching cooperation with other countries under the BRI banner<sup>3</sup>. Figure 1 presents the dynamic of new partnerships between 1980 and 2018, with information about the current status of relations (active or inactive).

---

<sup>3</sup> Detailed analyses regarding the periods of establishing partnerships and provinces can be found in the following national chapters.



**Figure 1.** New partnerships with China in 1982-2018 by six Member States

Source: own elaboration

## The areas of cooperation, its forms and local partners

Activities connected with economy are the most often declared sphere of cooperation. Almost **85% of the surveyed regions pointed to general economy as one of the areas where they undertake activities** (Table 3). One of the tasks of regional administration is to promote and support domestic entrepreneurs on foreign markets.

More than **80% of regions organise business missions to China and almost 70% – participate in fairs and economic forums**. More than 1/3 pointed also to their regional offices in China as an important form of cooperation. The main goal of this type of office established abroad is to support different types of entities such as companies, universities and cultural institutions (Table 4). Representatives of business are also among the most often cited local partners in the cooperation with China (Table 5).

Apart from the economic dimension, **higher education and research is an important sphere of cooperation**. Nearly  $\frac{3}{4}$  of the surveyed regions and

cities declare contacts in this area. Moreover, more than half pointed to general education. Universities are most often cited as local partners for cooperation with Chinese cities and provinces. More than half of the regions also engage other educational institutions in activities with China (Table 6). **Regional authorities promote their universities and encourage Chinese students to study in Europe.**

**Table 3.** The areas of cooperation with Chinese partners

Areas	Number	%
General economy	53	84
Higher education and research	46	73
Sport and tourism	37	59
General education	33	52
Environment	29	46
Administration and region management	25	40
Agriculture and rural development	25	40
Health and public policy	21	33
Culture	19	30
Municipal economy	16	25
Other	11	17
<b>Number of surveyed regions</b>	<b>63</b>	

Source: own elaboration

The economic and academic dimensions dominate the areas of cooperation in all the surveyed countries. The economic entities and scientific units are the most frequently indicated local cooperation partners with China, and, together with regional authorities, create a kind of triangle of cooperation. The three parties obtain the synergy effect in contacts with the Asian partners.

There is no such agreement among the six countries in the next sphere of cooperation. Among the other areas of cooperation also related to the activities focused on the promotion of city regions and local entities there are and

tourism, indicated by nearly 60% of the regions, and culture (30%)<sup>4</sup>. Sporting or cultural events are often organized during meetings and business missions. **More than half of the surveyed regions indicate that cultural institutions are engaged in joint initiatives with Chinese partners.**

In the case of Great Britain, due to the dominance of cities among the surveyed units, the spheres relating to urban management, such as administration, region management, municipal economy and health and public policy, were indicated more frequently. Cities and regions from the UK pointed to institutions related to culture and education as important partners in the cooperation with China more often than in other surveyed countries.

Nearly half of the surveyed regions also indicated municipal authorities among local partners. In some partnerships it is possible to combine regional level cooperation with the cooperation of cities from the same regions. Many regions and cities also note cooperation in the field of environmental protection. **Issues related to climate, low-emission transport and smog have become a very important topic for local authorities in Europe and China.**

**Table 4.** The forms of cooperation with Chinese partners

Forms of cooperation	Number	%
Official visits	61	97
Business missions	52	83
Participation in fairs and economic forums	43	68
Permanent office in China	23	37
Work with official central government delegations	23	37
Global and transnational multilateral regional networks	7	11
Permanent Chinese office in your region	6	10
Cultural events	5	8
Exchanges	5	8
Other	2	3
<b>Number of surveyed regions</b>	<b>63</b>	

Source: own elaboration

<sup>4</sup> Culture was not specified in the survey as a sphere of cooperation, regions indicated it in the category of *Other*.

**Table 5.** Local partners in cooperation with China

Local partners	Number	%
Universities	53	84
Business partners	49	78
Educational institutions	34	54
Cultural institutions	33	52
City authorities	31	49
Other local self-government units	19	30
NGOs	9	14
Other	6	9
None	5	8
<b>Number of surveyed regions</b>	<b>63</b>	

Source: own elaboration

## Benefits and problems

There are no major differences between the surveyed countries in terms of benefits in their cooperation with the Chinese partners. The cited profits can be divided into two groups, which are, however, still related to each other. The first group is connected with promotion; **paradiplomatic activities are treated as a way to promote the region**, cities, local companies, universities, culture and language. Official visits, trade fairs and cultural events are good opportunities to present the region, attract Chinese students to study in Europe and Chinese tourists to come to European regions, beyond those best known and most popular. The second group of benefits is strictly business-oriented. One of the main objectives of the established contacts was **to support domestic companies, promote them in China** and facilitate business contacts for them. This was also connected with **attracting Chinese investors** to the region.

The most frequently indicated obstacles in dealing with China are **the distance and costs** of active cooperation. In all 6 surveyed countries one of these two categories was the most often cited problem. The two indicated obstacles are interrelated. Active cooperation engaging different types of partners

requires a long and costly trip to China. Interestingly, 40% of regions also indicate a language barrier in contacts with Chinese partners as a serious hindrance, and a third – cultural differences. In some cases, problems with engagement of the Chinese side or local partners in the European region also occur.

**Table 6.** Benefits from cooperation with China

Benefits	Number	%
Cultural promotion	49	78
Trade development	46	73
Exchange of experience	46	73
Better position for business	46	73
Attracting Chinese investment	43	68
Tourism promotion	42	67
Other	5	8
<b>Number of surveyed regions</b>	<b>63</b>	

Source: own elaboration

**Table 7.** Problems in cooperation with China

Problems	Number	%
Distance	40	63
Cost	36	57
Language barriers	25	40
Cultural differences	21	33
Low commitment of the Chinese partner	10	16
None	6	10
Low commitment of the local partners in your region	5	8
Other	4	6
<b>Number of surveyed regions</b>	<b>63</b>	

Source: own elaboration

## Paradiplomacy in China

In China, paradiplomacy – international activities of regions (provinces, counties, cities) and cooperation with foreign partners – is perceived as **public diplomacy, soft power or people-to-people contacts**. In that sense, emphasis is put on the economic and social cooperation, without the political context, which means political-related initiatives undertaken independently by the local authorities. In the PRC, the institutions responsible for international contacts at the local level are state entities, such as the foreign affairs committee of the Chinese parliament and international departments within the local government structures. A special role is assigned to the China Council for Promotion of International Trade (CCPIT) and the Chinese People's Association for Friendship with Foreign Countries (CPAFFC). This institutional framework **reflects the unitary character of the Chinese state, which means that local governments execute central authorities' policy goals**. Therefore, Chinese experts and decision makers do not use the term paradiplomacy (a notion popular in the West), but rather subnational governments' foreign affairs activities or local government actions in foreign affairs (Mierzejewski, 2018a, pp. 104–105).

Chinese style paradiplomacy should be understood as a **division of labour**. In other words, Chinese regions play the role of **transmission belts** for the central government's policy. It is openly admitted by Chinese experts that, for example, the diplomatic goals of cities are to enhance and support China's neighbourhood diplomacy (with particular regions dedicated to cooperation with selected countries or organisations, such as the Guangxi province with ASEAN), the idea of a "network of partnerships" (a Chinese diplomatic slogan), and the "hosting diplomacy" concept – organizing international high-level events in China (Wei, 2017).

The overall **goals of Chinese paradiplomacy** are to move up the value chain, attract foreign capital, internationalize local government capabilities, share experience (e.g. provide advice for the local business) and to contribute to economic growth and stability. It is also a means of disseminating a positive image of China abroad and building up a good rapport with other countries. Paradiplomatic ties might also be used by both local and central governments as a useful channel for business, people-to-people, as well as

political contacts when the central authorities' relations are becoming sour. What is more, since Deng Xiaoping, regions have also been testing grounds for their central governments.

When it comes to **tools** used by regions in cooperation with foreign partners, they include opening representative offices, organizing fairs and exhibitions dedicated to the partner regions, twinning processes, direct passenger and cargo connections (both flights and trains), mutual visits of provincial high representatives, as well as participation in regional forums, both bilateral and multilateral.

The aforementioned division of labour approach is not a new phenomenon in China. Moreover, the **PRC's regional policy is domestic-oriented**. Since the very beginning, the regions have been used for executing central government policy. Tim Summers highlights the Third Front idea (Summers, 2018a): In the 1960s, Mao's foreign policy was based on the mindset known as "fighting on two fronts" (with the U.S. and the USSR seen as enemies). At that time, due to security reasons, heavy industry and military facilities were transferred from the coast to the central provinces which thus became more relevant in terms of state security and economic growth. Another example is the "reform and opening-up" era of Deng Xiaoping, with a focus on coastal regions where special economic zones were set up to attract foreign capital and absorb knowledge and experience from abroad, e.g. Hong Kong, Taiwan and South Korea. The third example is the programme of China's Western Development (1999/2000) – a consequence of uneven development resulting from focusing predominantly on coastal regions. Concerns about domestic stability (or even territorial integrity) due to the development gap triggered the central government to provide landlocked regions with new incentives. As a result, previously neglected regions have overhauled their position within the country.

An example of the **top-down character of Chinese paradiplomacy** is the fact that the central government grants specializations to selected regions. Specializations can be sectorial (trade, investment, production, logistics, culture, ecology, agriculture, etc.) and geographical (cooperation with selected countries). For example, Chongqing is responsible for inland transport, logistics and trade processing, Kunming is known as a garden city, Qingdao as a centre for home appliances, while Guiyang – a big data pilot zone (*Interview with the Liverpool City Council Representative*, personal communication,

May 2018). When it comes to geographical designation, Sichuan province, responsible for contacts with Central Europe or Xinjiang and Heilongjiang cooperating with Russia and Mongolia, is a good example.

**Nevertheless, this does not mean that regions are only “blind” executors of the central government agenda** and do not have any impact on central decision makers. Despite the unitary character of the state, and the process of centralization under Xi Jinping, the position of a particular region (province, county or city) in the sense of its political and economic relevance differs from that of others. The position of the region depends mostly on its economic clout (e.g. its share in China’s total GDP), the personal factor – how influential a provincial leader is, and how the leader may use the current situation in the region (both good and bad – by comparing it to other regions as evidence of unequal treatment by the central government) as a leverage for more concession from the central authorities or more room for manoeuvre. For these reasons, **full and strict control over the regions by the authorities in Beijing is not possible**. What is more, the growing role of Chinese regions is also a result of such processes as globalization. As Tim Summers argues, a new phase of globalization, which includes the growing role of multinational enterprises, change of the mode of production from manufacturing products in one place to the development of supply-chains, and outsourcing and international division of labour, dilutes the ability of the national government to set the policy agenda and limits control over local governments (Summers, 2018a). In that sense, one may observe the process of growing independence of selected Chinese regions. Summers also argues that the Belt and Road Initiative was in fact a bottom-up idea, initiated by Chinese local authorities to designate themselves their own specializations based on their current comparative advantages (e.g. excelling at manufacturing, maritime transport, etc.). He says explicitly that the BRI does not represent any fundamentally new policy content, but the evolution of long-standing approaches to global interactions of at least some of Chinese regions. “(...) Provincial agency has been instrumental in creating the foundation on which the national-level silk road vision sits” (Summers, 2018a, p. 87). While Dominik Mierzejewski argues, that “the BRI was not about central government action, but also allowed local government to be active in China’s external actions” (Mierzejewski, 2018b, p. 143), he also states that “after the years of decentralization, the BRI plays

a role of centralizing power over the local authorities” (Mierzejewski, 2018b, p. 149). **The latter statement stresses the fact that greater independence of the regions does not, however, change their dependence on the policy of the central authorities** and the “division of labour”. Mierzejewski also says that “the BRI should be understood as a new mechanism of coordination of relations between central and local authorities” (Mierzejewski, 2018b, p. 137).

**Currently, the Chinese government’s attention is concentrated on assigning new roles to regions** due to the ongoing process of globalization, regionalization, informatization, new industrial revolution, etc. The government focuses on greater regions rather than administrative structures (however, this is not a new idea either). The best example is the Great Bay Area which encompasses the Pearl River Delta region with an idea to create a cluster with special roles assigned to particular cities or parts of the region to set up an integrated economic and business hub. It may be exemplified by Shenzhen serving as a technological, start-up, telecom hub and Hong Kong designated as a financial centre. It should be noted that, despite the fact that the GBA is a central government’s idea, it is impacted by the local governments and the overall globalization process.

In that sense, despite Xi’s centralization course, the role of Chinese regions will be growing, or at least Beijing may not be able to entirely control local authorities. At the same time, in the face of an expected protracted stand-off in US-China disputes and a sharpening of the EU policy towards China, the local authorities and paradiplomatic channels might become more crucial in maintaining day-to-day contact with foreign partners.

## Conclusions

Cooperation with partners from China seems to be an important direction of international activities for cities and regions in the six surveyed countries. Partnerships with China are declared by 80% of the regions in France, Spain, Germany, Poland, and Italy.

In all the surveyed EU regions, the cooperation is dominated by the economic and academic dimensions. Active cooperation is ensured by the inclusion of local partners, such as regional agencies, chambers of commerce,

universities, and tourist agencies. The regions support the internationalisation of their local enterprises and promote themselves to Chinese investors, tourists, and students.

There are **no major differences between the surveyed countries** in terms of areas, benefits, or even obstacles in their cooperation with Chinese partners. In all six countries the so-called cooperation triangle can be observed. It refers to the inextricably intertwined cooperation of three local (or regional) institutions: the government, businesses, and academic entities which undertake initiatives together with partners from China. In the wider economic and academic domain, the European regions also see the greatest benefits. Regardless of the number of partnerships or the degree of activity, the most frequently indicated obstacles in dealing with China are the distance and related costs of an active.

The role of Chinese regions is growing, despite Xi Jinping's attempts at expanding control over local authorities. Chinese regions are trying to be more independent using their comparative advantages such as economic "weight" and relevance. Their authorities are focused primarily on the economic with foreign partners. This may lead to a conclusion that **Chinese regions will maintain or even expand paradiplomatic activities, even though bilateral relations at the government level are deteriorating**. When it is in the interests of local authorities, they can distance themselves from Chinese central policy or exert pressure on the government in Beijing. The pressure of the regions will depend on the degree of economic connection with foreign countries and the importance of the region in the Chinese economy.

# CHAPTER 2

## GERMANY

**Tomasz Kamiński, Joanna Ciesielska-Klikowska**

<http://dx.doi.org/10.18778/8142-517-9.03>

### Introduction

In recent years, on account of the growth of globalization, rising international competition, but also intensifying importance of the cooperation between countries and regions, great value has been assigned to the bilateral German-Chinese cooperation. The Federal Republic of Germany (FRG) and the People's Republic of China (PRC) established diplomatic relations in 1972. From that time, they have developed a great diversity and increasing political substance – since 2004, mutual relations have been transformed into the “Strategic Partnership in Global Responsibility” (*Partnerschaft in Globaler Verantwortung. Gemeinsame Deutsch-Chinesische Erklärung anl. des Besuchs des Ministerpräsidenten der Volksrepublik China, Wen Jiabao, 2004*), and this status was upgraded to a “Comprehensive Strategic Partnership” ten years later (*Joint Declaration between Germany and China, 2014*). In 2011, Sino-German government consultations, an exclusive mechanism for bilateral communication, was also implemented – consultations are held regularly every year and help to develop an interstate dialogue. This cooperation has also been built up by a series of bilateral agreements between individual institutions,

academic centres, and enterprises, which means that the **network of political, economic, cultural and social connections is very dense**.

Indisputably, economy has been the driving force behind this two-sided cooperation from the beginning – in 1978, the Federal Republic took the fourth place among global, and the first place among European trade partners for China (Hauschild et al., 2015). This is not surprising considering that at that time West Germany was the main exporter of technology and know-how in the world, and one of the largest producers of vehicles and machines. To this day, these areas are the most important fields of economic cooperation for both countries. At present, Germany is undoubtedly a **crucial trade partner for China in Europe**. On the other hand, China is the most significant partner for Germany in terms of trade and industry, both in Asia and around the world, because the PRC overtook the the United States and France and took the leading position in doing business with Germany (*Die Volksrepublik China ist erneut Deutschlands Wichtigster Handelspartner*, 2019).

Yet, the intergovernmental and economic cooperation does not exhaust the field of mutual cooperation – since the 1980s the regions have been pursuing a progressively more **intensified dialogue at the subnational level** as well. Support for these initiatives is provided by both the government in Berlin and the governments of individual German *Länder*, which are increasingly looking for partners for interregional cooperation in Asia.

The aim of this chapter is, therefore, to analyse how Germany cooperates with Chinese counterparts at the substate level. The authors try to highlight the background of the bilateral relations and answer a number of questions: what are the grounds for German multidimensional cooperation with China and how have they been transforming in recent years? What is the relation between the national foreign policy and external activities of German regions towards the PRC? What are the main goals and areas of the cooperation with Chinese partners at the subnational level?

As with the other chapters in this book, the research is based on an in-depth literature review, statistical data gleaned from a survey of German regions (conducted in the last months of 2016 and the beginning of 2017), and interviews with officials in selected regional authorities and in the German Ministry of Foreign Affairs. In the case of Germany, a few regions failed to fill out the questionnaire or directed researchers to the region's official website

to find extensive information about the substate cooperation. The researchers added data gleaned from these sites to the survey dataset. Moreover, the dataset was compared with the research presented by Goette and Qianlan (2018), who in the same period conducted a study about German-Chinese municipal partnerships.

The chapter consists of three main sections – the first concentrates on a description of the political, economic and social relations at the interstate level, the second discusses the position of German regions as policy actors in international relations, and the third presents the outcomes of the survey and describes German paradiplomatic relations with Chinese counterparts. The third and final section is supplemented by a case study of the land of Berlin and its cooperation with China.

## **Overview of German-China relations**

### **Political cooperation**

Since its establishment in 1949, the Federal Republic of Germany has considered in 1949, has considered a lasting alliance with the Western world and its integration organisations as an irrevocable direction of its foreign policy. Hence, the vital goals of Bonn's foreign policy were related to "Europeanisation" and the creation of a common Europe<sup>5</sup>. The end of the Cold War and the disintegration of the post-war international order in the early 1990s gave Germany new opportunities in both internal and foreign policy. The course of events led to the unification of the two German states in 1990 and brought full sovereignty, which only emphasized the European orientation of this new Germany (Stürmer, 1991). Yet, after rising up for independence and regaining autonomy, Germany perceived itself as a "normal state" for the first time in the post-war period, which can and should realise its own national interests, located both in Europe and outside the continent. This new

---

<sup>5</sup> However, the primary goal in the FRG's foreign policy was to bring about reunification with the German Democratic Republic and the creation of a unified German state (Bahr, 1998, pp. 24–25).

potential was perfectly sensed by the social-democratic Chancellor Gerhard Schröder, who – taking over from Helmut Kohl in 1998 – sustained the work of expanding and deepening the European community, but at the same time called Germany a “great power” (*Grossmacht*), which should be aware and certain of its position and responsibility for the fate of not only the European continent, but also much more widely, for the fate of the world. In contrast, Schröder’s successor, Angela Merkel from the Christian Democratic Party (CDU), returned to the European course after 2005, focussing on a strong Europe and a powerful German-French tandem that set the tone for European Union affairs (Ciesielska-Klikowska, 2017). Nonetheless, events related to the economic crisis since 2008 and the financial crisis since 2010 in the EU, have meant that **Germany began to seek new political and economic players in countries outside the traditional circle**. In the face of the EU’s instability, the limited involvement of the United States in European affairs, numerous conflicts in its immediate vicinity and global challenges, Germany definitely started to show more initiative in foreign policy (Gauck, 2014).

The creation of a new category of partners – the “forming powers” (*Gestaltungsmächte*) was the evidence of the intention to develop the global dimension of German foreign policy and targetting it to emerging countries. The following concept appeared in the governmental foreign policy: “To shape globalization – to expand partnerships – to share responsibility” (*Globalisierung gestalten – Partnerschaften ausbauen – Verantwortung teilen*). Since 2012, this category has included countries with which Germany does not cooperate within the EU, G-8 or NATO, and which show significant economic potential or high rates of economic growth, a strong will to act in a variety of fields, and which can be regarded as central to shaping regional processes, international governance and/or global order (*Globalisierung Gestalten – Partnerschaften Ausbauen – Verantwortung Teilen. Konzept der Bundesregierung 2012*, 2012). Of all the regions that were depicted in the 2012 strategy, the Asian continent was seen as crucial, and in the category of the emerging powers, **the People’s Republic of China was perceived as an essential partner, labelled as a “key country”** (*Neue Macht – Neue Verantwortung Elemente einer Deutschen Außen- und Sicherheitspolitik für eine Welt im Umbruch*, 2013).

This Chinese direction seemed to be a natural extension of the cooperation with Russia, which was begun by Schröder, while at the same time it was

**a pivot for a slower relationship with the United States.** The interest of successive German governments under Chancellor Merkel in building relations with the PRC was primarily defined by economic development, as well as investment and business cooperation. Indeed, Germany has seen China as its crucial economic partner in Asia, mainly due to the impressive dynamics of growth.

However, the actual roots of the cooperation between the two states date back to 1972, when diplomatic relations were formally established (FRG-PRC)<sup>6</sup>, although intensive bilateral contacts had already taken place in the 19<sup>th</sup> century (Kitchen, 2011). In the years 1972–1989, the intensification of relations with China resulted from the *détente* policy pursued towards Beijing by Washington, which was imitated by the West German administration in Bonn.

After the events of June 1989 in Tiananmen Square, mutual relations cooled considerably, returning to their previous temperature only in 1993, when Helmut Kohl's cabinet presented the "Asian Strategy Document", which described in detail the strategy of German foreign policy towards Asian countries (Szczurowicz, 2013, p. 91). Due to the huge dynamics of economic growth in China since the 1990s, **the development of a trade between the PRC and Germany has become a high-priority goal.**

Taking into account the importance of exports for the development of the German economy, searching for new markets and partners in Asia was perceived as crucial. Henceforth it is possible to talk about the development of special German-Chinese relations. They were characterized by **high pragmatism**, which meant that the problems of human rights, Taiwan and Tibet – often complicating the relations of the PRC with other Western countries – did not play a significant role. This was due to Berlin's prevailing attachment to the economic nature of these relations and the mutual recognition of the role played by partners in the world. In Germany, for many years there was an awareness that in order to design an effective policy, it is necessary

---

<sup>6</sup> In contrast, the German Democratic Republic was one of the first countries that recognized the People's Republic of China and maintained lively relations in the years 1949-1958. In the subsequent years, there was a sinusoidal wave of relations - after 1959 the connections loosened, which was followed by the years 1963-1980 with the official termination of cooperation, and in the decade 1980-1989 there was the phase of rapprochement (J. Krüger, 2002; Meissner, 1995)

to understand and consider the local conditions and enormous diversity of the country, which – as emphasized in the official document of the German Ministry of Foreign Affairs – “offers many opportunities and places important tasks” (*Aufgaben der Deutschen Aussenpolitik: Südostasien sowie Australien, Neuseeland und Pazifische Inseln am Beginn des 21. Jhd*, 2002, p. 3). Thus, the German *Chinapolitik* has developed over the years as **a strategy of silent diplomacy** (namely not touching the topics sensitive to Beijing), focused solely on building an intensive, also in the multilateral dimension, including relations within the G20, and G8+5 (*Wir Brauchen Einander*, 2007), but hoping at the same time that through the close economic with Western countries there will come a democratic transformation in China as well (change through trade – *Wandel durch Handel*).

Politically, a close relationship has been built only since the time of Chancellor Schröder, when in 2004 – together with Prime Minister Wen Jiabao – he declared the bilateral relationship as a “Strategic Partnership in global responsibility”. As mentioned, over the next few years (Merkel’s first term) a slowdown in political relations occurred. The intense dialogue returned in 2011 when the mechanism of intergovernmental consultations was introduced (agreed in 2010), pursuant to which these annually held meetings serve to develop an interstate dialogue on issues common to both governments in the dimension of domestic and international policy. During the first intergovernmental encounter, 22 bilateral agreements were signed to deepen the cooperation in the areas of trade, technology, transport, education, environment, and consumer protection (Heilmann & Schmidt, 2014, p. 182).

The dimension of the close political was raised to the status of “Comprehensive Strategic Partnership” during the state visit of the Chinese leader Xi Jinping to Germany in March 2014. Upgrading the relationship aimed at holding regular consultations on regional and global political and security policy issues, as well as global challenges such as climate, environment, energy and resource security, international development cooperation and food security (*Joint Declaration between Germany and China*, 2014).

In total, at the intergovernmental level there are now **more than 80 mechanisms for dialogue** between individual ministers, secretaries of state, heads of departments and heads of government agencies. The key formats of the political and economic include the strategic dialogue between foreign ministers

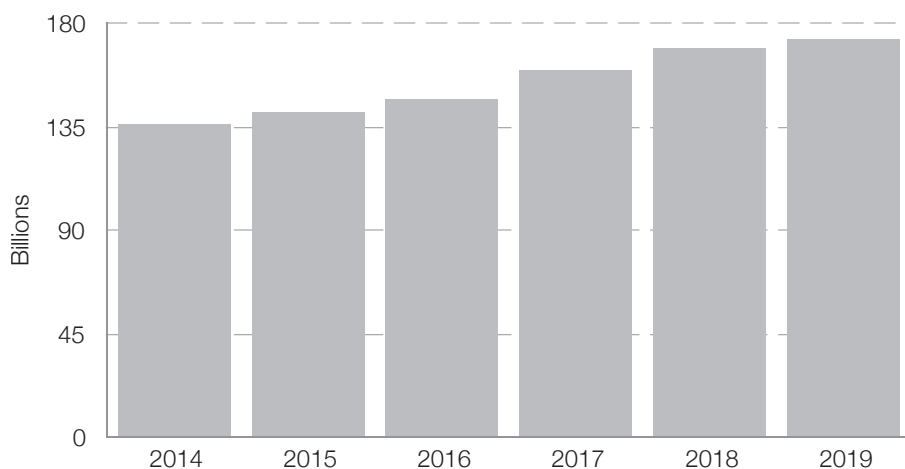
in security policy as well as the high-level fiscal dialogue of the finance ministers and presidents of the Federal Reserve. In addition, there are **more than 1,200 partnerships between universities** and an intensive exchange between NGOs from both countries (*Interview with German Diplomat*, personal communication, 17 April 2019).

## Economic relations

The priority in mutual cooperation is undoubtedly accorded to economic affairs. In the post-war period, Germany displayed a preference for the United States and France in its economic relations, whereas China – mainly for political reasons – remained a second-class partner at the time. Yet, after the implementation of the aims of the “Asian Strategy Document”, mutual economic cooperation flourished, removing the deficit of German investment and representation in the region.

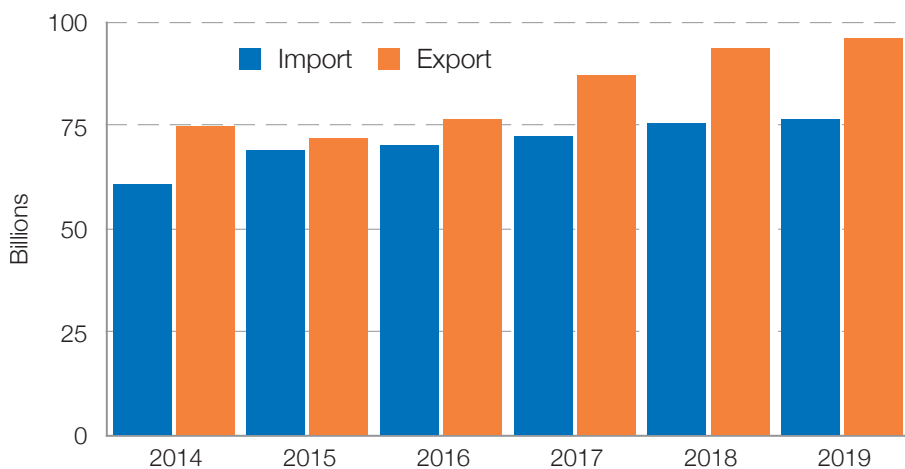
However, the implementation of the Belt and Road Initiative (BRI), a project proposed by Xi Jinping in September 2013 (Campbell, 2017) was the most important breakthrough in their bilateral collaboration. From the very beginning this *Grand Design* aroused enormous attention among Asian and European countries, and soon gained widespread political and economic interest in Germany. By means of intensive cooperation, which developed after 2013 at the level of the two states as well as their individual regions and cities, and in the area of individual sectors of economy, Germany and China became closest partners in the economic sense. The data shows that **bilateral economic transactions snowballed** – in 2013 amounting to EUR 142.45 billion, but in 2018 totalling as much as EUR 199.3 billion, thus transforming Germany and China into the most important trading partners (see Figure 2 and 3).

In 2017 the value of German direct investment in China amounted to EUR 81 billion. In contrast, Chinese investors spent EUR 12.2 billion in the same year in Germany, which was an increase of 9% compared to 2016 and the largest ever expenditure in this area. In 2018, investment fell (EUR 10.7 billion, down 22%), nevertheless Germany (along with the United Kingdom) was still **the most popular target country for Chinese investments in Europe** (Berthold & Sun, 2019).



**Figure 2.** Trade in goods between Germany and China 2014-2019 (in billions of EUR)

Source: own elaboration based on Eurostat (2020)



**Figure 3.** The amount of German imports and exports of goods from / to China 2014-2019 (in billions of EUR)

Source: own elaboration based on Eurostat (2019)

Vehicles are the basis of German exports to China, since China is by far the most important market for German car manufacturers. The “big three” – **BMW, Daimler and Volkswagen** – sold almost 5.5 million new vehicles in 2018 and

**earned up to 50% of their global profit in the PRC** (*Deutschland und China*, 2019). The Volkswagen group alone sold 4.21 million vehicles in 2018 in China. Apart from cars, German exports to the Middle Kingdom are based on machinery, nuclear reactors, boilers, electrical equipment, pharmaceutical products, and chemicals (*Germany Exports China*, 2019). The PRC is also **the most important market for Germany's mechanical engineering industry** (*Deutschland und China*, 2019). The Federal Republic imports from China mainly electronic equipment, machinery, clothing, furniture, medical and technical equipment, toys and footwear (*Germany Imports from China*, 2019). Currently **over 5,200 German companies are active in China**, while around 900 Chinese enterprises are operating in Germany. This intensive cooperation relies, on the one hand, on bilateral cooperation agreements, and, on the other hand, on the framework created by the European Union. Even though there are difficulties in mutual affairs – mostly related to still unequal access to the Chinese market for companies outside the PRC, as well as the acquisition of strategically important German companies or shares in them by Chinese corporations in recent years i.e. KUKA, Deutsche Bank, Daimler (Stanzel et al., 2016) – both countries are key partners in economic relations for each other.

## German-Chinese perception and people-to-people contacts

The German views China positively. This trend can be seen particularly strongly in recent years, when mutual economic cooperation has been increasing, the activity of German companies in the PRC and vice versa has been rising, and the media often report about Chinese investments under the aegis of the Belt and Road Initiative.

According to a 2014 study on behalf of Huawei Technologies, the largest Chinese company in Germany, **the social attitudes in Germany towards China were optimistic**, although they showed divergent values for bilateral political and economic relations and attitudes of the general public, economic entities and political elites: the PRC was then seen as dynamic global economic power, but perceived with caution (or even fear) by about half of all German respondents (49%), including 43% of politicians and 51% of

economic decision-makers. Over half of the German population (60%) believed that China's influence on the German economy is large or very large, and 35% of them that both countries benefit the technological cooperation. 58% of Germans also indicated that domestic producers are being forced out of the market by Chinese manufacturers. According to the results of the study, China's growth was perceived in 2014 as an **opportunity, not a threat to the German economy**, and the significance of the PRC was identified with the huge sales market for German products (*Deutschland und China – Wahrnehmung und Realität. Die Huawei-Studie 2014*, 2014).

These results changed only slightly in a study repeated in 2016, just when several key German companies were taken over by Chinese corporations (primarily the robotics leader – KUKA), which admittedly caused criticism and extensive discussion on providing greater access to German investors on the Chinese market (Popławski, 2017), but at the same time did not negatively change the perception of China in Germany. Only 44% of the total population emphasized reservations about China, while among politicians and entrepreneurs the fear of Chinese economic power dropped by about 1/4 (among politicians to 35%, while among businessmen to 34% in 2016). Yet, the Huawei study showed that **stereotypes are still strong in both societies** – when asked about spontaneous associations, Chinese respondents answered that they associate Germans with “a strong economy, the automotive industry and German character traits”. On the other hand, many Germans pointed out that China brings about associations such as “economic strength, demographic growth and Chinese food” (*Deutschland und China – Wahrnehmung und Realität. Die Huawei-Studie 2014*, 2014).

Certainly, a better perception of Chinese activities by Germans – despite the undoubted challenges of selling shares in key companies – was associated with increased access to scientific publications, as well as a wide press offer, frequent media reports and political discussions related to the BRI and Chinese activity in Europe and the world. After 2015, numerous specialist publications appeared in German and English, which presented the wide spectrum of Chinese foreign policy, including the ideas of President Xi Jinping, Prime Minister Li Keqiang, Foreign Minister Wang Yi and other representatives of Chinese political life (Ghiasi & Zhou, 2017; Schiek, 2017; Schüller & Schüler-Zhou, 2015; Stanzel et al., 2016).

It should be noted, however, that recently – mainly due to media news about the situation of ethnic minorities in China – **the positive perception of the PRC has decreased**. The study conducted in spring 2018 by the Pew Research Center indicated that more than half (54%) of Germans have unfavourable views of China, and 88% are perfectly aware of the issue of non-respect of human rights in the Middle Kingdom – this topic is indeed one of the most important points of interest of German public opinion, oriented very strongly towards the issues of democracy, rule of law, protection of human rights and ecology. Yet, it must be admitted that the general perception of Chinese people, Chinese culture and Chinese involvement in the world is positive in Germany (Wike et al., 2018b).

Without doubt, the issue of the increasing number of Chinese who come to Germany – mainly as tourists and students – has had a large impact on the awareness of both nations. **The Chinese diaspora in Germany is small in comparison to other countries**, but it has grown rapidly in recent years (Yü-Dembski, 1997). At the time of the division of Germany into two states, several thousand specialized workers (e.g. nurses) inhabited both Western and Eastern Germany (F. Christiansen, 2003; Gütinger, 1998) an area of exotic sensations or a business venture? What makes a European Chinese, Chinese? The histories of Chinese communities in Europe are diverse, spanning (among others). Following the unification of the state in 1990, the number of Chinese citizens living in the Federal Republic began to increase, reaching an official level of 143,000 by the end of 2018, of whom over 7,000 were born in Germany (*Ausländische Bevölkerung nach Geburtsort und Ausgewählten Staatsangehörigkeiten am 31.12.2018*, 2019), although their actual number is certainly higher due to illegal immigration (Giese, 1999).

Figure 4 shows that the largest number of the Chinese live in the western regions of Germany (Nordrhein-Westfalen, Baden-Württemberg or Bayern), where it is much easier to find a job, even in Chinese enterprises active in Germany. Migrants are mostly young – the average age is 32 years old (*Ausländische Bevölkerung nach Geburtsort und Ausgewählten Staatsangehörigkeiten am 31.12.2018*, 2019). The majority are people studying in Germany and taking a job there after graduating.

By the year 2000, **Chinese citizens had built the largest group of foreign students in Germany** – with 10,000 in 2002 and 27,000 in 2007. At present, the

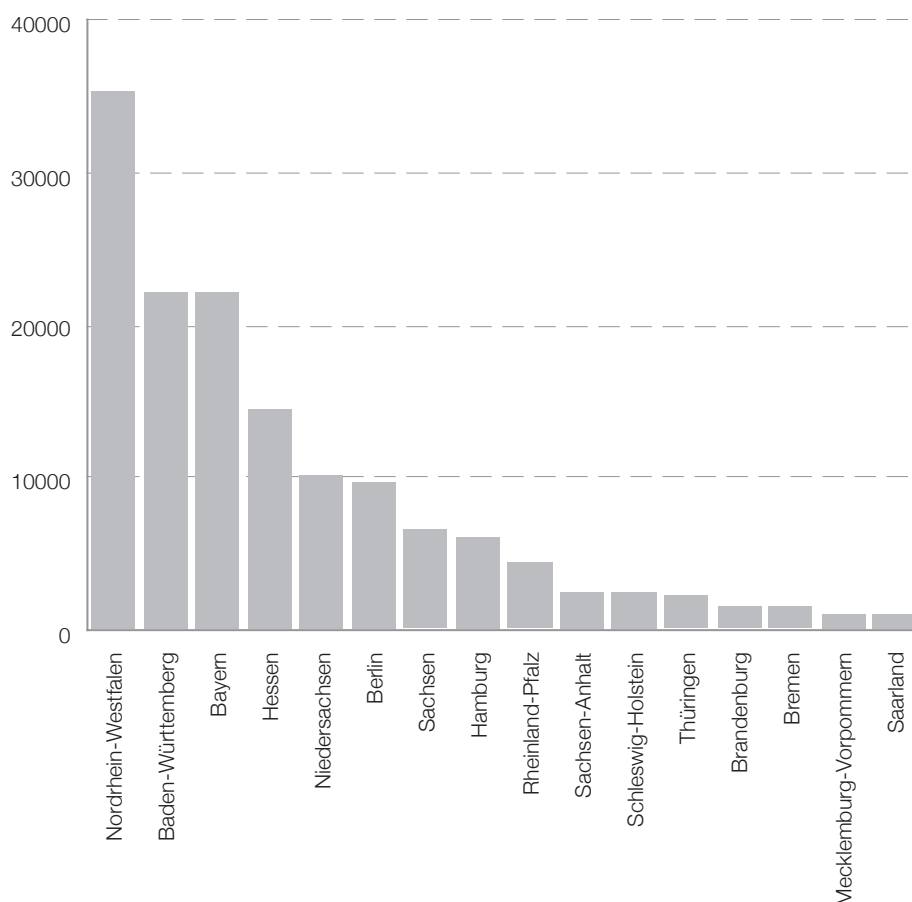
Chinese study at almost all universities in the country, although Darmstadt, Braunschweig, Heidelberg, Erlangen, Dresden, Göttingen, Jena, Ilmenau, Bernburg and Freiberg have the largest number of exchange students. Almost 43,000 Chinese nationals were enrolled at German higher education institutions in the winter semester 2018/19 (they constituted about 10% of all foreign students in Germany). At the same time, there were 8,150 German students at Chinese universities (*Anzahl der Ausländischen Studierenden an Hochschulen in Deutschland im Wintersemester 2018/2019 nach Herkunftsländern*, 2019). This **extensive academic cooperation** is possible thanks to bilateral agreements that were signed between German and Chinese higher education institutions within the framework of the “Comprehensive Strategic Partnership”, allowing a widespread exchange of students and scientists.

The academic exchange with the PRC is predominantly mediated by Deutscher Akademischer Austauschdienst (DAAD) – an organisation dealing with international student exchanges practised by German universities, which acts as an ambassador for German education, science and culture abroad. Exchanges also take place at the high school level, and the route of sending Chinese students to German schools, in which they take their final exams in Germany and enrol at university immediately after passing them, is becoming more and more popular. Two schools aimed specifically at Chinese children were set up as early as 1998 in Berlin, one financed by the city government, and the other established privately. Currently, this solution is also practised in other German cities, although most students attend junior high schools together with their German peers (*Interview with Dr. O. Franke*, personal communication, 24 June 2019).

Institutes of Chinese Studies and other academic associations with a focus on China are located in multiple German university cities (a total of 33 institutions, situated e.g. in Berlin, Hamburg, Duisburg, Kiel, Göttingen, Cologne, Munich), and some of them – like the German Institute of Global and Area Studies (GIGA) and the Mercator Institute for China Studies (Merics) – are leading European think tanks dealing with Chinese affairs.

Confucius Institutes, very active in Germany, help the countries to get to know each other as well. There are 19 of them in Germany (in Berlin, Bremen, Bonn, Göttingen, Düsseldorf, Erfurt, Frankfurt am Main, Hamburg, Hannover, Heidelberg, Freiburg, Leipzig, Munich, Nuremberg, Trier,

Paderborn, Ingolstadt, Stralsund and in the Ruhr metropolitan region), and Confucius classes are organized in selected schools too<sup>7</sup>. There are also **schools in Germany with the Chinese language as a subject**.



**Figure 4.** The number of Chinese citizens in Germany by federal state (as of 31 December 2018)

Source: own elaboration based on Statista (2019)

<sup>7</sup> <http://www.konfuzius-institute.de/?pid=kontakt>, accessed: 19.08.2019. In contrast, the Goethe Institute has only three outposts in China – at the embassy in Beijing, in Hong Kong and by the consulate general in Shanghai.

**Chinatowns, known from world metropolises, have not existed in Germany** since the so-called “Chinese action” carried out by the NSDAP in 1944 in Hamburg (Gütinger, 1998). Nevertheless, in individual cities there are clusters of Chinese communities, centred around specific companies or individual residents. Since Hamburg maintains institutionalized relations with the People’s Republic of China, there have been attempts to revive the Hamburg Chinese quarter in St. Pauli (Amenda & Hamburg, 2006). As the largest cities in Germany, Berlin and Hamburg are ahead in the number of events organized as part of bilateral cooperation, and act as connectors between the two countries. Every two years, the German-Chinese Summit “China Meets Europe” is held in Hamburg at the highest political level, while the “Asia-Pacific Weeks” take place annually in Berlin, focusing on the exchange of knowledge in the fields of business, science, culture and society.

High-level meetings are an opportunity to promote Germany among Chinese tourists, who have been visiting Germany in increasing numbers recently, often combining a business trip with a few days touring the country (so-called “bleisure”, a combination of business and leisure stay). The German Tourist Centre indicates that **in 2018 more than 3 million overnight stays were booked by tourists from China** (*Chinese International Travel Monitor 2018*, 2018), which is a significant rise compared to previous years. In 2013 there were 1.74 million overnight stays of Chinese citizens in Germany, in 2015 over 2.54 million (*Deutschland Beliebtestes Reiseland für Chinesen in Europa*, 2016). Top destinations include Berlin as the capital city, Munich with the Neuschwanstein Castle, Heidelberg because of the old town, and Trier as the birthplace of Karl Marx. According to United Nations World Tourism Organisation research, Trier was visited by over 150,000 Chinese tourists in 2017 (Smith, 2018). As the potential for Chinese travellers is growing, the German government hopes that their numbers will rise significantly in the coming years (*Tourismuspolitischer Bericht der Bundesregierung*, 2017).

Undeniably, the mounting number of schoolchildren, students, employees and tourists from China in Germany is associated with the growing level of bilateral economic cooperation, but at the same time it drives this cooperation as well, since people-to-people (P2P) contacts stimulate bilateral relations in many dimensions and enable intercultural encounters, independently of political turmoil.

## Regions in the German political system – *Bundesländer* as actors in international relations

Germany is a republic where federalism is regarded as a principle of state-structure and a fundamental part of the political system which, according to the eternity clause, is irrevocably fixed (Detterbeck et al., 2009). The German federal system determines **a more complex structure and organisation of public administration than a unitary state** – the state (*Bund*) is divided into semi-sovereign member states (Germ. *Bundesland*, Pl. *Bundesländer*). Politically, since the German reunification in 1990, the FRG is divided into 16 federal states, three of which are named city-states (*Stadtstaaten*), or cities with Land-status: Berlin, Bremen and Hamburg; and the remaining 13 states are called area states (*Flächenländer*).

The division of competences between federal authorities and the state authorities is precisely defined in the German Basic Law (*Grundgesetz*) and is based on two assumptions:

- the necessity for the state authorities to submit to the arrangements made at the federal level in matters reserved to it,
- ensuring the influence of states on the final outline of these arrangements through participation in the *Bundesrat* (a legislative body that represents the federated states at the national level) and creating a space of great freedom for shaping national affairs (including the self-government system), however with respect and compliance with the *Grundgesetz* and other general provisions (Plöhn & Steffani, 1994).

According to the jurisprudence and prevailing view of the law, the *Bundesländer* have an original state power, are parliamentary republics and thus have state quality – Article 20 of the German Constitution states clearly that the Federal Republic should be regarded as the constitutional connection of its states and is thus a federal state in the actual sense.

**The sovereignty and fundamental decision-making authority of the federal states** is based on Article 30 “Sovereign powers of the *Länder*”, which states the following: “Except as otherwise provided or permitted by this Basic Law, the exercise of state powers and the discharge of state functions is a matter for the *Länder*” (*Basic Law for the Federal Republic of Germany*, 2019). However, they differ from ordinary states in so far as their (partial)

subject-matter of international law is “derived [derivative] and non-original” from the federal government. In this regard they are given powers in foreign affairs by the Federal Constitution. Therefore, **states are able to conclude treaties with other subjects of international law**, yet, as a rule, only with the consent of the federal government and as far as they are responsible for the legislation (H. Krüger, 2009, p. 7).

The *Länder*, as legal institutions, conduct economic, social and cultural policies, and also maintain contacts with regions in other countries, establish foreign representations, become members of international organisations and associations, and sign international agreements. These permissions were confirmed in **the Lindau Agreement** of 14 November 1957, where the German federal government and the states regulated the competences of the *Länder* for the conclusion of international treaties and the transformation of federally concluded treaties with other subjects of international law (*Stellungnahme des Bundesrates zum Entwurf eines Gesetzes zu dem Abkommen vom 2. Mai 1992 über den Europäischen Wirtschaftsraum (EWR-Abkommen, 1992)*<sup>8</sup>).

At present, beyond the area where treaties are completed, political representatives of states are often referred to as partners, responsible for maintaining informal relations with foreign states, below the level of formal diplomacy (Jeffrey, 1998). In the Basic Law, there is nothing to prevent neglect of the rules of the federal order, as long as political contacts established by the federation in foreign relations are respected. With regard to foreign affairs concerning relations with political and/or administrative partners below the level of nation states, the German states have always considered themselves free from constitutional constraints. Their right to direct communication with foreign

---

<sup>8</sup> The Lindau Agreement governed cases in which an international treaty of the Federation could affect the legislative competences of the federal states and provided that, with the permission of the federal states, the federal government would be given comprehensive contracting authority for an international treaty. This led to the assumption that the federation acted on behalf of the *Länder* when negotiating or signing foreign treaties, which either partly or wholly regulated matters of their competence. In exchange for allowing the federation to act on their behalf, the *Länder* secured for themselves wide-ranging rights of participation which denied the federation the right to sign such treaties without previously securing their undisputed approval (Leonardy, 1999).

regions, provinces or autonomous communities was confirmed in a decision of the Federal Constitutional Court in 1992 (Leonardy, 1999).

Today, the *Länder* are **major players in the political decision-making process** – and this also applies to German foreign policy. Indeed, the federal states conclude many international agreements. The border states – Baden-Württemberg, Bayern, Saarland, Rheinland-Pfalz and Nordrhein-Westfalen – are particularly active in this dimension, although their potential to develop foreign activities is not the same due to the huge differences in terms of population and the size of economy (e.g. **Bayern alone would be the ninth largest state of the EU by population**). Differences also apply to the expenditure of individual *Länder* on matters related to foreign policy – for example, small and rather poor, Sachsen-Anhalt planned to spend EUR 1.6 million in 2018 on international affairs (a rise from 0.2 million in 2009) and at the same time Bayern expended EUR 14.7 million on European affairs and relations with foreign regions plus EUR 4.7 million on their bureaus in Berlin, Brussels, Prague and Quebec (*Freistaat Bayern Haushaltsplan 2017/2018 Einzelplan 02 Ministerpräsident und Staatskanzlei*, n.d.; *Haushaltsrechnung des Landes Sachsen-Anhalt für das Haushaltsjahr 2009 Gesamtrechnung*, n.d.; Nagel, 2010) n.d.; Nagel, 2010. Apart from the disparities in the size of the economies of individual *Länder*, these differences indicate their interest in and opportunities for conducting joint international cooperation, often created with the support of the government in Berlin.

At the scientific level, researchers have put a lot of emphasis on the clarification of the process the German paradiplomatic cooperation, which resulted in multifaceted theoretical approaches (Leitermann et al., 2010; Roters & Wolf, 2013). In one of the first comparative studies of the international role and activities of regions in democratic federal states, Hans J. Michelmann and Panayotis Soldatos (1990) examined the phenomenon of paradiplomacy in, among others, Austria, Germany, Switzerland and the United States, and evaluated the implications of paradiplomatic activities for the conduct of foreign policy in these countries. In a more recent analysis, Rainer J. Schweizer and Stephan C. Brunner (1998) compared the role and competences of states in Germany and Austria, considering their position and tasks within the framework of the European Union. Furthermore, Rudolf Hrbek explored the role of regions and the *Bundesrat* in German foreign policy (Hrbek, 2017),

and Christian Athenstaedt (2011) investigated the commitment to and the numerous developments in the cooperation at the national and international level to show the distribution and interlocking nature of competences of the various state actors. Moreover, the topic of town twinning projects has been developed by Leitemann et al. (2010), who assumed that the idea was derived from personal encounters in the past, but has now turned into a business and strategic thinking model.

**Table 8.** German regional partnerships with China

Region	Chinese partners (year of establishment)		
Baden-Württemberg	Liaoning (1982)	Jiangsu (1984)	
Bayern	Shandong (1987)	Guandong (2004)	
Brandenburg	Hebei (2015)		
Bremen	City of Dalian (1985)	Guandong (2004)*	
Federal State of Berlin	Beijing (1994)		
Hamburg	Shanghai (1986)		
Hessen	Jangxi (1985)	Hunan (1985)*	
Mecklenburg-Vorpommern			
Niedersachsen	Anhui (1984)		
Nordrhein-Westfalen	Jiangsu (1986)	Shanxi (1984)	Sichuan (1988)
Rheinland-Pfalz	Fuijan (1989)		
Saarland	Hunan (2006)*	Hubei (1996)	
Sachsen-Anhalt	Shanghai (2017)	Heilongjiang (2003)*	
Sachsen	Hubei (2007)		
Schleswig-Holstein	Zhejiang (1986)		
Thüringen	Shaanxi (1997)*		

\* – non-active or probably non-active partnerships (pointed out as non-active by regional officers in the survey or in cases where no information about any form of activity in recent years was found)  
Source: own elaboration on the basis of the survey (2016/2017) among all regional offices responsible for the cooperation with China, combined with Goette and Qianlan (2018, pp. 25–26) and followed by a review of official websites of German *Länder*

In the German political system, **the transfer of competences to the regions**, accompanied by the decentralization of the state, opens wide fields for a practical cooperation between regions. It complements the intensive cooperation between the governments, since one of the most important features of German regions' external relations activities, observed by Michelmann (1988, p. 30) is their complementary character. Regional authorities do not challenge the primacy of the federal government in German foreign policy, but rather try to cooperate and support it. Using the classification presented by Panayotis Soldatos (1990), we can say that **Germany follows the cooperative-coordinated pattern (regions are involved in international relations under a formal or informal coordination with the federal government)**. Germany is a very inclusive federal country in terms of paradiplomacy and the federal units genuinely participate in the country's foreign relations. Due to this fact, paradiplomacy has positive consequences for the development of the nation as a whole, and lead to the rationalisation<sup>9</sup> and democratisation<sup>10</sup> of the decision-making process in the national foreign policy (Schiavon, 2018, p. 47).

## Subnational relations between Germany and China

The German *Länder* have a great tradition of bilateral cross-border cooperation (*Grenzüberschreitende Zusammenarbeit*), which became a new phenomenon in the post-war Europe – especially in relations with France, Israel and, after 1991, with Poland as well (Bachtler et al., 2004; Giordano, 2002; *Städtepartnerschaften – Den Europäischen Bürgersinn Stärken. Eine Empirische Studie*, 2018). Since these paradiplomatic activities of the regions were fruitful, the regional authorities, out of pragmatic considerations,

---

<sup>9</sup> Rationalisation reflects the principle of subsidiarity, which means that the central government should delegate all the tasks that can be effectively performed at this lower level to the subnational level.

<sup>10</sup> Democratisation brings more plurality to decision-making in foreign policy and allows better representation of various interests.

developed consultation and coordination with foreign partners also outside the European continent (Michelmann, 1988)<sup>11</sup>.

The Sino-German cooperation started at the subnational level in the 1980s, when nine Western German regions, excluding Saarland, established partnerships with Chinese provinces and cities. After the reunification of Germany, the majority of Eastern regions followed suit.

In accordance with the data collected in 2016-2017 by the authors of this analysis, compared with the almost parallelly conducted study on communal relations by Goette and Qianlan (2018), these subnational relations look as follows: **all German Länder, except Mecklenburg-Vorpommern, reported official links with Chinese partners**, some of them with more than one (see Table 8). However, five partnerships are not active, meaning that there have been no bilateral activities in the last two years. In practice, sometimes it may be problematic to assess if a partnership is actually active or not. In the case of Thüringen, for instance, authorities responded in the questionnaire that the cooperation with the Shaanxi province is not active, although there was a visit by Chinese officials from the province in 2015 (*Chinesische Delegation zu Besuch in der Thüringer Landesvertretung*, 2015).

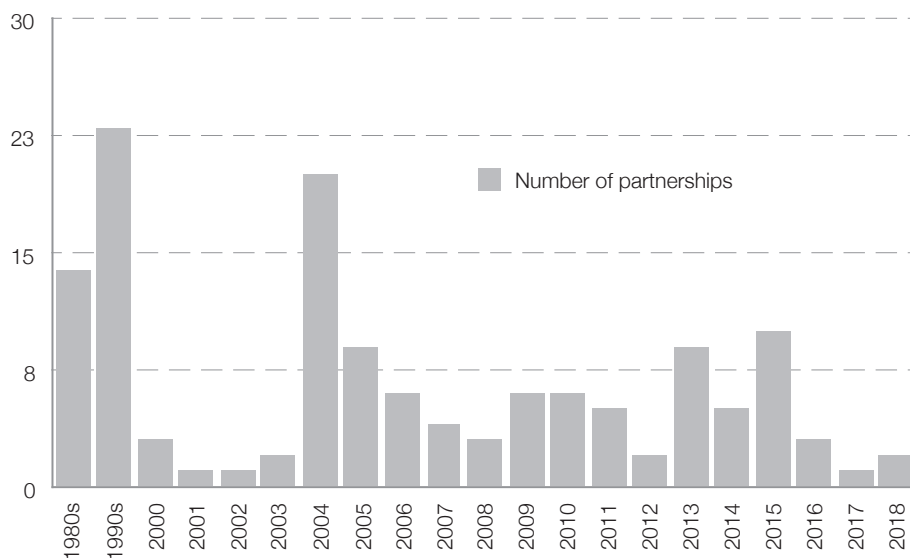
Out of 23 identified partnerships between German and Chinese regions, more than half dated back to the 1980s. **German regions have been in the vanguard of European sub-national units seeking opportunities in China**, which started to be more and more open as a result of the reforms initiated by Deng Xiaoping in 1978. Only two partnerships were established after 2010, so, contrary to some other countries analysed in this book, **the cooperation with Chinese provinces has not been launched with any relation to the Belt and Road Initiative**.

The year 2004 is important in linking subnational cooperation with bilateral contacts at the national level. At that time Sino-German relations were

---

<sup>11</sup> Since the 1990s, when the two German states were united, an enormous increase in foreign activities of the *Länder* was observed, the main goal of which being the search for new economic partners. In 1997, German embassies all over the world had to deal with a total of 584 trips by German *Länder* executives and parliamentarians. Subnational entities established 130 representations and offices abroad that aimed at investment and tourism promotion, and tried to facilitate international trade (Nagel, 2010, p. 127).

upgraded, as mentioned above, to the level of “Strategic Partnership in global responsibility” (Zhongping & Jing, 2014), and Chancellor Gerhard Schröder battled, unsuccessfully, to lift the European Union’s arms embargo against China (Kamiński, 2015, p. 137; Malzahn, 2005). In the same year, two new links between provinces and as many as 20 new partnerships at the local level (between cities) were established (in comparison, in 2003 there was only one). Nine more city-to-city partnerships were added in the year 2005 (see Figure 5).



**Figure 5.** The number of established links between German and Chinese cities

Source: own elaboration on the basis of Goette and Qianlan (2018).

It suggests that **the development of bilateral links at the national level the cooperation of subnational actors**, which means a kind of synergy with the federal policy. However, this effect was not visible in 2014 when the Sino-German partnership was upgraded to the “Comprehensive Strategic Partnership” (*Joint Declaration on the Occasion of Chinese President Xi Jinping’s State Visit to Germany from 28 to 30 March 2014: Establishment of a Comprehensive Strategic Partnership between Germany and China*, 2014).

It may mean that the hierarchy of strategic partnerships (partnership, strategic partnership, comprehensive strategic partnership...), which seems to be very important for the Chinese, is less clear and important for Western partners. The Chinese, well-known for their emphasis on formalities, use the upgrading of partnership status in order to stress the importance of key diplomatic occasions (Zhongping & Jing, 2014, p. 14). As a German diplomat confirms:

*The Chinese give great weight to the wording; for them, there's a difference between strategic, comprehensive strategic, or comprehensive and deep. In turn, on our side these subtleties are often lost (Interview with German Diplomat, personal communication, 17 April 2019).*

In 2017 there were more than **130 local actors cooperating with Chinese partners** (Goette & Qianlan, 2018). The number of partnerships between cities in different German states may indicate the intensity of links with Chinese partners. It varies significantly, from 30 in Nordrhein-Westfalen to zero in Saarland. In some regions, subnational contacts with China are flourishing, in others they barely exist. Searching for an explanation, we have looked at the economic statistics. Clearly, the greatest number of partnerships have been established in the most economically developed regions of Germany. **The number of partnerships strongly correlates with the size of the regional economy** as well as the value of exports to China (Table 9). In the first case the correlation indicator is 0.88 and in the second – 0.70.

The influence of economy on ties with China is understood particularly in the light of the fact that the economic cooperation is the most important area of German-China relations. **By 2017, China had become Germany's biggest trading partner**, just ahead of the US and France – crucial economic partners for the Federal Republic in the previous 40 years ('China Remains Germany's Biggest Trading Partner in 2017', 2018). It also resonates at the subnational level. The findings of our survey, the results presented by Goette and Qianlan (2018), as well as the interviews with regional officials clearly show that **economy and trade dominate the agenda of collaboration with China**. All regions which answered the questionnaire indicate economy as an area of cooperation – in a survey carried out among German municipalities,

**Table 9.** The number of partnerships in German regions, the size of regional economy and the value of exports to China

Region	Number of partnerships	Share of GDP	Exports to China (2017)
Nordrhein-Westfalen	30	21.20	11 187 953
Bayern	22	18.20	16 009 107
Hessen	18	8.60	3 667 175
Niedersachsen	14	8.80	4 916 000
Baden-Württemberg	11	15.10	14 746 300
Sachsen	10	3.80	5 973 661
Mecklenburg-Vorpommern	9	1.30	233 543
Rheinland-Pfalz	8	4.40	1 966 138
Bremen	3	1.00	1 320 985
Brandenburg	3	2.10	295 000*
Schleswig-Holstein	2	2.90	1 100 000
Thüringen	2	1.90	894 718
Sachsen-Anhalt	2	1.90	756 000*
Hamburg	1	3.60	5 900 000
Berlin	1	4.20	900 000*
Saarland	0	1.10	843 262*

\* – latest available data from 2016

Source: own elaboration on the basis of Goette and Qianlan (2018) and statistical data from German regional statistical offices.

76% pointed to economy and trade in the group of the four most important areas (Goette & Qianlan, 2018, p. 53).

The economisation of the dialogue might be also explained by the fact that **China is a very important trade partner and export destination for many German regions**. In Sachsen, exports to China amount

to almost 15% of all overseas sales, in Hamburg – 11%, and in Bayern, more than 8% (Table 10). This land is also the biggest exporter to China, followed by Baden-Württemberg and Nordrhein-Westfalen. Those three *Länder* account for almost 60% of German exports to China (and more than half of German GDP).

The growing importance of ties with China is clearly visible in the region of Hamburg. China is the second most important trade partner for this city with Land-status. 700 regional companies operate in China and 520 Chinese companies have offices in Hamburg (Goette & Qianlan, 2018, p. 55). China is by far the biggest partner for the Hamburg port, responsible for about 1/3 of all trade (measured in TEU), which makes this seaport the most important for German trade with China – about 50% of trade goes through Hamburg. **The case of Hamburg shows the crucial importance of collaboration between regional authorities and local partners.** For many years relations with China have been fostered by the regional office in Shanghai, run by the region of Hamburg, together with business partners (the Chamber of Commerce) as well as the Port of Hamburg and Hamburg Travel. Due to this fact, the office has stimulated not only business and trade, but also tourism, as well as an academic, educational and cultural cooperation.

Education is the second most important field of interest for subnational units. **74% of municipalities declared the development an educational cooperation with Chinese partners**, mainly in the form of school partnerships and youth exchange programmes (Goette & Qianlan, 2018, p. 54). Programmes of youth exchange started in 2006, when governments agreed to develop this form of cooperation. A decade later it became the main topic of the first meeting of the Sino-German High-Level People-to-People Dialogue to promote and support social and cultural exchange, held in Beijing on 24 May 2017. Attended by several hundred people, the meeting was co-chaired by Germany's then Foreign Minister, Sigmar Gabriel, and China's then Vice-Premier, Liu Yandong (*Deutschland und China Verstärken Ihren Jugendaustausch*, 2017).

As mentioned, the cooperation in higher education is well-developed too. German universities cooperate in research and teaching projects, as well as exchanging students and scientists with Chinese partners. The strong cooperation is to some extent coordinated by the central government, which

in 2015 published a strategy that established a political framework for collaboration (*China Strategy 2015–2020. Strategic Framework for Cooperation with China in Research, Science and Education*, 2015).

**Table 10.** German exports to China in 2017 by regions

Region	Exports to China	Total exports	Share
Bayern	16 009 107	190 695 834	8.40%
Baden-Württemberg	14 746 300	200 234 900	7.36%
Nordrhein-Westfalen	11 187 953	190 342 885	5.88%
Sachsen	5 973 661	41 257 407	14.48%
Hamburg	5 900 000	53 402 818	11.05%
Niedersachsen	4 916 000	87 820 891	5.60%
Hessen	3 667 175	63 237 179	5.80%
Rheinland-Pfalz	1 966 138	54 832 819	3.59%
Bremen	1 320 985	21 238 591	6.22%
Schleswig-Holstein	1 100 000	21 999 530	5.00%
Berlin	900 000*	15 100 000*	5.96%
Thüringen	894 718	15 157 700	5.90%
Saarland	843 262*	15 467 138*	5.45%
Sachsen-Anhalt	756 000*	14 830 000*	5.10%
Brandenburg	295 000*	13 224 000*	2.23%
Mecklenburg-Vorpommern	233 543	7 215 073	3.24%

\* – data from 2016

Source: own elaboration based on data provided by German regional statistic offices.

The significance of university cooperation is rising even in peripheral regions without major academic institutions, such as Schleswig-Holstein and Sachsen-Anhalt. Daniel Günther, the Prime Minister of Schleswig-Holstein, pointed to academic cooperation as the most important area of cooperation besides trade relations during his first international visit to China (Günther, 2018). An official from Sachsen-Anhalt also stressed the increase in the number of Chinese students:

“We currently have 350 students at the Otto von Guericke University in Magdeburg, but we expect more. Considering that there are about 14,000 students at the university in total, the group is already large. In addition, there are nearly 1,000 vocational teachers, vocational school directors, managers and members of management who attend seminars here in Magdeburg on school evaluation, school management, digitization, operations management, etc.” (*Interview with Head of International Office for Economic Development, City of Magdeburg*, personal communication, 22 May 2018)

The third most important area of cooperation is **art and culture**. Half of the subnational units in Germany some cooperation with China in this field. Many of them see it as the “catalyst and basis” for the development of economic ties (Goette & Qianlan, 2018, p. 54). Similarly to sport and education, **cultural cooperation is much better developed at the local rather than regional level**, because of the fact that cities have more competences in these areas.

The list of the most significant sectors of cooperation also suggests the crucial local partners for subnational units. In the case of Germany, **the model of the “golden triangle” or the “triple helix”** (*Interview with the Project Officer in Eurocities*, personal communication, 30 January 2019) is visible and seems to be important for successful cooperation with China. In this model, **academia, business and local/regional government build a complex network of relationships in which they collaborate dynamically**. According to one of the experts working as a facilitator of city-to-city links with China:

“And at times, they ‘take the role of the other’ by adopting new, non-traditional roles; for example, companies become educators, the university becomes more entrepreneurial and the local government – a business facilitator. In the triple helix model, knowledge does not only flow from university lab to business (the traditional ‘linear’ model of innovation): there are multiple links, flows and backflows between multiple partners that make up a complex tissue of public, private and knowledge actors.” (*Interview with the Project Officer in Eurocities*, personal communication, 30 January 2019)

The engagement of different actors brings a lot of benefits. Firstly, it increases the number of cooperation opportunities within the framework of

a partnership and makes it more attractive for both sides. Secondly, it gives flexibility and effective use of resources. For example, some degree of **joint representation can be created** and when a local government cannot take part in a meeting, it may be a local university or chamber of commerce that represents the interests of the whole city/region. Thirdly, **the broader platform of stakeholders makes the cooperation more sustainable**. Politicians tend to limit the cooperation to official visits and the exchange of letters of intent, while business partners and universities prefer to implement concrete projects (Kontinakis et al., 2019).

As for the topics covered in official contacts with Chinese partners, the results of our survey as well as the study by Goette and Qianlan (2018, p. 75) show that although economy dominates the agenda of bilateral talks, environmental issues and climate change are almost equally important. At this point, it is worth stressing **the subnational cooperation with China is also an element of the German foreign policy**. Cooperating in the area of climate-friendly and sustainable urban development has been an important area of bilateral contact for many years. Against this backdrop, the Sino-German urbanisation partnership was launched in 2013 by the German Chancellor Angela Merkel and the Chinese Premier Li Keqiang. This political project aims to support the cooperation between German and Chinese cities, through various instruments such as organising an annual Mayors Summit, study visits, etc.<sup>12</sup> The environmental dialogue with Chinese subnational units can be seen as the practical implementation of the national policy goals.

## Berlin. A case study of cooperation with China

Berlin is the capital city of Germany and with a population of over 3.7 million inhabitants it is the second most populous city of the European Union after London. The city is also one of Germany's federal states. **The state of Berlin is very active in international relations, maintaining partnerships with 17 cities from all over the world**. Except for Los Angeles, with which

---

<sup>12</sup> More information is available on the official website of the initiative: <https://www.sustainable-urbanisation.org/en>

cooperation has lasted the longest (since 1967), all of them are capitals of their respective countries.

The first official contacts with China date back to 5 May 1988, when an agreement on friendly cooperation was signed by the East Berlin city government, and its counterpart in Beijing. In April 1994, the now-united City of Berlin signed a joint declaration and a memorandum on exchange programmes with Beijing. Furthermore, there are several partnerships on the level of city districts between Berlin and Beijing (e.g. District Mitte in Berlin / Chaoyang District in Beijing) as well as cooperation agreements on specific topics such as justice (P. Schwarz, personal communication, 19 February 2018).

A broad range of stakeholders are involved in the collaboration with the Chinese. Alongside the Senate Chancellery, there are business circles (e.g. the Chamber of Commerce and Industry), universities, specific districts of Berlin, NGOs and cultural institutions.

The Berlin case is interesting because **the partnership with the Chinese goes well beyond the economic cooperation**. Petra Schwarz, the person responsible for the contact with the Chinese in the city administration, indicated that the list of topics includes urban development, traffic infrastructure, smart cities, Industry 4.0, economy, start-ups, vocational training, schools, sports, public security, justice, and health management, as well as culture and the arts. Plans are already underway for a stepped-up cooperation in the areas of tourism, climate/environmental protection, health and administration (P. Schwarz, personal communication, 19 February 2018).

One special feature of the relationship between Berlin and Beijing is **an exchange in the legal field**. This includes, for instance, training for notaries, and an exchange between the Senate Chancellery and the High People's Court in Beijing. One of the topics discussed in this context is anti-corruption measures. From 2002 to 2011 Berlin organised two-week education programmes for high-level judges and civil servants from Beijing. Later, in 2014, a seminar for judges from Beijing was held in Berlin and both cities agreed to continue the cooperation in the future (*City Partnership Beijing*, 2019).

Another important field of common interest is the educational cooperation. 18 schools in Berlin have partnerships with their Chinese counterparts (14 from Beijing). Pupils learn about the partner's culture, and schools

organise language courses. **Chinese can now be taken as a student's third foreign language in 10 schools in Berlin and as the second foreign language in another one.** As one of the coordinators of a school exchange explains: *“For our students, contact with Chinese peers and Chinese culture and language is an integral part of the holistic learning experience of teaching Chinese.”* (Rath-Kastrinogianni, n.d.)

Arts and culture are relatively new areas of cooperation, but with some spectacular results. The partner cities marked the 20th anniversary of their relations by launching an exhibition of contemporary art entitled “The 8 paths: Art in Beijing” (*Second Round Table China – SKEW*, 2017). In 2014, Berlin hosted the largest solo exhibition of the famous Chinese artist Ai Weiwei. The Chinese dissident later lived in Berlin, but in 2019 decided to leave the city with rather bitter feelings (Rodek, 2019).

Schwarz explains that exhibitions about contemporary art in Beijing and Berlin help to interconnect the artistic communities in both cities and facilitate building a better mutual understanding (P. Schwarz, personal communication, 19 February 2018).

Berlin's cooperation with Beijing is, to a large extent, a bottom-up initiative, without many links with national and European relations with China. Nowadays, all the activities with Chinese partners are financed from Berlin's own funds. As Schwarz stressed:

“European funding programs exist but do not play a role in the city partnership. The European Union plays no concrete role in our specific cooperation with China.” (P. Schwarz, personal communication, 19 February 2018).

When asked about the attitude of the central government towards regional cooperation with Chinese partners, Petra Schwarz underlined that although the central government defines the general strategy of international relations, German federal states have a lot of independence in forging their own partnerships with cities and regions around the world. Interestingly, the relations with China at the governmental level have no direct influence on the Berlin cooperation with Beijing, but she thought they might indirectly benefit from the good bilateral relations at the national level (P. Schwarz, personal communication, 19 February 2018).

The case of Berlin shows that cooperation with Chinese partners can go well beyond economy and business. People-to-people relations with China, built on school or cultural exchanges, may also be successfully developed by the local government, despite different political systems. The analysed case shows that **sub-state relations with China might contribute to the EU strategic goal to strengthen P2P links and attract more Chinese students and tourists** who “would contribute to fostering inter-cultural dialogue and promoting cultural diversity and civil society participation”. **In this context, the fact that the EU is in no way engaged in the development of subnational links with China might be a significant omission.** To implement its strategy, the EU should cooperate more closely with subnational actors.

## Conclusions

The investigation indicates that German-Chinese relations – although they have been going on continuously for almost 50 years – have been mainly based on deepening the economic in recent times. This is particularly evident in the past three years, when the FRG and the PRC have been key economic partners for each other. At the same time, an increasingly extensive and multi-dimensional cultural exchange is taking place, based on progressive social contacts (e.g. student exchanges or tourism). These intense socio-economic relationships are both the result and cause of increasing cooperation at the regional level, which is supported by the federation.

According to the results of the analysis, all German states (with the exception of Mecklenburg-Vorpommern) have established a partnership with at least one Chinese province in the last 40 years. Contrary to the situation in some other countries in Europe (e.g. Poland or Spain), subnational links with China had been established in Germany well before the Belt and Road Initiative was launched in 2013. More than half of the partnerships between German and Chinese regions date back to the 1980s.

Besides regions, also local communities – particularly cities – are developing links with their Chinese counterparts. In 2017, there were more than 130 local actors cooperating with China. The data show a strong correlation between the share of GDP, the level of exports to China and the number of

partnerships established by the individual *Länder*. In the regions which have an extensive network of links with the PRC's provinces, there are usually factories producing cars, machines, and electronic equipment, as well as medical and technical equipment, that are the main export goods of Germany. For many regions, China is a very important trade partner even accounting for more than 10% of exports. Bayern, Baden-Württemberg and Nordrhein-Westfalen have the strongest trade links with China. They comprise almost 60% of German exports to China.

Without a doubt economy remains the key area of collaboration, but issues such as school education, higher education, urbanization and environment, as well as climate change, play an increasingly important role. *Länder* are gradually more interested in cooperation in the field of education and the reception of Chinese students. The number of Chinese students at German universities is increasing and local authorities are involved in attracting new ones.

The growing intensification of contacts is possible thanks to the tripartite involvement of local authorities, universities and businesses. This so-called “triple helix” forms the basis for the construction of comprehensive relations, enabling the identification of fields of cooperation, the possibility of political support for their development, and the creation of a theoretical and practical framework. The school sector in which German and Chinese students are educated together also allows for the building of consensus, a common experience as well as *guanxi* – invaluable in contacts with the Chinese side.

The growing dynamics of the dialogue with Chinese subnational units creates opportunities for the national government in Berlin as well as for the EU. Regions and cities may help with the practical implementation of the national as well as European policy goals towards China in low policy areas such as environment or people-to-people dialogue. **The German government does communicate with regions, trying to formally and informally coordinate their activities. However, the question to what extent the federal government uses subnational actors as instruments of its foreign policy, remains unanswered.** In the case of the EU, we have not found any activities aiming at making political use of the growing network of communal partnerships with China.



# CHAPTER 3

## ITALY

**Tomasz Kamiński, Michał Gzik**

<http://dx.doi.org/10.18778/8142-517-9.04>

### Introduction

Italy's policy towards China has visibly changed over the years. From reluctant, mercantilist, perceiving the invasion of cheap Chinese products as a threat to jobs and the standard of living (Fox & Godement, 2009), Italy has moved to a much more open and positive stance. Aspiring to become the end destination of the 'Maritime Silk Road', Italy signed up to the Belt and Road Initiative (Zaneli, 2019) and became a member of the Asian Infrastructure Investment Bank (AIIB). Together with the strengthening of bilateral relations through a number of high-level visits and various cooperation initiatives at the national level (Godement & Vasselier, 2017), the Italian government gave the green light also to developing regional links with China.

The aim of this chapter is therefore to analyse how Italy cooperates with China at the substate level. The authors try to highlight the background to the bilateral relations and then characterize subnational links, answering a number of questions: What are the main areas of cooperation with Chinese partners at the subnational level? What are the benefits and obstacles? What are the forms of Italian cooperation with China and how have they been transformed in recent years?

This research is based on an in-depth literature review, statistical data gleaned from a survey of all 20 regions in Italy, and a face-to-face interview conducted with an official from the Umbria regional authority. The survey was conducted in the last months of 2016 and the beginning of 2017. We collected data from 16 out of 20 Italian regions. The questionnaire was distributed in a paper version, as well as an electronic one to regional authorities (identified units responsible for international cooperation). We followed up the questionnaire distribution with telephone calls, to increase the number of responses.

The chapter consists of four main sections. The first concentrates on a description of the political, economic and social relations at the interstate level. The second briefly discusses the position of Italian regions as policy actors in international relations. The third part presents the outcomes of the survey and characterizes Italian subnational relations with Chinese counterparts. The final section, which is a case study of the Umbria region and its cooperation with China, is followed by concluding remarks.

## **An overview of Sino-Italian relations**

After Chairman Mao Zedong's proclamation of the People's Republic of China in 1949, all Italian diplomatic offices in China were closed. However, the Italian government remained open to extending recognition to the People's Republic of China in order to continue the diplomatic relationships. **The normalization of political and economic relations started in the mid-1960s.** The Minister of Foreign Affairs of the Italian Republic declared that "it was not a question of whether Italy should recognize the Beijing government [...]. It was only a question of when and how that recognition should take place" (Coralluzzo, 2008, p. 6). In 1969, Italy announced its intention to recognize the People's Republic of China. Finally, an agreement recognizing of the PRC was signed on November 6, 1970 and one year later – in October, the government of the Communist Party of China was admitted to the United Nations thanks, among others, Italy's vote.

Thus, Italian relations with China entered a new stage. A number of bilateral agreements were signed in the fields of military, trade, business,

technology and culture. In the mid-1980s, the Italian Republic, behind the West Germany, became **the second largest Chinese trading partner in the European Community** (Coralluzzo, 2008, p. 9). In 1986, a bilateral consular convention was signed, which was the first such agreement signed by China with a Western European state. In the same year, the first official visit of an Italian Prime Minister to China took place (Coralluzzo, 2008, p. 9). As a result of the Tiananmen Square massacre in spring 1989, Italy implemented sanctions ordered by the European Council (Crossick & Xiaobin, 2007). A few weeks later, a new Italian government decided that limiting relations with China was a mistake and called for the renewal of cooperation as soon as possible.

Political reconciliation was accompanied by the development of economic relations. At the beginning of the new millennium, Italian exports to China became the second largest in Asia, just behind Japan (Coralluzzo, 2008, p. 14). The dynamics of trade relations, however, started to be perceived as less and less favourable for the Italian side. Andornino (2012) called the Sino-Italian relationship “**asymmetrical competition**” because of the protectionism that allowed China to dominate the market in many sectors due to the competitiveness of their goods. For example, in the years 2001-2010, the Italian share of the global textile market fell from 8.70% to 6.62%, while in China in the same period it increased from 18.62% to 36.74% (Andornino, 2012, p. 90).

In contrast to other countries, such as the USA, France or the United Kingdom, Italy concentrated almost exclusively on the economic sphere in relations with China because they did not have any strategic interests in Asia. Political and security problems were less important, however, it is worth noticing that **during the discussion about lifting the arms embargo on China, Italy was in favour of such a political gesture towards Beijing** (Coralluzzo, 2008, p. 16). Sisci critically assessed the Italian foreign policy of that time stressing that “Italy has no foreign policy towards China or any other Asian country. It has only prejudices – positive and negative, but still prejudices” (Sisci, 2009). Italian right-wingers protested in defence of Italy’s small and medium-sized enterprises beleaguered by Chinese competition. Those on the left feared that workers might lose their jobs to China and blamed Beijing for low social security and practically no environmental protection standards.

The weakness of political links with China might be illustrated by the **low number of official visits paid by Italian prime ministers to this country**. Since 2001, nine Italian prime ministers have made only seven official visits to China (see Table 11).

**Table 11.** The overview of official visits of Italian prime ministers to China

Prime Minister	Term of office	Tenure	Number of visits to China	Year(s) of visit
Giuliano Amato	2000-2001	1 year 47 days	1	2001
Silvio Berlusconi	2001-2006	4 years 340 days	1 (as the European Council President)	2003
Romano Prodi	2006-2008	1 year 357 days	1	2006
Silvio Berlusconi	2008-2011	3 years 192 days	0	-
Mario Monti	2011-2013	1 year 163 days	1	2012
Enrico Letta	2013-2014	300 days	0	-
Matteo Renzi	2014-2016	2 years 294 days	2	2014 and 2016
Paolo Gentiloni	2016-2018	1 year 171 days	1	2017
Giuseppe Conte	2018-now	Incumbent	0	-

Source: own elaboration

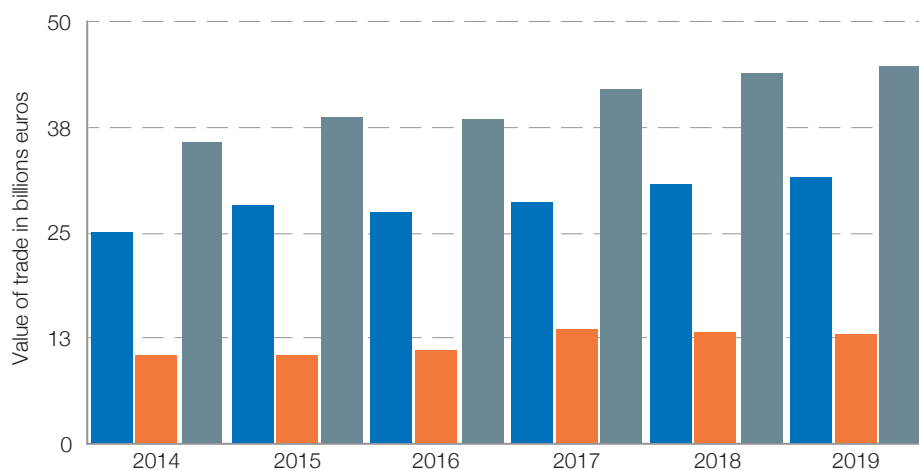
One of our interlocutors put it bluntly:

“Until the time of Mario Monti’s reign, nobody was interested in China. Berlusconi did not visit the country. Monti, only once. It was a time of distrust, caused by many factors” (*Interview with the Manager of the International Cooperation Office of the Umbria Region, personal communication, 21 September 2017*).

Political relations started to intensify after Xi Jinping took power in 2013. It might have been linked with the greater openness of China, and the Belt and Road Initiative, but also with the changing mood in Rome. **The policy based on distrust was replaced by a much more positive approach, driven**

**by hope for economic benefits of collaboration.** It is worth noticing that since Xi Jinping came to power in 2013, the government in Italy has changed five times and almost all of them wanted a close cooperation with China (Le Corre & Alfonsi, 2019).

Economic relations with China have visibly intensified in recent years due to the demand of the Asian state for Italian goods. In 2017, Italian exports increased by over 20% compared to the previous year. Machinery, nuclear reactors, boilers and vehicles account for as much as 36% of total exported goods to this country (*Italy Exports to China*, n.d.). In five years between 2014 and 2019 bilateral trade rose by about 25%. It makes China the largest Italian trading partner on the Asian continent. Although Italian exports have visibly increased, the trade deficit remains huge. In 2019 the gap was over 40% (see Figure 6).



**Figure 6.** Sino-Italian trade from 2014 to 2019

Source: own elaboration on the basis of Eurostat

Apart from the growing trade, one can notice **Chinese investment expansion in Italy**. It has received about 23 billion dollars from Chinese foreign direct investment (FDI), making it the **third largest recipient in Europe**<sup>13</sup>. The Italian government counted on even more when, despite the protests of

<sup>13</sup> For example Chinese ChemChina took control of the famous Pirelli (Le Corre & Alfonsi, 2019)

Donald Trump's administration, it decided to declare participation in the China's BRI as the first of the Group of Seven (G7) in March 2019. The decision to sign the memorandum about Italy's accession to the BRI also shows Italian opposition to the increasingly rigorous EU policy towards China, in which the European Commission considers the People's Republic of China as a strategic competitor in the economic arena (Bogusz et al., 2019). The memorandum does not imply binding commitments from the Italian side, but it can be understood as the beginning of an even closer cooperation in the future. In order to improve the quality of cooperation, the Italian government created the China Task Force (operated by the Ministry of Foreign Affairs), which is responsible for maintaining bilateral relations with China, especially at the economic level (*Italy's Ministry of Economic Development Launches Task Force China*, 2018).

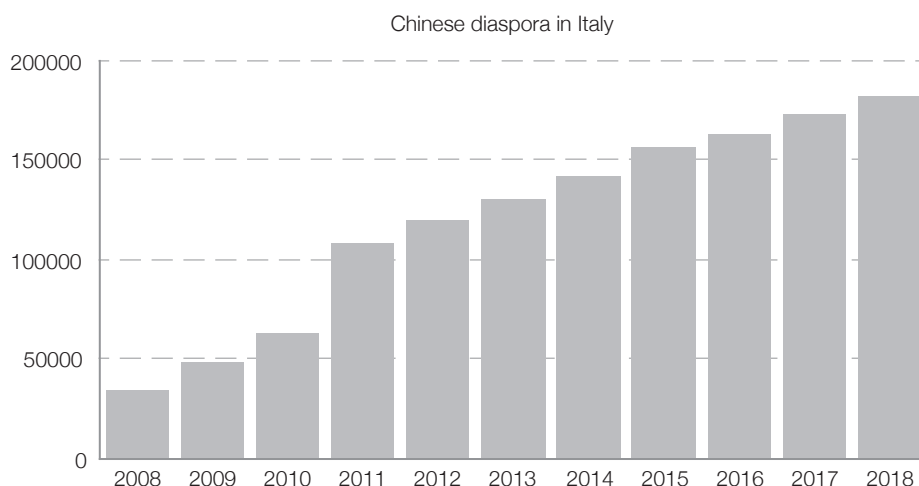
The development of relations with China has occurred despite the **rather unenthusiastic approach of the Italian society**. According to Eurostat, in 2018, 54% of Italians had a negative perception of such relations, with only 37% having a positive approach. At the same time there is a constant rise of the Chinese diaspora in Italy. **The number of long-term Chinese residents increased fivefold between 2008 and 2018, reaching more than 180 thousand people**. This is the biggest number in Europe – 30% of long-term Chinese residents in the EU live in Italy. For example, Spain, as the second largest European country in terms of the Chinese diaspora, recorded more than 50 thousand fewer people in 2018.

## Competences of regions in the Italian foreign policy

For several decades after the Second World War, Italian regions carried out foreign activities on their own initiative and without explicit legal limits. It was the Constitutional Court, which tried to set a balance between central government prerogatives and the regions' external actions<sup>14</sup>.

---

<sup>14</sup> See, in particular, the Italian Constitutional Court's landmark decision no. 179/1987 and judgements no. 250/1988, 737/1988, 256/1989, 26/1994, 564/1988,



**Figure 7.** The number of long-term Chinese residents in Italy (2008-2018)

Source: own elaboration, based on data from Eurostat.

**The constitutional reform of 2001 reconfigured the relationship between the state and the regional administrations.** Art 117 of the Italian Constitution expressly reserves the foreign policy for the state. As Palermo (2007) explains: “all external activity performed by a Region can be interpreted as a potential violation of the unity of national foreign policy. Thus, the constitutional limitation should be read as preventing regions from undertaking foreign policy activities that run counter to the state’s foreign policy.”

The state overrides the regions, having the right of exclusive legislation. However, some duties are given to the regions, granting them the right to implement their own laws. Confirmation can be found in the same article:

“regulatory powers shall be vested in the State with respect to the subject matters of exclusive legislation, subject to any delegations of such powers to the Regions. Regulatory powers shall be vested in the Regions in all other subject matters.”

---

739/1988, 924/1988, 276/1991, 472/1992, 124/1993, 204/1993, 251/1993, 290/1993, 212/1994, 332/1998, 427/1998.

The last two paragraphs of this article directly determine the competence of Italian regions to establish an autonomous foreign policy:

“in the areas falling within their responsibilities, Regions may enter into agreements with foreign States and local authorities of other States in the cases and according to the forms laid down by State legislation.”

The national law on the implementation of the constitutional reform, adopted in 2003, limits the regions’ power to sign international treaties to activities “aimed at promoting regional economic, social and cultural development”<sup>15</sup>. It is forbidden to conduct any foreign regional policy that could expose the security or interests of the state and oblige the state legally or financially, which could be unfavourable to it. In practice, it works in such a way that regions cannot sign treaties with third countries, but only implement the arrangements for international agreements previously signed by the state and agreements of a technical and programmatic nature. **Regions are not entitled to make agreements of a political nature on their own or on their behalf** (Palermo, 2007).

Although the Constitution of the Italian Republic has normalized the division of competences between the two tiers of public administration, in practice the regions are very limited in their foreign policy, because their actions on the international arena may be objected to by the state due to the above-mentioned issues. Thus, the success or failure of regional authorities in shaping their own policies depends, to a large extent, on their relations with the authorities at the central level.

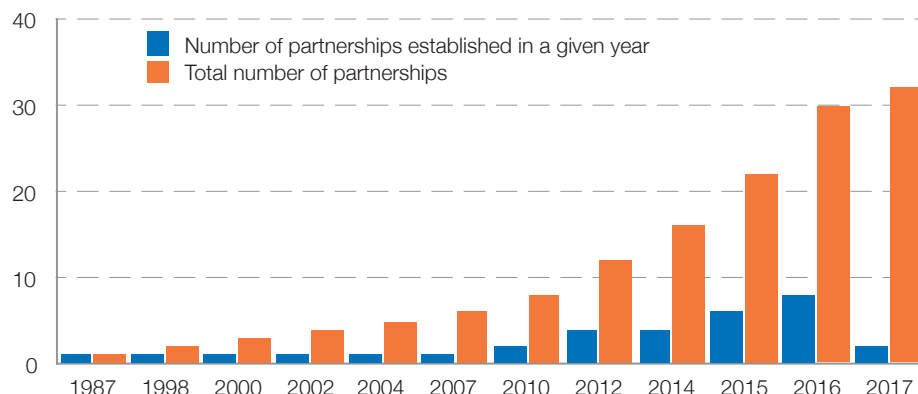
## **Regional relations with China – empirical findings**

The first official partnership between Italy and China was established in 1979 between the cities of Milan and Shanghai. It was followed by contacts launched by other cities such as Venice and Florence. The first regions started cooperation with China later. The longest lasting relations were reported by Veneto,

---

<sup>15</sup> Art 4 of Law no. 131/2003

ongoing since the 1980s (with the province of Hebei). Importantly, **out of the 32 Italian partnerships with China identified in the survey, only two existed before 2000**. Six partnerships were established in the first decade of the 21<sup>st</sup> century and the remaining 24 were concluded after 2011.



**Figure 8.** The number of partnerships between Italian and Chinese regions

Source: own elaboration

The data show that **many partnerships between Italian and Chinese regions are relatively recent** – they have lasted for no more than a few years. It can be associated with a change in the government policy towards China as well as the “green light” to developing international contacts that Xi Jinping gave to provinces within the framework of the BRI.

“The situation started to change in 2012 and 2013. Not only on our side, but also on the Chinese one. The pivot means opening up for the Chinese market which was concurrent with Xi Jinping’s coming to power” (*Interview with the Manager of the International Cooperation Office of the Umbria Region, personal communication, 21 September 2017*).

As a result of this greater opening to collaboration, the majority of Italian regions set up partnerships with Chinese entities. In 2017, when we conducted our survey, 11 out of 16 examined entities<sup>16</sup> declared cooperation with partners from China. Among the five regions which did not cooperate with China

<sup>16</sup> We did not manage to receive information from 4 regions.

in 2017, four (Calabria, Basilicata, Abruzzo, Molise) had not had prior contact, but were interested in future cooperation. In addition, Calabria was in consultations in 2017 with a potential partner from China which later materialised in a tourism agreement (Xuan, 2018). The last of the non-cooperating regions, Aosta Valley (Vallée d'Aoste), had had earlier contacts with the Jilin province.

**Table 12.** The list of Italian regions by GDP (2016) collated with the number of partnerships with China

No.	Name of region	GDP (2016)	Share of Italian GDP	Number of Chinese partners
1	Lombardy	366541	21.83%	3
2	Lazio	185935	11.07%	2
3	Veneto	155515	9.26%	4
4	Emilia-Romagna	153997	9.17%	2
5	Piedmont	129322	7.70%	no data
6	Tuscany	112239	6.68%	no data
7	Campania	106753	6.36%	3
8	Sicily	86998	5.18%	3
9	Apulia	72406	4.31%	1
10	Liguria	48287	2.88%	5
11	Trentino-South Tyrol	41104	2.45%	no data
12	Marche	40988	2.44%	2
13	Friuli-Venezia Giulia	36935	2.20%	no data
14	Sardinia	33556	2.00%	1
15	Calabria	33054	1.97%	0
16	Abruzzo	31959	1.90%	0
17	Umbria	21341	1.27%	6
19	Basilicata	11782	0.70%	0
20	Molise	6233	0.37%	0
21	Aosta Valley	4436	0.26%	0

Source: own elaboration on the basis of Eurostat and project survey

Analysing the economic potential of those surveyed regions it seems quite clear that **all of the most developed provinces collaborate with China**. Those which have no Chinese partners include the smallest and economically least developed regions of Italy (see Table 12).

As for the areas of cooperation, regions usually pointed out a few in the case of every partnership. **Besides the most common economic cooperation, many regions develop contacts in higher education, sport and tourism, environment and rural development** (see Table 13). Surprisingly, only the region of Puglia reported cooperation in the area of general education. It contrasts with e.g. German regions, where this domain of collaboration is much more important.

**Table 13.** The areas of cooperation of Italian regions with Chinese partners

Areas of cooperation	Number of responses
General economy	8
Higher education and research	7
Sport and tourism	6
Agriculture and rural development	5
Environment	5
Culture	4
Administration and region management	3
Municipal economy	2
General Education	1
Health and public policy	1
Number of regions answering the question	10

Source: own elaboration on the basis of the survey

We also asked if other local entities from a given region are engaged in the cooperation with the Chinese partners. Most respondents named universities as local partners, as well as businesses and city authorities (see Table 14). Similarly to the other examined countries, **in the case of Italy the model of the “golden triangle” or the “triple helix” seems to be important** (*Interview with the Project Officer in Eurocities*, personal communication, 30 January 2019).

In this model academia, business and local/regional government build a complex network of relationships in which they dynamically collaborate.

Interestingly, four regions indicated educational institutions as partners, which may mean that educational collaboration with China is not limited only to Puglia, as was suggested by the response to another question.

**Table 14.** Local partners for Italian regions engaged in cooperation with China

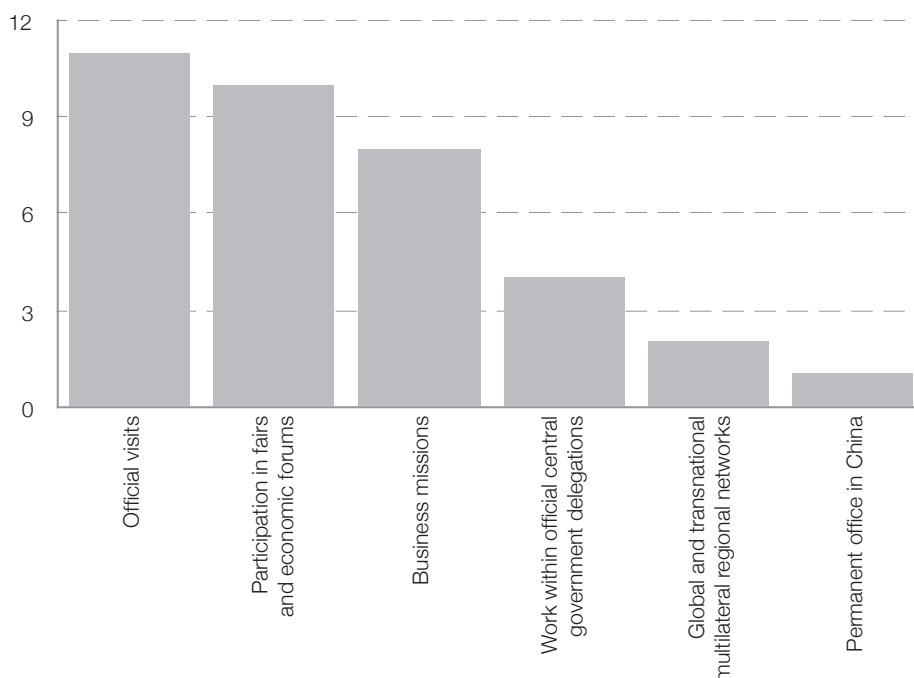
Local partners	Number of responses
Universities	8
Business partners	6
City authorities	5
Cultural institutions	4
Educational institutions	4
Other local self-government units	2
No local partners	2
NGOs	1
Number of regions answering the question	10

Source: own elaboration on the basis of the survey

As for the forms of cooperation with the Chinese partners, “official visits” were, not surprisingly, mentioned in all cases. That is by far the most common form of contact in all the analysed countries. Regions usually also collaborate through participation in fairs and economic forums, as well as organising business missions to China (see Figure 9).

**The Marche Region has the only permanent office in China.** The Representative Office in Shandong was set up in 2012 and is dedicated to “the development of international relations and institutional relations between China and the Marche Region in order to structure an efficient platform facilitating the business development for companies from China and Italy” (*LinkedIn Profile of Project Manager in Italy Marche Region Office in China*, n.d.). Interestingly, according to the Italian Statistical Office (ISTAT), Marche is one of the less important regions in terms of Italian GDP (only 2.4%) as well as exports (2.6%)<sup>17</sup>.

<sup>17</sup> Data from 2016 (GDP) and 2017 (exports).



**Figure 9.** The forms of Italian regions' cooperation with Chinese partners

Source: own elaboration on the basis of the survey

The reason why other regions do not have offices in China was explained by an official in Umbria who claimed that there are government instructions which block opening offices abroad:

“There are regulations that prevent the creation of regional offices abroad. There was a time when regional authorities opened a lot of their offices (...) But in 2013 a ban was introduced, limiting the emergence of these offices. This was one of the last provisions introduced by the government of Silvio Berlusconi”  
*(Interview with the Manager of the International Cooperation Office of the Umbria Region, personal communication, 21 September 2017).*

What is also interesting, regions (apart from Campania) do not cooperate with NGOs. The situation is similar in the other analysed countries – only about 10% of the regions indicate NGOs as partners. It is probably a result of

the Chinese political system which does not create a friendly environment for non-governmental entities:

“We do not cooperate with non-governmental organisations. Not in connection with China. In all other cases yes, but not with China” (*Interview with the Manager of the International Cooperation Office of the Umbria Region, personal communication, 21 September 2017*).

Asking about the main benefits of the cooperation with Chinese partners we expected that regional officers would concentrate on economic aspects. Indeed, in the case of Italy, **economic benefits** are important, but **cultural promotion** was indicated almost as often (see Table 15). It might suggest that cultural exchange at the regional level has been an important part of bilateral relations. It was confirmed by stressing the significance of cultural cooperation also at the national level during president Xi Jinping’s visit to Rome in 2019 (‘China, Italy Facilitate More Cooperation in Culture and Tourism’, 2019).

**Table 15.** The main benefits of collaboration with China indicated by Italian regions

Benefits	No. of responses
Trade development	8
Cultural promotion	7
Better position for business	7
Tourism promotion	7
Exchange of experience	7
Attracting Chinese investment	6
No benefits	1
Number of regions answering the question	10

Source: own elaboration on the basis of the survey

In the case of Italy, the promotion of culture is closely related to **attracting Chinese tourists**. Italy, with its long history and rich cultural heritage, has become one of the top destinations for Chinese tourists. Even if it

had problems with attracting the Chinese in the past (Corigliano, 2011), in 2018, Italy ranked second after Russia and was far ahead of Britain, France and Germany (Mei, 2019). The unique Italian culture and rich history are cited as the main factors luring Chinese tourists (Mingjie, 2016). Most Chinese tourist visits were recorded in Veneto (785,000), followed by Tuscany (670,000) and Lombardy (554,000). It is worth noting that four regions which do not cooperate with China (Basilicata, Aosta Valley, Abruzzo, Calabria) are also the last in the ranking of numbers of Chinese tourists, with fewer than 2,000 a year (*Number of Chinese Tourist Arrivals in Italy by Region 2017, 2018*).

**Table 16.** The main obstacles in cooperation with Chinese partners indicated by Italian regions

Obstacles	No. of responses
Cost	5
Distance	4
No obstacles	4
Language barriers	3
Cultural differences	3
Low commitment of the Chinese partner	1
Low commitment of the local partners in your region	1
Number of regions answering the question	10

Source: own elaboration on the basis of the survey

The last question in our survey regards the main obstacles in cooperation with Chinese partners (see Table 16). Similarly to regions in other countries, Italians indicated **costs and distance**. In comparison with other countries, **a surprisingly high number of Italian regions declared that they see no obstacles in relations with China**.

For some regions also cultural differences and language barriers matter. An Umbrian official stressed that cultural differences have hindered mutual understanding and negotiations:

“Negotiations with the Chinese are very difficult, and the relationship is very complicated. Even if there is a lot of enthusiasm and approval on their side, cultural differences still divide us” (*Interview with the Manager of the International Cooperation Office of the Umbria Region*, personal communication, 21 September 2017).

Language barriers may any deeper discussion almost impossible and meetings do not go much beyond simultaneously translated formal exchanges. These problems, which were reported by the European regions, are similar to the problems appearing at the EU level in dialogues with China (Dąbrowski et al., 2018).

## The case of Umbria

Umbria is a region in central Italy. The largest city and capital of the region is Perugia, with 150,000 inhabitants. The region is famous for medieval towns such as Assisi and Orvieto, as well as for its cuisine and the production of olive oil, truffles, and wine.

**Umbria cooperates with several Chinese partners, both provinces and cities** (see Table 17). The first contact began in 1997 on the initiative of the Chinese side between a small town in Umbria and Changning, which later became a district of Shanghai. The beginnings of the next partnership date back to 2006. Establishing cooperation was the response of the Umbrian authorities to the investment of an automotive company from Umbria in the province of Shantung. In both cases, the partnerships were then renewed in 2016 and 2012, respectively. Contacts with other partners (Yunnan, Chongqing, Zhangjiajie, and Hunan) were established after 2014.

Umbria's partnerships in China are based on the activities of different local entities and cooperation with the Italian embassy and consulates. In the case of Shantung, cooperation was initiated because of the needs of the local automobile company. **Regional authorities supported business relations but, on the other hand, also used them to develop cooperation in other fields.** Partnerships with Yunnan and Chongqing were built on the basis of **existing academic agreements**

with the University for Foreigners of Perugia (Università per Stranieri di Perugia).

**Table 17.** The list of Chinese partners of the Umbria Region

No.	Province/City	Status of the Chinese partner	Beginning of cooperation	Agreement/no Agreement	Active/not active
1	Changning	District of Shanghai	1997	agreement	active
2	Shantung	Province	2006	agreement	active
3	Yunnan	Province	2015	agreement	active
4	Chongqing	City with a provincial status	2015	agreement	active
5	Zhangjiajie	City in Hunan province	2016	agreement	active
6	Hunan	Province	2017	no data	active

Source: own elaboration

The latter case is also a good example of the **impact of central government activities on regional cooperation**. When Italy opened a consulate in Chongqing in 2014, the existing academic cooperation facilitated this process and Umbria used this opportunity to develop relations with the city of Chongqing.

“And precisely through this facility, the Italian side was able to establish new relations with China. We – as the only region in Italy – supported this initiative of the Ministry of Foreign Affairs. Also, because we already had a stabilized university structure there. Our Institute of Cultural Anthropology had kept in touch with the universities of Sichuan and Chongqing. It was the starting point” (*Interview with the Manager of the International Cooperation Office of the Umbria Region*, personal communication, 21 September 2017).

In 2012 a political opening towards China was initiated in Italy, symbolised by the first visit of the Italian PM to Beijing since 2006. In the same year, Umbria took part in a project by the Italian MFA, whose aim was to establish regional partnerships in specific areas. The Umbria region participated in a programme supporting the development of cooperation in tourism, protection of cultural heritage, and the supervision of food quality.

For the local-government authorities, the **promotion of the region through culture** is an important goal of the cooperation with China. Regional authorities very actively encourage Chinese people to visit Italy through organising special editions of flagship festivals in Chinese cities ('Umbria Jazz Fest Travels to China', 2017).

"In 2017, we completed all the formalities related to two projects in China. The first one is the Festival dei Due Mondi from Spoleto, the second one is Umbria Jazz. These two festivals are our flagships. Umbria Jazz, although it does not (usually) fit into the popular tastes of the Chinese audience, has already achieved great success there" (*Interview with the Manager of the International Cooperation Office of the Umbria Region*, personal communication, 21 September 2017).

The Umbrian authorities assume that people taking part in music events in China are more likely come to see the "original" festival in Italy.

Umbria also focuses on religious tourism, because of the city of Assisi – the birthplace of St. Francis, who founded the Franciscan religious order. This place, important for Catholics, attracts about 4 to 5 million visitors from all over the world (*Assisi, Italy*, n.d.). China, with about 12 million Catholic population, is a target of these promotional activities. In 2017, Umbria was visited by more than 89,000 Chinese tourists, which made it the sixth most popular among all the Italian regions (*Number of Chinese Tourist Arrivals in Italy by Region 2017*, 2018).

The desire to reach as many potential tourists as possible and to promote flagship regional festivals in China determines the shape of the network of partnerships in China. Instead of concentrating on extending relations with one partner, like the vast majority of European regions, the **Umbrian authorities intend to build a wide net of cooperation with Chinese provinces.**

Widespread activities in China are costly and the Umbrian regional government has limited resources for international cooperation and no separate budget for cooperation with China. Consequently, it has to very actively and successfully search for different sources of funding; according to a local official, regional funds cover only about 15-20% of expenditures on cooperation with China (*Interview with the Manager of the International Cooperation Office of the Umbria Region*, personal communication, 21 September 2017). The delegations to China are paid for from their own resources. Larger events are co-financed by local entities, such as universities, Italian or Chinese sponsors, or funds from Chinese partner provinces. The region also uses funds for the promotion of Italy in China (these are generally funds from EU programmes).

When asked about the main obstacles to regional cooperation with China, an Umbrian official indicated **cultural differences and Chinese bureaucracy**. Despite the commitment and willingness to cooperate on the part of the Chinese partners, bureaucracy and cultural differences hinder the dialogue, and even the organisation of cultural events. Cooperation with local entrepreneurs already present in China is one possible solution, mainly because they can use their contacts and experience.

“That is why—this is what it looks in my experience—it is best to organise something with entrepreneurs who are there and can find Chinese partners. It is a completely different model of action than in all other countries with which we cooperate” (*Interview with the Manager of the International Cooperation Office of the Umbria Region*, personal communication, 21 September 2017).

To sum up the Umbrian case, it is worth stressing the key element visible in all the activities of the region – **pragmatism**. The regional authorities cooperate practically with a wide array of partners: from the national government, through academia, business and local partners, engaging 10 different Umbrian self-governmental entities in collaboration. They identify their **regional strengths and niche opportunities** (such as sacral tourism and jazz festivals) and put them at the centre of all their activities in China. Finally, they cool-headedly assess the activities undertaken together with the Chinese, having in mind that some of them might not be successful.

“I think that at least half of the actions we have already taken will be established. But this selection takes place in a natural way. Projects that do not produce the results expire naturally” (*Interview with the Manager of the International Cooperation Office of the Umbria Region*, personal communication, 21 September 2017).

Taking into account the fact that pragmatism is greatly admired in Chinese culture and policy practice, the Umbrian approach seems wise and might be recommended as good practice for other regions.

## Conclusions

The paradiplomacy of Italian regions is marked by a high dynamic. Enabled by the constitutional reform from the year 2001, which defines the division of competences between the state and the regional administrations, Italian substate entities started to be more and more active in the international sphere.

In cooperation with China, most of the partnerships are active and relatively short-lasting. The vast majority were established after 2012 when the Italian government changed its cautious and unenthusiastic China policy towards a much more open approach. Regions followed suit and started to look for opportunities on the huge Chinese market.

The most common forms of cooperation are official visits, participation in exhibition events, and business missions. They are intended to promote local companies in China, but also attract Chinese visitors to Italy – both tourists and students.

Academic partnerships and economic collaboration represent the next most important areas in relations between Italian regions and China. Universities are also mentioned frequently as the most important partners for regional authorities. Local government officials use the expert knowledge of scientists, as well as their contacts in China and knowledge of the language.

Establishing permanent representations in China is legally complex and, as a rule, not supported by the government. That is why regional authorities often work closely with state institutions, in particular the embassy and consulates in China that support the implementation of regional and local initiatives.

# CHAPTER 4

## THE UNITED KINGDOM

Justyna Szczudlik

<http://dx.doi.org/10.18778/8142-517-9.05>

### Introduction

UK-China relations have lasted for a long time and can be described as bumpy. The reasons include the UK's imperial past and China's memory of "one hundred years of national humiliation", which refers to the occupation of China (1839-1949) by Western powers, starting with the first Opium War launched by Britain. Until today, this slogan plays an important role in China's politics. Currently, Hong Kong (HK) is one of the points of tension, as a sensitive issue for the PRC due to the UK's interest in protecting HK's system of rule of law and human rights. Those are the reasons why François Godement, while assessing Sino-British bilateral ties from China's perspective, concluded that **"China's love-hate relationship with its former colonial master still endures"** (Godement & Stanzel, 2016, p. 1).

The analytical model used in this paper is based on the concept of "ideological and accommodating free trader", in order to have a proper framework to describe the UK's policy towards China. This is a combination of paradigms proposed by F. Godement and John Fox (2009) in a report about EU member states' policy on China, and then reformulated by Scott A.W. Brown (2018). Originally, Godement and Fox described the UK as an ideological free trader

in terms of its policy towards China. This means that at **economy was the core of the British approach to China**, however, political and sensitive issues (democracy, rule of law, human rights) were important as well. This was an assumption of the UK's China policy in 2009 under the Labour Party, the time of the report's release. But, as Brown argues, the circumstances changed in 2010 when the Conservatives, under David Cameron, took power, modifying the UK's approach to China. Hence, Brown proposed a new analytical framework of an "accommodating free trader" which focused on economy with limited attention to sensitive issues. This "accommodating" slogan was also borrowed from the Godement and Fox's report. After July 2016, the UK government led by Theresa May adopted a policy towards China that could be described as "in-between" the two aforementioned approaches. There was an **economy-oriented stance, but with more focus on sensitive issues** in comparison to David Cameron's government (Summers, 2018b, pp. 87–90).

The aim of this chapter is to analyse how the UK actors cooperate with their Chinese counterparts at the regional and local level. Due to the United Kingdom's constitutional and administrative structure, consisting of the four nations (countries), i.e. England, Wales, Scotland (collectively known as the Great Britain) and Northern Ireland, and a highly developed (yet asymmetrical) model of **decentralisation of executive and legislative powers** (known as devolution) within those four nations, in the UK's case **Sino-British local cooperation refers either to the nations themselves (e.g. Scotland), to various metropolitan projects in England (e.g. the Northern Powerhouse) or to individual cities.**

This chapter undertakes to answer the following questions: Do local authorities in the UK follow the central government's policy on China? What are the British local governments' main goals and areas of cooperation with their Chinese partners? What is the model of the UK's paradiplomacy<sup>18</sup>? Is there any "specialisation" in the UK's cooperation with China at the local and

---

<sup>18</sup> For example, Soldatos differentiates between four models: conflict, domination, complementing, and discretion taking into account as a reference point the central government's reaction to local authorities' international activities (Czapiewski, 2015, p. 62)

regional level? The last question refers to Brexit – might it have any impact on the UK’s local-level cooperation with the PRC?

The chapter consists of two main parts. The first one is devoted to the central level: the description of the UK government’s policy towards China, the state of play of UK-China relations, and the UK’s perception of China, including China’s “soft” presence in Britain (tourists, students, Confucius Institutes, etc.). The second part is focused on the local and regional level. It starts with an explanation of the legal framework of British local and regional level cooperation, then it sets forth the survey results, concluding with the presentation of two case studies: Liverpool – a city in England; and Scotland – one of the UK’s nations and EU regions.

## **Central Level of Sino-British Ties**

### **An Overview of UK-China Relations**

The UK recognized the PRC in 1950, and in 1954 it launched diplomatic relations at the representative office level. The exchange of ambassadors took place in 1973. In 1984, the British and Chinese governments were involved in negotiations about the Hong Kong handover. After the Tiananmen Square massacre in June 1989, the relations were frozen until 1991, when Prime Minister John Major visited Beijing as the first Western leader after 1989. During the premiership of Tony Blair, the UK was not extensively engaged in relations with China, focusing mostly on the US and the aftermath of the 9/11 terrorist attacks (K. Brown, 2019, pp. 14–15). Nevertheless, since the Hong Kong handover in 1997, the UK’s China policy has been defined as “engagement”. In 2004, during Prime Minister Wen Jiabao’s visit to the UK, the countries upgraded ties to a “comprehensive strategic partnership”. Since Xi Jinping’s trip to London in October 2015, Sino-British relations have been classified as a “global comprehensive strategic partnership for 21<sup>st</sup> century” (or “golden era”)<sup>19</sup>. In re-

---

<sup>19</sup> Zhongguo tong Yingguo de guanxi (zuijin gengxin shijian: 2018 nian 9 yue) [China and UK relations (the latest update: September 2018)], Chinese MFA website

cent years, an evolution of the UK's China policy has been noticeable **from an “ideological” to “accommodating free trader”**, while, since the Brexit referendum, a slight lean **towards an “ideological free trader” approach** has been taking place.

In 2009, the Labour Party government led by Gordon Brown released the UK's **first-ever strategy towards China**. While it focused on economic opportunities, it was balanced by politically sensitive issues like human rights. The engagement also referred to political issues important to China, such as support for the PRC's bigger role in global institutions, or a positive stance on lifting the EU's arms embargo, etc. (S. Brown, 2018, pp. 101–102). Prime Minister Brown sent the following message: “the UK has a lot to offer China: our commitment to economic openness, our strength in science and innovation, our cutting-edge design and our world-class universities. We need to understand China better, through our schools, universities, cultural institutions, our businesses and in Government”, while Minister of Foreign Affairs David Miliband stated: “strong relations with China can help create a better Britain, a better China and a better world. China's role as a motor of the global economy” (*The UK and China: A Framework for Engagement*, 2009). The document set three pillars of the UK's engagement with China: to see the UK as a global hub, boosting business, educational, scientific and cultural gains from the bilateral relationship; fostering China's emergence as a responsible global player; and to help China manage the risks of its rapid development (*The UK and China: A Framework for Engagement*, 2009).

Referring to the local- and regional-level cooperation, the document listed a number of goals. The first one was sustainable cities, leading to the exchange of engineering, technical, academic and financial expertise, and drawing on the UK's experience of urban regeneration and low-income housing. Another goal was that “the UK retains its position as the top foreign provider of tertiary education in China: 100 000 Chinese students in the UK, and 100 education partnerships by 2010. Increased educational and scientific links at the institutional level between universities, research bodies, colleges and schools, and greater two-way flow of students, academics and researchers. By increasing cultural understanding through educational exchange, we can foster links between future decision makers which could be of real significance for China's development.” (*The UK and China: A Framework for*

*Engagement*, 2009). In this document **China was seen as a chance, a partner and driver of growth during the global crisis.**

In 2010, a new Conservative government under Prime Minister Cameron was established. At the beginning, the policy towards China was a continuation of Brown's approach (Wintour & Inman, 2010). However, in 2012 the relations were weakened (for the next 18 months) after the PM met with the Dalai Lama in London. Since then, the UK government has started to change its China policy to ensure progress in economic relations. This was the reason why politically sensitive issues were not high on the agenda, with economy as number one. This change has been visible since 2013, during Cameron's visit to China. The then Chancellor of the Exchequer, George Osborne (who presented a very pro-China stance), declared the UK's willingness to be a founding member of the Asian Infrastructure Investment Bank, and in 2015 the UK submitted its application, despite U.S. concerns. The visible change was marked by Xi Jinping's visit to London in October 2015, with the **elevation of relations to the "golden era"** (Turner, 2018). One of the most eye-catching results of the visit was the announcement of China's investment in the UK's Hinkley Point nuclear power plant, which stirred concerns about China's access to the country's critical infrastructure. Since then, the UK government has started to present **a non-confrontational stance on Chinese "core interests"** such as the South China Sea (SCS), and the EU arms embargo, and put on hold "megaphone diplomacy" about sensitive issues. What is more, the UK government ignored rising global concerns about the PRC, focusing on China as an opportunity. This was the reason why A.W. Brown called Cameron's UK an "accommodating free trader" (S. Brown, 2018).

The UK's China policy has become slightly more principled since the Brexit referendum and Theresa May's premiership. Since then the "golden era" status has been downgraded (K. Brown, 2019). May's decision to rethink Chinese investments in Hinkley Point (eventually, the concerns were defused, but the project has still not begun due to the long processes of planning and political approval) was a signal that the UK is more cautious than before. A similar approach is visible in the case of the Belt & Road Initiative (BRI). Although Cameron's government presented a positive approach (Summers, 2016, p. 64), May refrained from openly endorsing the BRI during her trip to China in February 2018. Tim Summers argues that concerns about the importance

of the rules-based international order and international standards in the implementation of the BRI prompted May not to sign an MoU on the BRI (Summers, 2018b, p. 88). For now, Boris Johnson's government has not revealed its China agenda. Nevertheless, Johnson's remarks before assuming the premiership suggest his rather favourable approach to the PRC, even though it may result predominantly from his interest in the BRI (Lau, 2019).

From the Chinese point of view, the UK is important both politically and economically. Firstly, this approach stems from its EU membership which means access to the single market. Secondly, the UK is attractive due to its occasionally different opinions from those expressed by the U.S. Thirdly, **China sees the UK as an investment destination.** The PRC is interested in investment in the financial sector (e.g. to internationalize RMB), banking, real estate and ICT, but recently also agriculture, as well as the food and energy sectors. China also sees the UK as an education partner due to its status as an English-speaking country, and its esteemed universities as well as a provider of modern design.

However, the UK is also a tertiary choice for China, especially in the face of Brexit. The fact that, on the one hand, the UK is weak at manufacturing, and it has not signed any FTA with the PRC and, on the other hand, Chinese investments are focused on infrastructure, financial and real estate, may mean that Brexit might not be very harmful for China. The UK economy is complementary to China's and in that sense the UK is valuable for China as part of the EU and a base for Chinese companies to operate across Europe (Ross, 2018). This means that the PRC might not be eager to enhance relations with the post-Brexit UK. The post-Brexit reality might be more challenging for the UK due to the Chinese hard push for concessions, e.g. in the security area. China may also push for an FTA and less EU-oriented policy, such as lifting the arms embargo and a policy that would be more independent from the U.S. (Reilly, 2017, 2018; Turner, 2018).

The UK records a **trade deficit with China**, which reached 29 billion euros in 2018. This is about 40% of total bilateral trade in goods<sup>20</sup>. At the same time, the UK is one of the major investment directions in the EU for Chinese FDI. A spike was observed in 2012 and rose steadily, peaking in 2016 to a stock

---

<sup>20</sup> Eurostat.

of 23 billion euros. Then Germany overtook the UK. Taking into account local- and regional-level cooperation, **London remains the most attractive destination for Chinese FDI**, but cities across the northern England (grouped together as **the Northern Powerhouse**) have also been the focus of Chinese investment (Summers, 2017, pp. 159–162). Furthermore, the financial sector is a key element of UK-China relations. London is already the European centre for off-shore trading in RMB (established in 2013), consolidating its position in 2018. There are also projects for the Shanghai-London Stock Connect as a means to strengthen bilateral cooperation in the financial sector (Martin, 2018).

## **The UK's Perception of China and its “soft” presence in Britain**

The UK does not entirely share recent concerns about China. **The perception of China in the UK is rather positive or at least ambivalent.** In 2015 Summers argued that “the debate in the UK about China has been much more moderate and less nervous about China’s rise than that in the U.S., probably because China poses a much more limited threat to UK security interests. Issues around the rise of China are therefore not generally seen as concerning in the UK” (Summers, 2015).

Recently there have been suspicions about China’s role in the UK, but still the level of anxiety is lower than in the U.S. Kerry Brown calls this attitude “ambiguity” and argues that the “almost laconic and sometimes preternatural calmness of the British response to China’s greater impact in the world might be described as complacency verging on indifference” (K. Brown & Mimi, 2018). He repeats this assumption in his book about the future of UK-China relations (K. Brown, 2019).

In the latest Eurobarometer 2018, the following responses to the question “do you have a positive or a negative view about China?” were provided: 41% of respondents answered “total ‘Negative’”, 39% “total ‘Positive’” and 20% “do not know”. The Pew Research Global Center published a survey in October 2018 about views on China as well. In the case of the UK, 35% of the respondents presented an unfavourable view, while 49% – a favourable one. Among the 11 surveyed EU countries, only the UK gives China a favourable

review (Wike et al., 2018a). Similar polls were conducted by Pew during the spring of 2019 with an apparent rise in negative opinions about China: 55% unfavourable, 38% favourable (Silver et al., 2019).

When it comes to China's "soft" presence in the UK (tourists, students, etc.), according to Eurostat 2017, there are about 111,000 **Chinese nationals** living in the UK<sup>21</sup>, while Kerry Brown argues that there are 150,000 people in the UK who claim Chinese ethnicity (K. Brown, 2019, p. 69). Another important factor is the number of **Chinese tourists** coming to the UK. According to Visit Britain (an official tourist website), there were more than 64,000 visits from China in 2002, ten years later – almost 177,000, while in 2017 they reached 337,000. In 2017, the main destination was London (about 219 000 visits), the rest of England (177,000) and Scotland (62,000). Fewer tourists visited Wales (11,000) and Northern Ireland (3,000). Chinese respondents associate Britain with museums, music and films, and they mostly expect a trip to Britain to be spiritual or romantic. Their main motivations include enjoying the beauty of the landscape, feeling connected to nature, and having fun and laughter. Chinese visitors are mostly young people aged 16-34. 28% of visits in 2017 were conducted in the July-September period<sup>22</sup>.

There are a growing number of **Chinese students**. K. Brown underscores that in 1999, during Jiang Zemin's visit to London, there were about 2000 Chinese students in the UK. While in 2014, around 100 000, and now (2019) around 150 000 (K. Brown, 2019, p. 42). Brown highlights that this significant rise was not a result of UK government policy. There were two reasons for this trend – mostly the fact that after 11 September 2001, the US tightened procedures for foreign students, and the reputation of British universities (K. Brown, 2016).

In terms of cultural and promotional Chinese presence in the UK there are 29 **Confucius Institutes** and 148 Confucian Classes in the UK. The majority are located in England (21); including seven in London, seven in the Northern Powerhouse (Liverpool, Newcastle, Manchester, Sheffield, Leeds, Hull), and one in the Midlands Engine (Coventry). There are also four Confucius

---

<sup>21</sup> Long-term residence by citizenship, including Hong Kong, Eurostat, 30 October 2018.

<sup>22</sup> Source: [www.visitbritain.org/markets/china](http://www.visitbritain.org/markets/china) [www.visitbritain.com/gb/en](http://www.visitbritain.com/gb/en)

Institutes in Scotland (Edinburgh, Glasgow, Aberdeen), four in Wales (Cardiff, Bangor) and one in Northern Ireland (University of Ulster)<sup>23</sup>.

The above-mentioned issues show China's growing interest in people-to-people contacts with the UK. The increasing number of Chinese tourists and students not only provides the UK with financial benefits but is also used by the PRC to fulfil its national goals. The international performance of UK universities is important for China, as it seeks more cooperation in science, technology and innovation to fulfil the "Made in China 2025" agenda. The partnerships between Chinese and British universities with the best examples of the University of Nottingham and its campus in Ningbo, and the University of Liverpool and its campus in Suzhou, vindicate this premise.

## Local Level of UK-China Ties

### British Local and Regional Framework

The United Kingdom consists of England, Scotland, Northern Ireland and Wales. The UK is a unitary state. Nevertheless, there are two main structural processes which may indicate a growing role for the regions. The first is devolution and the second – national (political) autonomy. **Devolution** concerns all four parts of the UK, while **political autonomy** refers to Scotland, Wales and Northern Ireland. It should be noted that these are rather new phenomena, launched by Tony Blair's Labour government in the late 1990s.

Devolution is a process of delegating powers by the central government without formally undermining the legal supremacy of the UK parliament, since it can formally be revoked at any time. In the case of Scotland, Wales and Northern Ireland it involves elections to the legislative assemblies (Czapiewski, 2015, p. 59). Devolution was initiated in 1997-1998 and promoted by Blair's government. The UK Parliament passed devolution Acts: the Scotland Act in 1998; the Northern Ireland Act in 1998; and the Government of Wales Act in 1998. These acts established the three devolved legislatures, which were given some powers previously held at Westminster. Further powers have been

---

<sup>23</sup> Source: Hanban website, [www.hanban.edu.cn/confuciousinstitutes](http://www.hanban.edu.cn/confuciousinstitutes)

devolved since these original acts, most recently through the Scotland Act 2016 and Wales Act 2017.

England's devolution process (also known as localism) started in 1998 with the Regional Development Agency Act and the establishment of voluntary regional chambers in eight English regions. In 2011 the Localism Act was adopted, however, two years later the effectiveness of this bill was questioned, with a claim that there was a deep-rooted centralization in the UK (Pipe, 2013). What is more, the Local Government Act 2000 (which reformed local governments in England and Wales) gave councils "a green light to international work – but in neither case was the latter made a statutory requirement" (Casson & Dardanelli, 2012).

In 2015, Osborne was one of the most vocal narrators of the "devolution" and the regional "Powerhouse" storyline. In 2016 the Cities and Local Government Devolution Act was adopted. The bill refers to England and Wales and concerns the devolution deals which are negotiations between the UK government and local authorities about the scope of power transfer (Copus et al., 2017, p. 3).

Importantly, the differences between the Scottish, Welsh, Northern Irish, and English models of devolution stem from the general asymmetry of demographic and economic potential of those parts of the UK, where England comprises some 85% of both the UK's population and its GDP. It means that metropolitan areas in England have comparable economic and demographic potential to the whole of Scotland, Wales or Northern Ireland.

From the point of view of the EU, Scotland, Wales and Northern Ireland, as well as nine English regions, are all classified as NUTS-1 units. Nonetheless, devolution in the three smaller parts of the UK realises political autonomy in the form of parliamentary assemblies (with primary legislative powers), executives reflecting the majorities in those assemblies, as well as devolved paradiplomatic representations. Those instruments are generally missing in English metropolitan areas and regions.

Casson and Dardanelli argue that the Foreign and Commonwealth Office (FCO) has never formally acknowledged the role local government can play in international relations, but it has also never required authorities to seek its approval before they entered into agreements with international partners (Casson & Dardanelli, 2012, p. 602). In that sense, **UK paradiplomacy is a**

**rather blurred area.** Casson and Dardanelli also argue that there is a lack of regional government in England. What is more, “the growing para-diplomacy activity has developed in an *ad hoc* manner within a nebulous framework in legal and institutional terms. Local government’s legal framework is uncertain when it comes to international work, thus leaving authorities in a sort of legal no man’s land where their activity is always potentially at risk of being ruled ultra vires. Likewise, boundaries between the responsibilities of central government, local government and intermediate bodies vis-à-vis relations with foreign counterparts are also fuzzy” (Casson & Dardanelli, 2012, p. 620). This thesis constitutes a conferment of rights by the UK representatives saying that **UK regions and cities are free to launch cooperation with regions of foreign countries.** It is a bottom-up approach. The same concerns nations (countries) except foreign policy activities which must be coordinated by the central government<sup>24</sup>.

The second important process is **the growing role of cities and city regions.** As Parkinson argues, city regions have become more significant in an increasingly globalized world. He underscores that the UK government has recognized that city regions’ prospects of success are better if they are given greater control over the policies that affect them. Negotiating with city regions is conducted in order to see if they can manage significant parts of the public sector better than the UK government itself (Parkinson, 2016). Carlson and Dardanelli point out that in the UK’s paradiplomacy the leadership of counties or cities plays a crucial role, and launching international cooperation is often based on a personal decision (Casson & Dardanelli, 2012, p. 602). What is more, town-twinning is the most popular form of international activity in the UK, and the UK has a long tradition of town- and city-twinning with China. There are also predictions that “growth of UK cities will mean that they will increasingly outgrow current formal administrative boundaries over coming years, becoming more independent” (*Future of Cities*, 2016).

It is also worth mentioning two agglomeration-like entities (or groups of cities) which are crucial in terms of the UK’s paradiplomacy with China. The UK government created such regional networks in England as public-private partnership projects. This is the case of the **Northern Powerhouse**

---

<sup>24</sup> The author’s communication with a representative of the UK embassy in Poland.

whose aim is to boost the economic development of England's north (the post-industrial area) with core cities such as Manchester, Liverpool, Leeds, Sheffield, Hull, Preston, and Newcastle. This idea was announced by Osborne in June 2014<sup>25</sup>. Cameron's government presented this project as a potential partner for China to Xi Jinping during his visit to London in 2015. In 2017, the **Midlands Engine** was set up by local government authorities and local enterprise partnerships across the East and West Midlands to improve the economic situation of central England with its core cities: Birmingham, Coventry, Nottingham, Leicester, and Stoke-on-Trent. The Midlands Engine also presents itself as a partner for cooperation with China. The best examples include the "Midlands Engine China Strategy" published in October 2017 (*Midlands Engine China Strategy*, 2017), trade missions to China led by the **Midlands Engine Chairman John Peace**, etc.

## Background and Motives of UK Paradiplomacy in China

Despite the fact that it is difficult to present a list of clear general motivations why UK regions cooperate with Chinese partners, it seems that there are at least four main dimensions to the UK's paradiplomacy in China.

**Historical links with China.** The UK is a special case, bearing in mind its colonial past and control over Hong Kong. Hong Kong was a source of the ethnic Chinese coming to the UK. Furthermore, ports such as Liverpool were used by Chinese traders, the authorities of which officially claim that its cooperation with China (mainly Shanghai) has lasted over 300 years (*Interview with the Liverpool City Council Representative*, personal communication, May 2018). The Chinese from Guangdong and Shanghai started to arrive in the UK via Hong Kong in 1930, and Chinatowns were created there. Currently the biggest Chinatowns are located in Liverpool (the oldest in Europe), Sheffield (a rather new one), Manchester, London and Birmingham (Bosco, 2018). It is difficult to say to what extent the history of Chinese nationals' presence facilitates local cooperation with China, but it might be a contributing factor. At least in Liverpool's case this element plays a particular role. Hong Kong's role in the process of reforms and the opening of China since Deng's term should also be mentioned.

---

<sup>25</sup> Northern Powerhouse website: <https://northernpowerhouse.gov.uk/>;

**The Impact of the UK's central government policy towards China.** Until 1997, the UK government was preoccupied with the Hong Kong hand-over. However, since Blair, the government has started to look for a new framework of cooperation with China, and the policy has been defined as “engagement”. Moreover, the processes of rising asymmetry between the UK (a declining power) and China (a rising power) is also a factor. Using the “engagement” approach, the UK government decided to use the Chinese economic model reform (from export of goods and manufacturing to services) as a chance for the UK's economy. This includes, for example, the focus on the financial sector in which the UK is strong. For the UK, it has been not only a good moment to rebrand its image in China, but also to get economic profits, such as job creation coming from investments (K. Brown, 2016). This is still the message that the UK central government sends to the regions.

The UK launched a campaign in the 2000s to rebrand its image in China. The reasons were two-fold. The first reason was the Chinese perception of the UK “as a place famous for castles, Shakespeare and the royal family but not science and cutting edge innovation”, which is how the UK would like to be perceived (K. Brown, 2016, pp. 7–8). The second one was the Patriotic Education Campaign launched by Jiang Zemin, under which the UK was presented as a hegemon and source of victimhood in China. The UK's campaign focused on design and creative industries, which involved regions and cities. A plethora of UK sub-regional and representative offices (Northern Ireland, Scotland, Wales, City of London, Manchester, Liverpool, etc.) opened in China as a result of the campaign. A strong signal was sent in 2009 from the UK government to the regions, when the strategy on China was published. Cameron's policy included the presentation of the Northern Powerhouse to Xi, and the fact that in 2015 Xi not only visited London, but Manchester as well “to make clear that other parts of the UK did figure in the UK-China relationship” (K. Brown, 2016, p. 52).

**Emancipation of the UK's cities and regions.** The role of cities in the UK is rising. This process is facilitated by the blurred local government framework and the central government's lack of deep interest in noticing (monitoring) paradiplomatic activities or supporting them in a systemic way. As Tomasz Kamiński underscores, the ability of cities to be actors of paradiplomacy depends in practice not only on their legal status, but also on the resources they command, the political will of leaders, the level of autonomy within a state,

and the nature of relations between the city and regional and central governments (Pietrasiak et al., 2018, p. 17). This seems to be the UK's case. Carlson and Dardanelli point out that in UK paradiplomacy the leadership plays a crucial role, and a launching international cooperation is often based on a personal decision without a debate (Casson & Dardanelli, 2012, pp. 602, 605). In the case of China, personal commitment seems to be the right step. Due to an unclear legal framework, UK cities are trying to become benchmarks for the central government (*Interview with the Liverpool City Council Representative*, personal communication, May 2018). This is a good example of the emancipation of cities using cooperation with China, through seeking convergence of interests. The following examples can be pointed out: personal connections (e.g. a leader knows someone from China and decides to launch cooperation), personal mindset (e.g. China is important as a rising global power), the presence of Chinatowns, complementary interests and industries (e.g. smart cities, heavy industry, cultural exchange, interest in football, support from government and expert organisations)<sup>26</sup>, initiatives by local enterprises, and the private sector (which means an economic focus), school and university links, etc.

**Chinese nationals in the UK.** Bearing in mind the large number of Chinese nationals living in the UK as students (around 150 000), businessmen and tourists (more than 300 000), who generate revenues for regions, it may be stated that they are also a factor which facilitates UK-China cooperation between regional partners.

## Survey Results

During the project implementation questionnaires were sent to over 40 local government units. Only 12 of them responded. There were also problems with appointing interviews. Eventually, one interview was conducted with Liverpool City Council.

Nevertheless, the following conclusions could be drawn from 12 questionnaires. First of all, in each case, the respondents declared that cooperation with

---

<sup>26</sup> E.g. FCO, UKTI, embassies, consulates, British Councils, China British Business Council, etc.

Chinese partners is **active**. This may lead to the conclusion that only active regions responded. Moreover, all of them have established cooperation with Chinese partners **based on a formal agreement**. The second conclusion is that the UK paradiplomatic cooperation with China concerns mainly **cities**, while regions are less represented. UK nations (or countries) are more prone to cooperate with Chinese provinces, such as Scotland with Shandong and Northern Ireland with Liaoning and Hubei. The third conclusion is that UK cities cooperate **with different Chinese partners**, which means that partnerships (generally) do not overlap. Nevertheless, due to insufficient data, this finding is questionable and should not be treated as an established fact. The fourth conclusion is that most UK cities have only one or two Chinese partners with the outstanding example of Liverpool, which declared 11 Chinese partners. Also, countries like Scotland have more than one Chinese partner.

Referring to the first conclusion about active partnerships, most of the feedback (eight of 12 questionnaires) came from the Northern Powerhouse (Liverpool, Manchester, Leeds City and the Leeds City Region) and the Midlands Engine cities (Nottingham, Coventry, Stoke-on-Trent, Birmingham). This may lead to another conclusion that in the case of UK cities only those which are active and have an institutionalized cooperation with Chinese partners responded to our requests. Furthermore, as 8 out of 12 represent the Northern Powerhouse and the Midlands Engine, this may suggest that, on the one hand, there is a **specialization** between them in cooperation with China, while on the other hand, that it is more useful to cooperate as a **bigger entity (conurbations)** taking into account the size of Chinese partners.

When it comes to the **initiation of cooperation**, 7 partnerships were launched in the 1980s and mostly with coastal regions such as Dalian, Xiamen, Jinan, Changchun, and Hangzhou. Probably China's "reform and opening", when the government focused on eastern and coastal regions, was the reason. There was also the process of soft decentralization in the PRC, especially after the reforms in 1984, when local governments received more space for their own international actions (Mierzejewski, 2018b, p. 137; Pietrasiak et al., 2018, p. 97). This conclusion should also be treated with caution as there is no reliable information about the initiator of cooperation. In the early 2000s, four partnerships were launched. It seems that the reason was the UK's general China policy based on engagement (e.g. upgrading UK-China bilateral ties to the

“comprehensive strategic partnership” level in 2004) and the idea of changing the UK’s image in China (K. Brown, 2016). In 2016, Liverpool launched eight partnerships. In this case the reason was the personal engagement of Liverpool’s leadership and mostly its mindset of Liverpool as an open city establishing cooperation with China as a rising power (*Interview with the Liverpool City Council Representative*, personal communication, May 2018).

**Table 18.** The list of identified partnerships between UK and Chinese regions

No.	The UK	Status	Chinese partner	Since	Initiator
1	Scotland	a nation (country)	Beijing		
			Shanghai		
			Shandong province		
			Shenzhen		
			Tianjin		
			Hong Kong		
2	Glasgow	a city in Scotland	Dalian	1987	Glasgow
3	Northern Ireland	a nation (country)	Liaoning province	2014	China
			Hubei province	2015	
4	Cardiff	a city in Wales	Xiamen	1983	
5	Nottingham	a city in England, the Midlands Engine	Ningbo	2005	University
6	Coventry	a city in England the Midlands Engine	Jinan	1983	Regional Authorities
7	Stoke-on-Trent	a city in England the Midlands Engine	Jingdezhen	2016	Both
8	Birmingham	a city in England the Midlands Engine	Guangzhou	2007	Birmingham
			Nanjing	2006	Birmingham
			Changchun	1983	Changchun
9	Manchester	a city in England the Northern Powerhouse	Wuhan	1986	Manchester

No.	The UK	Status	Chinese partner	Since	Initiator
10	Leeds	a city in England the Northern Powerhouse	Hangzhou	1989	Both
			Shanghai – not active		
			Hong Kong – not active		
11	Leeds City Region	a city region in England the Northern Powerhouse	Hangzhou	1989	Regional Authorities
12	Liverpool	a city in England the Northern Powerhouse	Shanghai	1999	Liverpool
			Suzhou	2006	Liverpool
			Tianjin	2016	Liverpool
			Guiyang	2016	Liverpool
			Chongqing	2016	Liverpool
			Kunming	2016	Liverpool
			Chengdu	2016	Liverpool
			Qingdao	2016	Liverpool
			Shandong province	2016	Liverpool

Source: own elaboration

Scotland
  Wales
  Northern Ireland
  England

In terms of the areas of cooperation, **economic issues** such as general and municipal economy prevail, but environment also features. Trade missions, participation in fairs and economic forums are the most significant means of cooperation. This premise is vindicated by the main benefits which are as follows: attracting Chinese investments, trade development and better position for business. The second important area includes **education** (higher education, research and general education), **sport, tourism and culture** in which universities, other educational and cultural institutions are the main “actors” involved. Benefits such as culture and tourism promotion support this assumption. The third group is **experience sharing** or **policy transfer** as it refers to administration and region management, public policy like health, etc.

This is conducted by local authorities, through official visits, contacts with the local and central government in China, etc. The main benefit is exchange of experience. When it comes to obstacles, the main problems are as follows: cost, distance and language barriers.

## Case Study I – Liverpool

Liverpool is the only city which declared cooperation with more than two or three partners. In that sense it was an unusual case among the filled-out questionnaires. Liverpool is located in North West England with a port which played a great role in the 19<sup>th</sup> century and the Industrial Revolution in England. Currently, the port of Liverpool is one of the biggest in Britain. In its questionnaire, the City Council declared cooperation with 10 Chinese partners: Shanghai (1999), Suzhou (2006), Tianjin, Guiyang, Chongqing, Kunming, Chengdu, Qingdao, Shenzhen, Dalian, Xi'an, and Shandong province – the last eight launched in 2016. In most cases, Liverpool City Council was the initiator. There are also examples of Liverpool universities as initiators of cooperation with Chinese partners. It should be noted that during the interview, the city council representative declared cooperation with 16 Chinese regions and cities but did not list the names of all of them. The interview was conducted on 23 May 2018 at the Liverpool City Council. All quotations in this subchapter are from this interview.

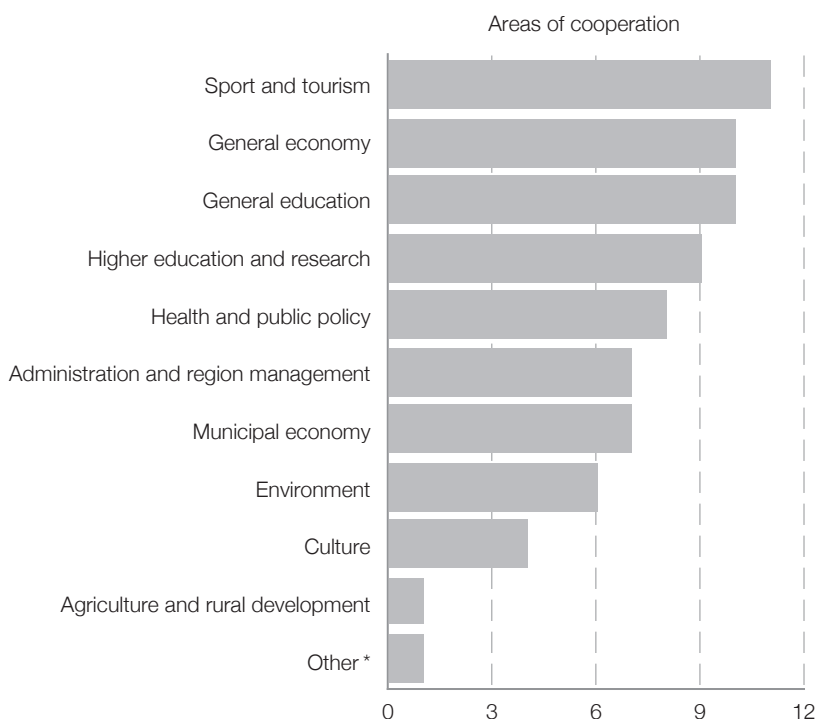
### Reasons and Goals

China plays an important role in Liverpool's paradiplomacy. Since 2014, there has been a post of assistant mayor or vice-mayor who is engaged with Chinese affairs, which shows that the city authorities are very committed to cooperation with the PRC.

Among the reasons there are **personal engagement** and leaders' **vision of Liverpool as an international open city**, which shows how its paradiplomatic role is seen. The Liverpool underscores that the city authorities are focusing on exploring other countries, including China, to learn from them. Another reason is **historical links with China**, such as the oldest Chinese community

in Europe, established around 300 years ago due to the city's role as a large port, but also to the fact that historically Liverpool was an open city and a melting pot of nations.

Among specific reasons there are mostly **economic profits** (“the primary purpose is to increase exports and having [students] which has a remarkable effect on a local economy”); education, **promotion** of Liverpool's strengths (“promote Liverpool as a trade or sector strength”) and its **own flagship initiatives** (“to invite Chinese cities to send delegations to the International Business Festival”). Furthermore, also **exchange of experience** as an example of policy transfer (Musiałkowska & Dąbrowski, 2018, pp. 1706–1707) and a natural effect of being open. As an example, the Liverpool mentioned his visits to Beijing and its authorities interests in Liverpool expertise as a city government as well as cooperation with the local partners.



**Figure 10.** The areas of cooperation between UK and Chinese regions

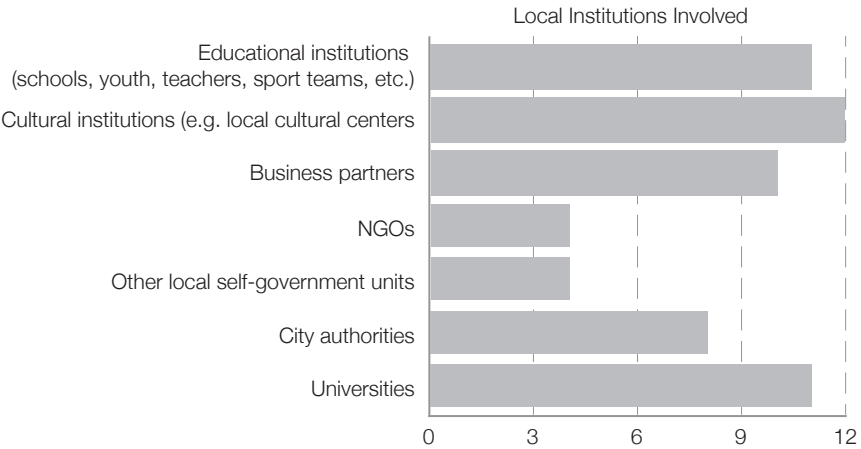
\*Inbound investment (added by Birmingham)

Source: own elaboration

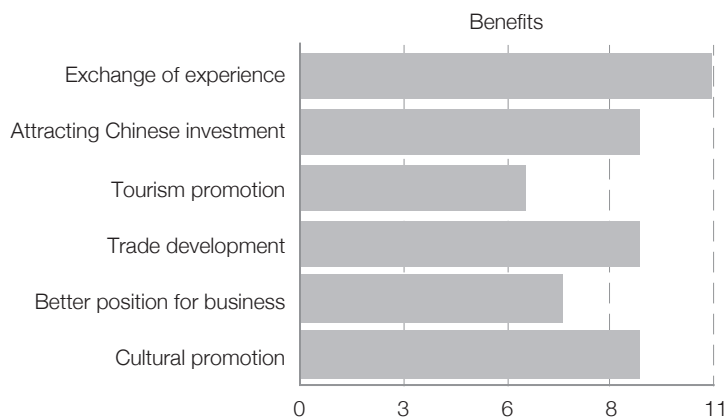


**Figure 11.** The forms of cooperation between UK and Chinese regions

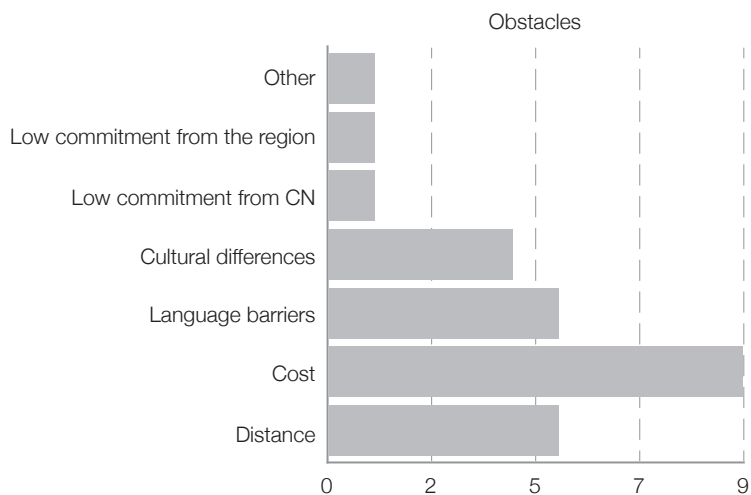
Source: own elaboration



**Figure 12.** The list of local partners involved in cooperation with China



**Figure 13.** The benefits for UK regions from cooperation with Chinese partners



**Figure 14.** The obstacles in cooperation with the Chinese pointed out by UK regions

Other: availability of consistent resources – added by Liverpool

Source: own elaboration

Moreover, the Liverpool city council openly admits that cooperation with Chinese partners is also a kind of **division of labour** (or **synergy**) with the central government policy goals. For example, one of the goals is to increase exports from the United Kingdom (not only Liverpool) to China, while the flagship International Business Festival is not a Liverpool event – the city is a host of behalf of the United Kingdom government and the prime minister office.

What is more, Liverpool aspires to be **in the avant-garde** of the Northern Powerhouse or even the whole of England. That is why the City Council underscores that among Liverpool's Chinese partners only selected ones are key for the city, such as Shanghai, Tianjin, Kunming, Xi'an, Dalian, Chengdu, Qingdao and Suzhou. They cooperate with, for example, Manchester, Sheffield or Birmingham due to close links with Liverpool.

In that sense, **Liverpool would like to be a benchmark for the central government** and/or at least the Northern Powerhouse. As the Liverpool highlighted, the city should do more work helping the UK government with the existing links with China. This may help the government to learn from the city and vice-versa.

## **The forms and means of cooperation**

The **World Expo 2010 in Shanghai** was the beginning of Liverpool's campaign in China. Liverpool was the only UK city with a pavilion there. "And therefore, that one action which was a six months appearance in Shanghai meant that Shanghai and China and other Chinese cities started to reach out in a bigger way to Liverpool about interest in some of our strengths. So we've seen in 20 years a significant growth. We have seen an even larger growth in the last eight years since the World Expo."

Then in 2014, the **post of vice-mayor for China** was created. The vice-mayoral **visits to China** are an important means of cooperation. In 3.5 years this person has visited China 10 times, been to 16 cities, and signed 16 MoUs, one with each of those cities. In that sense, the vice-mayor has become a **consistent face of Liverpool** in China.

Another means is the **International Business Festival** held in Liverpool every two years. The first edition was organized in 2014. This event is held in Liverpool on behalf of the UK central government. The city is trying to invite

many Chinese participants. In 2016, China won a gold medal for sending a large number of delegations.

The vice-mayor is also responsible for analysing Liverpool's strengths which match the strengths or needs of Chinese cities. He said: "We don't want a scatter-gun approach in which every Chinese city is going to be an economic partner, but we do know that at least five of those 16 are and will be growing economic, trade partners." This means that Liverpool authorities are trying to **approach selected Chinese cities** which suit them best in terms of specialization, like Shanghai with its Free Trade Zone, Guiyang as a big data pilot zone, and Qingdao as a manufacturer of electronic goods.

A division of labour or **specialization** between cities within the Northern Powerhouse, seen as an idea of **working together as a bigger entity** is an important means of cooperation. The Liverpool argues that "the Northern Powerhouse is a good example of a great method of working together. So the Northern Powerhouse concept is better working between governments across the region. The Northern Powerhouse – if it was a European country would be the fifth largest economy. So this is a big area. Liverpool is not the center of excellence in building aircraft. But the Northern Powerhouse is. And that includes Preston. We haven't got Sheffield steel, we don't make steel. But they do. We have graphene. Graphene is a big thing. So we've got expertise in the automotive industry. Manchester hasn't got an amazing port system on a river [that we have]."

## The areas of cooperation

Liverpool has identified both its own, as well as **Chinese strengths that might be complementary to Liverpool's needs**. Liverpool's strengths include: business service, intellectual property, creativity, innovation, river ports, logistics, sensor technology, low carbon technology, graphene, off-shore wind farms, automotive industry, football, and education (universities). At the same time, Liverpool authorities are aware of the Chinese government's designation of "specialization" of particular regions such as Kunming as the garden city, Qingdao as a place for manufacturing electronic goods, etc.

**Economic cooperation** seems to be in the core, such as trade relations with a focus on increasing exports and attracting investment from China, but also

expanding Liverpool's outwards investment to China. That is the reason for inviting Chinese delegations to the International Business Festival. There are also examples of Chinese investments in Liverpool due to paradiplomatic relations such as cranes from the Chinese company ZPMC used in Liverpool Peel Ports and city lighting based on Shanghai technology. Liverpool, due to its co-operation with Shenzhen, has purchased electric buses with technology from BYD – a Chinese giant in electric vehicles from Shenzhen. Looking at the other side of the partnership, there are also examples of Liverpool companies investing in China such as Henry Bath which invested 50 million British pounds in the Shanghai free trade zone in building and staffing a warehouse.

**Educational and scientific cooperation** is another area of relations between Liverpool and China. Since 2006 there has been a partnership between the Xi'an Jiaotong University and the Liverpool University in Suzhou. It offers a "two plus degree": two years in Suzhou and then in Liverpool. Another example is the SENSOR city project "a joint venture between the University of Liverpool and the Liverpool John Moores University which brings together knowledge and experience in sensor technology, and houses and supports high-tech businesses working on sensor systems and applications." (*Global Sensor Centre Strikes China Deal*, 2016).

**Exchange of experience** (or policy transfer) such as sharing knowledge about Liverpool's free ports and trade zones. The Liverpool gives an example of the city's enterprise and development zones that are different from free trade or pilot zones in China. In that sense, Chinese partners may learn from Liverpool-like zones that are described as more entrepreneurial. What is more, the Liverpool City Council representatives who go to China often meet not only with the Chinese local government, but also with the central authorities with an aim to share experience or expertise on selected areas.

**Football.** Due to its famous football club, Liverpool launched the Campus Football Cooperation Project between Liverpool FC (LFC) and Kunming No. 3 Middle School in mid-2017. As requested by LFC, high-level foreign coaches will carry out a daily training plan, theory explanation, student management, training of Chinese coaches and match organisation, etc. The coach education would be carried out in the mode of "theory class+cultural exchanges" ('Liverpool Coaching Methods to Be Introduced in Yunnan Schools – Chinadaily.Com.Cn', 2018).

## Involved Institutions

Liverpool cooperates with the **UK central government** to attract Chinese partners. Also, the UK central government cooperates with the **Chinese central government** for some investments in UK cities. This is not only the case of the International Business Festival, a UK government event held in Liverpool. Examples also include Birmingham and Manchester, where Chinese investors are involved in building airport cities (business centres at airports) due to cooperation with the UK central government.

**The Liverpool City Council** is aware of the importance of relations with the central and local government in China. It is openly admitted that the government opens doors for further cooperation at the local level.

In the case of Liverpool, there are also examples of how the city authorities give advice to local businesses. Liverpool City Council representative gives as an example the case of one city's company interested in doing business in China: "Henry Bath explored years ago opening a Chinese base and didn't do it because at that time the regulation was you had a Chinese business partner – a joint-venture and the worry was intellectual property. The worry was loss of control, the worry was how to do effectual business. So he didn't do that. He wouldn't do that. Until I introduced some to Invest Shanghai and he discovered in the FTZ in Shanghai in China, you do not need a joint-venture. You are completely on your business."

**Universities** are also involved in cooperation with China without the city council's help. For example, the University of Liverpool cooperates with Suzhou government and university. Liverpool city government was not involved in creating this academic relationship

**Institutions from the Northern Powerhouse** are also engaged in paradiplomacy. There is the Department of International Trade in the Northern Powerhouse, based in Manchester with an aim to give foreign partners advices about doing business in the region.

Among other institutions are the football club Liverpool FC, the China-British Business Council, companies like the UK's ARUP involved in building the Bird's Nest in Beijing, which accompanied the City Council on its trip to Beijing to exchange experience: "The Chinese government asked myself and

local associate director of ARUP to visit Beijing last year and give evidence about free ports and trade zones.”

## Benefits

The first group of benefits are **economic gains** due to the **rising numbers of Chinese students** at Liverpool’s universities, **tourists** (including the Chinese students’ family members coming to the city) and **business delegations**. According to City Council estimates, each student spends 25-27 thousand GBP (£) every year. There are about 6,000 Chinese students in Liverpool. Liverpool City Council representatives describes in details the economic benefits connected with Chinese students: “We also have many Chinese visitors coming to see those Chinese students. So actually, we are seeing a huge growth in the number of families coming to Liverpool. And they are visiting B2 store, going on ferries, and taking taxis and staying in hotels. So actually, this has been no economic impact on the family involvement but that has been an economic impact of close to a quarter of a billion, 250 million British pounds spend locally on those.”

**Two-way investments** are another tangible result manifested in the already mentioned ZPMC, BYD electric buses, and Henry Bath investment in FTZ in Shanghai. In terms of **scientific cooperation**, SENSOR city is a good example.

The City Council also pays attention to the results coming from UK city and China central government’s cooperation, as well as UK central government and UK city authorities collaboration – such as airport cities in Birmingham and Manchester. Another example is UK local government and China’s local and/or central authorities cooperation, such as the example of the Liverpool representative’s visit to Beijing in order to brief the Chinese central government about Liverpool’s and the UK’s economic zones as a **way of promoting the country and the city**.

## Obstacles

In terms of obstacles, Liverpool City Council indicates **lack of knowledge, exploration, and understanding**. In particular, it refers to the lack

of understanding about China's paradiplomacy, the role of the central government and the scope of Chinese local authorities' autonomy. China's central government decides about the "specialization" of the regions, and so the Liverpool representative underscores that it is worth knowing the specializations of the Chinese regions to avoid offering cooperation to an inappropriate Chinese partner (city). The following examples can be pointed out: Kunming as a garden city, Qingdao as a centre for home appliances, and Guiyang – a big data pilot zone.

Other limitations are Chinese regulations about doing business, bureaucracy. The City Council representative gives an example of a company from Liverpool which planned to do business in China but was afraid for its intellectual property due to the need to set up a joint-venture.

The City Council is not afraid to cooperate with China, despite the recently growing scepticism in Europe and worldwide, e.g. about a hostile take-over as an implementation of "Made in China 2025" (Szcudlik & Wnukowski, 2019). The following answer was provided to the question "Is there an understanding that China could be also a threat?": "I would disagree. Locally I do not see that happen. I think we should welcome foreign investment that brings their skills and gives you a larger marketplace. But I am not a national government. I am local government. We are not afraid of China. Not at all. I am not."

## Case Study II – Scotland

Research into Scotland was conducted on the basis of a questionnaire, email correspondence with the Scottish government, a literature review, media information, but mostly in terms of the new Scottish strategy on engagement with China, released in June 2018. Scotland as a UK nation (country) is very committed to cooperation with China and this activity should be called "protodiplomacy" instead of paradiplomacy. The best example are three Scottish strategies of engagement with China published in 2006, 2012 and June 2018. This case study is based on the latest strategy (*Scotland's International Framework: China Engagement Strategy*, 2018). The Scottish authorities did not agree to an interview, arguing that all relevant information is contained in the document. The newest strategy defines goals that are very general (e.g., "global outlook" or "relationship and partnership") and in their framework

operational goals (such as increasing trade and investment, sharing experiences), but without specific measures or a schedule for achieving them.

When it comes to the reasons why Scotland cooperates with China, the main goal is to expand Scotland's international room to manoeuvre (or international presence/space). In other words, the PRC as a global power may increase Scotland's international status. The strategy openly states that China remains a priority country for Scotland's international engagement, and that it has an important global role. Other reasons are focused on economy, science and innovation, education and green cooperation.

There has been twinning for more than 30 years between Glasgow and Dalian, and Edinburgh and Xi'an. What is more, there are over 15,000 Chinese people in Scotland. There are also representative offices in both states: the Chinese consulate in Edinburgh for over 20 years, the Scottish Affairs Office based in the UK embassy in Beijing<sup>27</sup>, and Scottish Development International offices in Beijing, Hong Kong, Shanghai and Shenzhen.

There are four main areas of cooperation or goals. The first one is **trade and investment**. Scotland underscores that Chinese economic policy – such as the opening up agenda, the BRI, the 13<sup>th</sup> Five Year Plan and the “Made in China 2025” strategy – is convergent with Scottish plans for boosting trade and infrastructure projects. “There are huge opportunities for Scottish companies to work with China, particularly in energy, technology, engineering, financial services, financial investment, food and drink, life sciences, tourism, textile and education.” When it comes to details, Scotland intends to expand its exports of whisky, salmon, and textiles. What is more, the government encourages and supports Scottish companies to do business in China and attract Chinese “new high value investment”.

There are several institutions involved in trade and investment: Scottish Development International offices in Beijing, Hong Kong, Shanghai and Shenzhen, the Scottish Chamber of Commerce, and the China Britain Business Council. As a vindication of cooperation prospects, the document underscores the achievements to date. There has been a rise of exports of Scottish salmon and whiskey to China: China is Scotland's 17<sup>th</sup> largest export

---

<sup>27</sup> Scotland has only three diplomatic missions: in Brussels, New York and Beijing (Czapiewski, 2015).

market, there are 10 Chinese-owned enterprises in Scotland employing more than 2600 people, while China has become a top five source of inwards investment to Scotland for the first time.

The second area of cooperation involves **environment and science**. Scotland intends to achieve economic gains and to exchange experience, as well as build its image as a “climate change leader with ambitious emissions reduction targets and greater use of low carbon and renewable energy. Joint work is already underway in areas such as habitat conservation, offshore wind, waste, water management and smart cities”. When it comes to achievements, the strategy underscores Scotland’s low carbon innovation hub in Hong Kong, Scottish expertise which supported the development of the first offshore wind farm in Guangdong province, Edinburgh zoo having giant pandas, cooperation on potato research, a cutting-edge diabetes research centre in Shenzhen based on Scotland’s healthcare model, etc.

The third area is **culture and tourism**: to build Scotland’s reputation and attractiveness, to boost export performance, but also to help Scotland to internationalize. It is argued that this kind of cooperation will help to develop mutual understanding, transcend language barriers, build relations on respect and understanding, but also enhance educational, business and diplomatic cooperation. This area includes performing and visual arts, museums and collections, archaeological research, literature, publishing, film, art and crafts, built heritage, music, software design, animation and gaming. Cooperation results include more than 173 000 Chinese tourists who visited Edinburgh Castle in 2017 (10.4% of total visits), Historic Environment Scotland and Stirling University working on heritage conservation with the Forbidden City’s Palace Museum, and a cooperation agreement between the Edinburgh Festival and the Shanghai International Festival.

The fourth area is **education, skills, research and innovation**. Due to the fact that Scotland has a global reputation for high-quality education and research, it is a suitable partner for China and its goals from the 13<sup>th</sup> Five-year plan. When it comes to achievements so-far, there have been, for example, the Edinburgh-Shenzhen creative exchange project which supports innovative companies from both cities. What is more, according to statistics (January 2018), over 9,000 Chinese students studying at Scottish higher education institutions, and over 270 Chinese students have been awarded Scotland’s

prestigious Saltire scholarship since 2009. Moreover, Abertay University has a partnership with the China-based entertainment and education company Perfect World to share expertise in the video games sector.

## Conclusions

Despite the fact that generally the UK is not especially interested in China and presents a rather indifferent (but recently more negative) attitude towards this country, UK local authorities express interest in cooperation with the PRC. Due to the fact that since the Hong Kong handover, UK policy towards China has been based on engagement (in both ideological and accommodating free trader frameworks) it might be assumed that the local authorities **follow the central government** on China policy. Cities grouped in the Northern Powerhouse and the Midlands Engine projects that are active in cooperation with China may vindicate this premise. Both projects, one set up by the central government, the other one by local government authorities, are presented to China as partners which may help boost economic development in these post-industrial areas in times of austerity. Moreover, bearing in mind a slight change in Prime Minister May's attitude towards China, and recent global concerns about PRC policy, UK regions, similarly to the government, **do not share concerns** about the PRC. What is more, for UK regions/cities (e.g. Liverpool, Manchester, Birmingham) cooperation with the UK central government is a means to facilitate relations with Chinese partners. While in the Northern Powerhouse a specialization or division of work is noticeable and might be seen as an example of **coordination** between the central and local governments, as well as between two local governments.

Simultaneously, UK regions are more and **more independent**, which is a result of their own interests in China, such as leaders' personal engagement, but also a blurred legal framework based on localism and devolution processes, as well as little interest of the UK central government when it comes to paradiplomatic activities (e.g. monitoring them in a systemic way). This is the case of Liverpool which would like to be a benchmark of relations with China, or even in the avant-garde, both for the central government and other UK regions. This is also the case of Scotland as a devolved country. Under

the framework of being more independent, it is also worth underscoring Scotland's **political goal** in cooperation with China. Scotland is using the PRC as a means to legitimize its own distinct identity, to get credibility using its own strengths, but also to create a favourable attitude in China in order to seek more prominent international presence and autonomy. It seems reasonable that the UK paradiplomacy model towards China is a **complementing and discretion model**, which means that the government calls for activity and does not interfere with local international relations.

UK regions' goals are mostly expectations of **economic gains** such as expanded exports, more local companies in the Chinese market, more high-level Chinese investment, but also revenues from students, tourists and business trips. In that sense, **educational**, **scientific** (research) and **cultural** (including sport) cooperation is also important. Apart from economic gains, UK regions count on experience sharing to improve their own development, to get inspiration, but also to get to know trends in China. This is the reason why the areas of cooperation include mostly regions' strengths and/or Chinese areas which may generate synergy for UK regions' needs. Based on their needs, UK regions are trying to use or create their **own brands** in cooperation with China. In the case of Liverpool it might be the International Business Festival, special free trade zones (different from those in China), port facilities, football or SENSOR city, while in the case of Scotland, offshore wind energy technologies, salmon, whiskey, or tourism.

Global concerns about China and **Brexit** may have an impact on UK-China local cooperation, even considering the fact that within the framework of more lukewarm UK-China relations at the central level, local cooperation goes rather well. Brown highlights that "while on one level UK-China relations proceed relatively harmoniously – students, trade and investment – on the political level there were serious divisions" (K. Brown, 2016, p. 40). Currently, those divisions might include the UK's slightly more principled stance on China's sensitive issues, conducting freedom of navigation operations in the SCS (Reuters, 2018), or doubts about Huawei (Strauss, 2019). In that sense, local cooperation might be a channel for maintaining relations, their real "substance", especially in case of the deterioration of bilateral ties at the central level. This is the case in Liverpool, where the city authorities do not perceive China as a challenge or threat. The same approach applies to Scotland,

whose third strategy is uncritical of the PRC. This optimistic scenario has at least one unprecedented factor: Brexit. Its impact is unknown and difficult to predict, as the Liverpool representative also confirmed during our interview. The UK trying to minimize side-effects of a possible hard Brexit might be **more vulnerable** to Chinese pressure. In that sense, local level cooperation might not only be **a channel to maintain positive cooperation**, which is a quite well-researched “mechanism” of international local cooperation (Mierzejewski, 2018a; Summers, 2018a), but could also be used by China to exert more pressure on UK local partners. This scenario might be assessed as possible, bearing in mind the current centralization process in China, including at the local level, under Xi’s second term and his assertive foreign policy. This premise might be vindicated by the analysis which highlights that UK local governments are unprepared for post-Brexit realities. Domestic inter-regional inequalities might be strengthened, and decentralization and devolution processes might be stalled or even reversed (Billing et al., 2019).

# CHAPTER 5

## FRANCE

**Adriana Skorupska**

<http://dx.doi.org/10.18778/8142-517-9.06>

### Introduction

France was ahead of many western countries in establishing diplomatic relations with China in 1964. It was also the first to sign a comprehensive partnership agreement with the PRC in 1997. The partnership was renewed in subsequent years giving it a higher status. Alongside bilateral relations at the state level there was a development of relations at the regional level. The first regional partnerships were established in the 1980s. Nowadays, 11 out of 13<sup>28</sup> regions declare cooperation with Chinese cities and provinces.

The main objective of this chapter is to characterise the activities between French regions and Chinese provinces or cities – their intensity, scopes, advantages and obstacles. Besides, as the context for the paradiplomacy, a broader perspective is briefly introduced focusing on the bilateral state, economic and social relations. An important question arises as to whether the relations at the state level correlate with the relations at the lower, regional, level. Taking

---

<sup>28</sup> There is no information about Corsica, and the Hauts-de-France region did not cooperate.

the broader perspective into account, it is worth evaluating how the EU-China relation and the internal situation of China influence paradiplomacy.

The chapter is divided into two parts. The first one starts with some general information on state bilateral relations as well as at the society level. There are also some basic characteristics of paradiplomacy regulations. The second part is dedicated to the research results – data from the survey and case studies. The chapter concludes with some observations and policy recommendations.

## Part I

### Bilateral relations

When Charles de Gaulle established official diplomatic ties with China in 1964, France was ahead of many other western countries (Seaman & Ekman, 2015). Moreover, France was the first Western European country to sign a joint statement, thus agreeing to establish a “**comprehensive partnership**” in 1997 (Zhongping & Jing, 2014). That was during the presidency of Jacques Chirac (1995-2007). In the following years (in 2004) the relationship was raised to the level of “global strategic partnership”. In France it was the president who mainly decided on France’s policy towards China, which is rather different than in other countries. It was connected with the vertical structure of power characteristic the French state (Kumoch, 2013). President Chirac was known for his personal interest in China, he was keen on Chinese culture and history. During his presidency, **France refrained from criticizing the PRC** in exchange for which it obtained economic licenses in the form of contracts for Chinese goods.

Nicolas Sarkozy (2007–2012) tried to find a new path in relations with China. The president wanted to separate politics from economy. Sarkozy called on China to end violence in Tibet through genuine dialogue in reaction to the events in Tibet in 2008, and he threatened to boycott the opening ceremony of the 2008 Summer Olympics in China. The French President also stressed the necessity of the Europeanization of China policy and a more open attitude towards China on issues of global financial governance. However, **after the strong reaction of the Chinese side to France’s stance on the 2008 Summer Olympics, France returned to a more pragmatic policy, concentrated on economy.**

Economic issues have dominated these relations, especially since 2009. After the economic crisis in Europe, the relationship with China was seen as a welcome source of growth for the continent. Moreover, the countries signed bilaterally the “**Comprehensive strategic partnership**” in 2010, which gave their mutual relations a higher status. Between 2010-2011, France was the first destination for Chinese investment in Europe with 70 deals worth 5.7 billion US dollars (Hanemann & Rosen, 2012).

Francois Hollande’s presidency (2012-2017) saw a growing recognition of Asia. Although China remained France’s main economic partner in the region, efforts were made to attain more geographical diversity at the economic, political and security levels. In the case of China, more stabilization in relations was observed and the economic dimension was still the most important feature. During President Hollande’s visit to China in March 2013, the countries agreed to reinforce political dialogue and people-to-people exchanges. What was important, they also underlined the need to work on rebalancing economic relations (reciprocity spirit) (Seaman & Ekman, 2015). The same year, in November, **the China-France high-level economic and financial dialogue** (HED) was established. Meetings started to be organized every year with a summary document, i.e. a review of the main cooperation spheres and challenges for the next year in bilateral relations. As stated in the document from the second meeting, organized in 2014, HED “is an important platform for bilateral communication and policy coordination on strategic, overarching, and long-term issues in the economic and financial fields” (*China-France Joint Fact Sheet on the 6th High Level Economic and Financial Dialogue* | Gouvernement.Fr, 2018).

The year 2014 was the year of the 50<sup>th</sup> anniversary of China-France relations. During Xi Jinping’s visit to France in March, the relations were upgraded to **The French-Chinese Close and Permanent Comprehensive Strategic Partnership of the New Era**. Because of the anniversary, the four-day visit had some cultural and historical aspects, in the form of visiting the site of the former Sino-French University Institute (1921-1946) located in Lyon (‘President Xi Visits Former Site of Lyon Sino-French Institute’, 2014). Traditionally, the high-level meeting was also an opportunity to sign some trade deals.

President **Emmanuel Macron** (from May 2017) announced a change in his policy towards China. The president supports the development of a more

coordinated China policy at the EU level, including the issue of the defence of democratic values (Ekman, 2018). Macron also underlines the need to rebalance trade between the two countries. France supports the screening mechanism at the EU level. Meanwhile, the relations at the state level are quite intense. Macron's first visit to China took place in January 2018, the second was planned for November 2019. The Chinese leader visited France in March 2019. It was a part of a larger European tour by Xi Jinping. Apart from bilateral talks, the Chinese President also met Angela Merkel and the President of the European Commission, Jean-Claude Juncker.

The year 2013, under Hollande's presidency, was the time of launching the Chinese **Belt and Road Initiative** (BRI). At the beginning, France was not considered as a target of the BRI (Nicolas, 2019), but after some time local authorities started to plan some projects. Although the initiative was not among the French government's priorities, the general approach was positive. In 2015 the Minister of European and Foreign Affairs said: "We welcome the New Silk Road Initiative". The positive attitude reasserted France's support for the BRI emphasized during the French president's first trip to China in 2018. However, Macron pointed out that the support is not unconditional. The French president called for reciprocity and stressed that "Silk Road cooperation must work in both directions" (Nicolas, 2019). Despite the support, the French government, like most Western European countries, has not signed the BRI-related Memorandum of Understanding ("BRI MoU").

Nowadays France is interested in cooperation on a project-by-project basis that would stimulate growth in host countries (the cooperation between French and Chinese companies in third countries). However, there was no project established under the BRI by the beginning of 2019 (Nicolas, 2019).

## **Economic and social relations**

Although China is a minor investor in France, its involvement has risen quickly since 2011. China ranks 12<sup>th</sup> among foreign investors, with a stock (FDI) of 5.1 billion euros in 2016<sup>29</sup>, while in 2010, FDI stock was only 1.72 billion euros

---

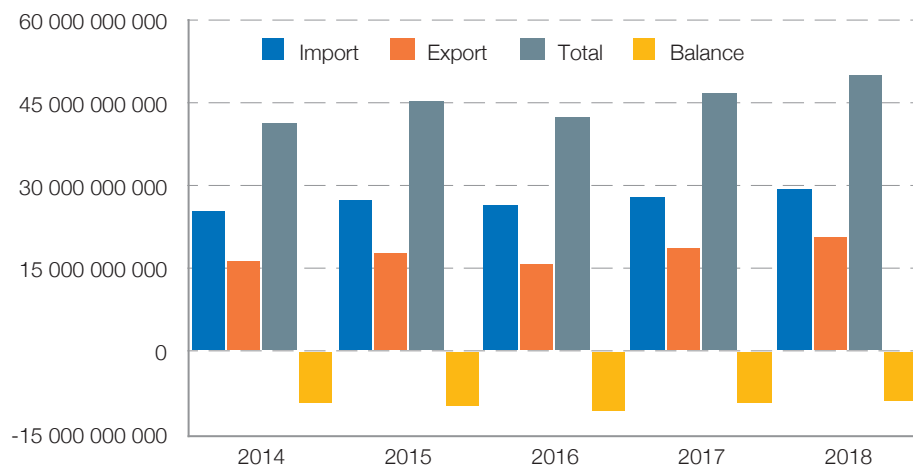
<sup>29</sup> This is not a lot in comparison to Germany with 58.2 billion euros and the UK with 65.9 billion euros.

(Seaman, 2017). Chinese investors were particularly active in the energy, real estate, automotive and tourism sectors in these years.

Similar statistics relate to Chinese cumulative investment in France. As John Seaman (IFRI) notes, according to the data gathered by the Rhodium, China's cumulative investment in France rose from 1 billion euros between 2000-2010 to over 10 billion euros between 2011-2016 (Seaman, 2017).

According to data from 2018, China is 8<sup>th</sup> among the countries investing in France (4%). At the same time the PRC was the leading Asian investor in France with 57 investment decisions. Chinese investment in R&D activities has doubled over the last year. The Chinese telecommunications company Huawei which has chosen Grenoble in Auvergne-Rhône-Alpes as the location for its R&D centre dedicated to sensors and parallel processing software is one of the biggest Chinese investments in France. By then Huawei already had had several R&D centres in France: three in Ile de France and one in Provence-Alpes-Côte d'Azur (*Business France Publishes 2018 Annual Report*, 2019).

As for trade relations, China remains France's sixth largest trading partner. Although some increase in French exports to China has been noted in recent years, France still records quite a large trade **deficit** (approx. 8.5 billion euros in 2018, which gives 17% of total trade) (see Figure 15).



**Figure 15.** Trade relations between France and China, 2014-2018 (EUR)

Source: own elaboration on the basis of Eurostat data.

France has a **positive image** among Chinese people, and it is one of the most popular destinations for them. In 2016, 13% of “tourism nights” spent by residents of China in the EU were in France. More popular destinations were only the UK (31%) and Italy (18%).

France is also a very attractive country for students. Over 30,000 Chinese students studied in France in 2017 accounting for 9% of all foreign students. Only students from Algeria and Morocco constituted a slightly larger group at the French universities. There are 18 Confucius Institutes in France. Mandarin Chinese is now widely taught in France with 100,000 secondary school students studying the language in 2015, according to the French foreign office. However, its popularity as a second language is dwarfed by English and other major European languages.

On the other hand, China does not have a good reputation in France. The public expects the French government to stress the issues connected with human rights and influence the Chinese state to respect them. In 2017 and 2018 more than 60% of French people had a negative view of China (*Future of Europe. October-November 2018*, 2018; *Future of Europe. September-October 2017*, 2017).

## **International cooperation of French Regions**

France is divided into 13 metropolitan regions (including 12 mainland regions and Corsica), located on the European continent. There are also 5 overseas regions, located outside the continent. **As a result of the reform in 2016, the number of 27 regions was reduced to 18.** French local government has a long tradition of decentralized cooperation, including development cooperation.

However, **historically France was a centralized state.** The first steps of transferring power from the central to the regional level started at the beginning of France’s Fifth Republic (as of 1958). The decentralization policy launched in 1981, during François Mitterrand’s presidency (1981-1995), marking the beginning of administrative devolution. Regions have increasingly become the main players in the economic development and spatial planning (Duran, 2015). Since the adoption of the law on decentralized cooperation in February 1992, local authorities have been entitled to engage in actions of international cooperation (Tavares, 2016). The legal framework on regional

external relations evolved in the following years. From 2007<sup>30</sup> “territorial collectivities may conclude conventions with local authorities worldwide in order to engage in cooperation actions or development aid” (Duran, 2015). One important caveat is that the agreements must be in line with central government policy.

There are also instruments which enable the state **government and diplomats to support the paradiplomatic activities of regions**. The Ministry of Foreign Affairs (MFA) encourages local government diplomacy by offering the service of its network of embassies and experts from the Ministry. The Ministry can also co-finance decentralized cooperation via the National Commission for Decentralized Cooperation and the Delegation for the External Action of the Local Authorities (Duran, 2015).

The National Commission for Decentralized Cooperation is a space for dialogue between local authorities and the central government, whose aim is to improve the coordination of the international activities of French regions. **The Commission perceives paradiplomacy as a tool to strengthen France’s position in the world.**

As Manuel Duran points out, at the beginning there was a lot of distrust between the state and local government on the decentralized cooperation. The MFA and embassies were reluctant to support or cooperate in the field of paradiplomacy. Over time, the diplomats started to understand that the regions cooperating with foreign partners possess invaluable knowledge and networks. The problem was that **regions did not have the obligation to inform the French ambassadors about their activities** and they usually did not do so. They possessed autonomy in their foreign activities as long as they did not contradict the interests of the French foreign policy. The problem was that there was no top-down hierarchy between the French levels of administration, which caused asymmetries, divergences and overlapping policies (Duran, 2015).

Under the Hollande (2012-2017) administration and, in particular, at the initiative of the Foreign Minister Laurent Fabius (2012-2016), France became inclined towards an approach of decentralized cooperation in an effort to reinforce ties at the regional and municipal levels (Seaman & Ekman, 2015). The

---

<sup>30</sup> The Thiollière Law of February 2007 on the external actions of the territorial collectivities (Duran, 2015).

government wanted to strengthen the decentralization system and encourage the local government's involvement in France's economic recovery. A new regulation was enacted, which clearly states and demarcates the exclusive competences of each level of French administration (Duran, 2015). A new regulation N° 2014-58 brought more flexibility and legitimacy to the external action of local authorities. The local government can "implement or support any annual or multi-year international cooperation efforts, development aid or humanitarian action with even more technical and political autonomy" (Tavares, 2016).

Looking from the France – China regional cooperation's perspective, **the idea of strengthening French paradiplomacy was well received in China.** The Chinese government wanted to engage less developed provinces in the cooperation. The French government as well as regions wanted to develop the cooperation on the local democracy in China. However, the centralization process in China and the consolidation of power under Xi Jinping prevented some French regions' initiatives from developing local diplomacy with Chinese partners (Tavares, 2016). Afterwards the cooperation concentrated on the economic area (Seaman & Ekman, 2015).

The Business France (BF) agency established in 2015 plays an important role in the development of the economic diplomacy of the state and local governments. According to its website the agency is "responsible for fostering export growth by French businesses, facilitating international investment in France. It promotes France's companies, business image and nationwide attractiveness as an investment location". Business France is an important partner for French regions in other countries. Although some French regions still maintain **regional representations** in the partner provinces, there are instances of a changing formula in their cooperation in the Chinese regions. They have closed offices, and instead cooperate with French entities that have delegated bodies in China, such as Business France (BF). The first region to sign an agreement with BF was Pays de la Loire.

In the case of French-Chinese relations, the regional contact, especially in the economic dimension, is meant to strengthen the comprehensive strategic partnership (*China-France Joint Fact Sheet on the 4th High Level Economic and Financial Dialogue*, 2016). Every two or three months there are meetings of regions and cities in Paris with a representative of, among others, the Minister of Foreign Affairs. Projects, regional cooperation strategies and

current events are discussed. For example, BF offers the regions its exhibiting pavilions at trade fairs (*Interview with a Representative of the Auvergne-Rhône-Alpes Region*, personal communication, 2019).

**The French regions also participate in projects which are part of the Chinese BRI.** In April 2016, the first train from the Chinese city of Wuhan (Hubei province) reached Lyon, inaugurating a freight **railway connection** between the metropolises (11,300 km in 16 days). In tandem with the BRI, Normandy included its ports, along with the largest French port of Le Havre. Local governments look for ways to attract Chinese investments to the French regions and build links with the Chinese market (Seaman & Ekman, 2016).

French regions and cities have their own **cooperation platforms for units engaged in foreign contact**. One example is Cités Unies France, a federation of cities and regions involved in international cooperation. It is responsible for, among other things, organising meetings with the countries where the French regions have contacts. This kind of cooperation platform is also organised for local governments cooperating with China. In November 2018, in Toulouse, the capital of Occitania, six French-Chinese meetings concerning decentralised cooperation were held. The contact with Chinese provinces and cities is also supported by the Association of French Regions.

## Regional partnerships with China

According to data collected in 2017, 10 out of 11 surveyed French regions declare active cooperation with Chinese partners. Only the Hauts-de-France region, which had previously worked with the city of Tianjin, declared the end to the former partnership. The cooperation was finished because of political matters. However, the region declares its interest in cooperation and admits that it looked for a partner in 2017. From other sources, it is known that Normandy has one partner from China, the Fujian province. **In total, 15 partnerships were identified among the surveyed regions.** All partnerships have a formal basis (an agreement signed between partners). Most of the declared partnerships were assessed as active in 2017 (any activity in the two preceding years) and only two relations forged by the Grand Est region were not active.

The first four partnerships were established in the 1980s. **French regions, along with British and German local governments, were among the first that started cooperation with the Chinese.** Bretagne was the initiator was, launching the collaboration with Shandong in 1985. Most of the Chinese partners were eastern provinces. Only Sichuan, the partner of Occitanie, was an interior province. Some agreements from the 1980s were later renewed, for example, Occitanie signed another agreement with the province of Sichuan in 2014. Three partnerships from the 1990s were also established with the provinces from the central part of China (Hubei, Hunan). The partnership between Provence-Alpes-Côte d'Azur and Guangdong dates back to 2000 and the rest began after 2005 (Table 19).

**Table 19.** French regional cooperation with Chinese partners (2017)

1	Ile de France	Beijing	1987	active
	Ile de France	Zhejiang	2018	active <sup>31</sup>
2	Grand Est Region	Sichuan	2010	active
	Grand Est Region	Jiangsu	2005	not active
	Grand Est Region	Hubei	1998	not active
3	Occitanie	Sichuan	1987	active
4	Bourgogne-Franche-Comté	Hong-Kong	2010	active
5	Bretagne	Shandong	1985	active
6	Pays de la Loire	Shandong	2006	active
7	Provence-Alpes-Côte d'Azur	Guangdong	2000	no data
8	Auvergne-Rhone-Alps	Shanghai	1986	active
	Auvergne-Rhone-Alps	Hebei	2017	active
9	Nouvelle-Aquitaine	Hubei	1996	active
10	Centre-Val de Loire	Hunan	1991	active
11	<i>Hauts-de-France</i>	<i>Tianjin</i>		<i>finished</i>
12	Normandy	Fujian	no data	no data

Source: own elaboration

<sup>31</sup> Data from Île-de-France were obtained in 2018, it was also the year of establishing the partnership with Zhejiang.

However, it must be underlined that **the first initiatives of cooperation were established between cities in the 1980s**. According to data gathered by the European Commission (*List of Chinese-European Twin Cities*, 2012), the first partnership was launched in 1981 by Montpellier (Occitanie) and Chengdu (Sichuan Province). The following year there were two more agreements between Chongqing (a city with provincial status) – Toulouse (Occitanie) and Luoyang (Henan) – Tours (Centre-Val de Loire). The correlation of partnerships between cities and regional cooperation is clearly visible even on these few examples. Six years after the beginning of the partnership between Toulouse and Luoyang, the regional authorities also decided to forge a partnership. The same situation applies to the cooperation between the cities from the Centre-Val de Loire region and the Hunan province. The cities' partnerships stimulated the regional cooperation. French cities were very active in their cooperation with Chinese partners. In the 1980s, as many as 13 partnerships were established. This dynamic cooperation was maintained in the 1990s and later. Unfortunately, there is no information if these partnerships are still active and what the sphere of cooperation was.

The high dynamics of regions, provinces and cities in the 1980s were probably connected with the situation in China and the opening-up policy implemented by the Chinese leader – Deng Xiaoping, which began in December 1978 (Skorupska et al., 2019). The dynamics of new paradiplomatic relations between cities and regions were maintained in the 1990s and later.

### **Areas, forms of cooperation and local partners<sup>32</sup>**

Looking at the spheres of cooperation, there is a **domination of general economy** and then education and research (Table 20). However, many regions (4-6) also declare activities in the spheres connected with sport and tourism, environment, agriculture/rural development and health and public policy. The indication of the main areas of cooperation is also confirmed by the forms of activities and local partners who are engaged in common initiatives. The most often cited local partners are representatives of **businesses, universities and educational institutions**. When asked about the form of cooperation,

---

<sup>32</sup> The analysis relates to 11 regions which sent back the questionnaire.

the respondents indicate first business missions and official visits, then participation in fairs or economic forums. Four regions use a permanent office in China to conduct some activities.

**Table 20.** The areas of cooperation between French and Chinese regions

Areas of cooperation	No. of responses
General economy	10
Higher education and research	9
General education	6
Environment	6
Other	6
Sport and tourism	6
Agriculture and rural development	5
Areas-Health and public policy	4
Administration and region management	1
Municipal economy	0
<i>Number of regions answering the question</i>	<i>10</i>

Source: own elaboration

## Benefits and obstacles

The activities are primarily undertaken to **support French enterprises**. A better position for business, attracting Chinese investment, and trade development are among the most often declared benefits of paradiplomacy with China. As many as nine regions naming **tourism promotion** as one of the main benefits shows how important tourism is for local authorities in France. They probably treated tourism and cultural promotion as a way to attract Chinese tourists and investors. Traditionally, some regions indicate the general exchange of experience as one of the benefits (Table 21).

**Distance, cultural differences and language barriers** are the most often declared obstacles in partnerships with China. These problems may result in not-active or finished cooperation. Against the background of the rest of

the researched countries, **the low number of regions indicating the cost as the main obstacle is interesting**. Only two regions point to costs as a barrier, while in other cases costs are first or second among the main obstacles. Some surveyed regions also point out the low commitment of Chinese partners.

**Table 21.** The main benefits of the cooperation with China indicated by French regions

Benefits	No. of responses
Better position for business	9
Attracting Chinese investment	9
Tourism promotion	9
Cultural promotion	7
Trade development	7
Exchange of experience	5
<i>Number of regions answering the question</i>	<i>10</i>

Source: own elaboration

**Table 22.** The main obstacles in the cooperation with the Chinese indicated by French regions

Distance	6
Cultural differences	6
Language barriers	5
Low commitment of the Chinese partner	4
Cost	2
Other	1
<i>Number of regions answering the question</i>	<i>10</i>

Source: own elaboration

Looking at the basic characteristics of the regional cooperation, it is difficult to find any specific features which distinguish Sino-French paradiplomacy from the other five surveyed cases. The cooperation based on economy and universities is crucial in all six countries. This also determines other aspects as regards the form of cooperation and benefits. Similarly to the regions from Germany and the UK, the first partnerships were established in the 1980s by cities. Regions engaged somewhat later, but in France the cooperation of cities stimulated the regional authorities to establish the relations.

## Case studies

To obtain more information about the China-France paradiplomacy, in the second phase of the project two French regions were selected as examples to illustrate further details and specific features. The regions were selected because of their very active cooperation with Chinese partners but also due to its quite differentiated character.

### Pays de la Loire

Pays de la Loire is one of the 13 French regions. It is located in the western part of the country and has nearly 3.8 million inhabitants. It is the fifth-largest region in France in terms of GDP per capita. Its largest cities, besides the capital of Nantes, include Angers and Le Mans. In 2015, after the election of new local authorities, the region's approach to external contacts changed. Pays de la Loire adopted an international cooperation strategy for 2016-2021 (*Feuille de Route Internationale Pour La Periode 2016-2021*, 2015). The related document stressed the importance of economic cooperation leading to the development of the region, and three priority geographic directions were specified: North America, East Africa, and Asia. Although the document does not indicate the exact country, the representatives of the region underline that Chinese partners are very important for the international cooperation of Pays de la Loire.

“China cannot be ignored because China is more than a billion people. Today we have at least 500 million people who can spend money, travel to

other countries. We cannot ignore it, but at the same time we must be realistic” (*Interview with a Representative of the Pays de La Loire Region*, personal communication, 2019).

**Pays de la Loire has cooperated with the province of Shandong since 2006**, when the regional representation in the city of Qingdao (capital of Shandong) was opened. After the change of the executive of the region in 2015, the perspective on the international cooperation of the regions changed. New state regulations gave regions more power in terms of economic development. Pays de la Loire decided to define its new paradiplomatic policy in a kind of road map (*Feuille de route internationale pour la periode 2016-2021*). As a result of the new policy, the region closed the representative offices in China, in Qingdao and in Beijing (also the offices in India were closed), since the offices were deemed to be ineffective in regard to the assumed goals and too costly.

“We have very close links with them but it is more like a gate to all China. We closed the office (...) we decided to focus on the economic development and the office was not good at it”. (*Interview with a Representative of the Pays de La Loire Region*, personal communication, 2019)

Authorities decided to **move away from formalised cooperation within the framework of partnerships to informal contacts with various provinces**. Although it is not formal cooperation (there have been no official visits of regional authorities or signing of subsequent agreements), the region did not give up on the cooperation with Shandong and other provinces. It is particularly interested in investing in relations with the regions in China’s east. The country is treated as one large market which can be entered by companies from Pays de la Loire.

“We no longer maintain a relationship that could be called ‘cooperation’. Now, it is an “economic partnership” with all of China” (*Interview with a Representative of the Pays de La Loire Region*, personal communication, 2019)

The region’s authorities, in their relations with China, **focus on economic aspects**. Their goal is to develop local business and the region. An important

partner here is the Chamber of Commerce. This is a local organisation operating in different countries. The regional enterprises are engaged in activities towards China. Entrepreneurs participating in economic missions (on average twice a year) or other events organised by the region are offered co-financing of travel costs.

“We are business-oriented now. Our main target is to develop business.”

*(Interview with a Representative of the Pays de La Loire Region, personal communication, 2019)*

Business France (BF), a national agency for the promotion of exports and investments, established in 2015, has become another crucial associate. A representative of the region joined the BF office in Hong Kong to maintain contact not only with Chinese cities and provinces, but also with partners from other Asian countries.

“We decided not to open an office, but to put somebody inside the organisation Business France based in Hong Kong (...). From Hong Kong you can easily go to China, but also to Japan, Korea, Indonesia or Singapore”

*(Interview with a Representative of the Pays de La Loire Region, personal communication, 2019).*

Organizing the mission abroad, the region cooperates with French embassies which facilitate this kind of activity and are a very good source of information on the country. In Pays de la Loire there is also an Ambassador who at the same time is the Counsellor to the Prefect. Their role is to facilitate relations with all the national structures if need be. As the region's representatives emphasise, the attitude of French embassies has changed in the last years: they have become more business-oriented.

In terms of investment, the Regional Development Agency plays an important role in the region, the aim of which is to attract foreign investors to Pays de la Loire. As part of economic relations, there is also know-how support. The authorities gather the information on conditions for business activities. Recognizing that an important type of support for entrepreneurs is to provide them with relevant information, the region prepared a guide, a kind of

strategy for business in China. There is also the “BOOK” database for entrepreneurs and regional authorities on Chinese investment in Pays de la Loire and on French investment in China.

Although economic aspects dominate, there are also **activities engaging universities**. When on a mission, the region’s representatives contact French students for networking. The region also supports cooperation with Chinese universities, prepares programmes to attract foreign students, and organizes student exchanges.

“Our students can spend from six months to one year in China and Chinese students in our country can do the same” (*Interview with a Representative of the Pays de La Loire Region*, personal communication, 2019).

Looking into a specific area of economic cooperation, it can be observed that there are some encouraging prospects. In June 2018, China abolished its embargo on beef imports from France, which is important for a region specializing in livestock breeding. Seeing the changes in Chinese society (e.g., ageing population, the problem of care for the elderly), the region now also promotes its experience in **healthcare** and the **senior economy** (“silver economy”).

Other industries interested in the Chinese market include companies related to **sports**, and **smart green** and **smart factories**. In Pays de la Loire, an international “smart factory” conference, Laval Virtual, is held every year. In 2017 the French co-organised the conference Laval Virtual Asia in Qingdao (Shandong Province) for the first time. The region’s authorities are also looking at the development of the BRI, which they perceive as an opportunity for new economic ventures, not only in China, but also in other parts of Asia.

“What we call ‘the Silk Road’ is a new link to business organisation. We need to look at this because it’s a new way of doing business, not just business, but I think it’s a way to control the rest of Asia” (*Interview with a Representative of the Pays de La Loire Region*, personal communication, 2019).

The changes are not only on the French side. Recent years have seen changes in the organisation of Chinese delegations as well. The visits are better prepared, the topics raised by the Chinese party are more specific.

However, despite these changes, there are still some problems and challenges in the cooperation with China. The representatives of the regional authority underlined that a large number of Chinese delegations, discussions, and **actions taken do not necessarily translate into specific results** (investments, contracts). Over the years, the region has intensively promoted its own enterprises and culture, but that has not brought results either, especially not an increase in exports. The partners from China were focused on gathering information and knowledge, and not necessarily interested in sharing.

“We have spent a lot of money as a region promoting our production, culture and so on. In our opinion, we’ve spent too much money, we’ve lost too much time, and we have no benefit. The Chinese eagerly collect information, but they do not share it with us. That’s why we changed our point of view a bit” (*Interview with a Representative of the Pays de La Loire Region*, personal communication, 2019).

With regard to the interest and support from the EU, Pays de la Loire has not previously benefited from the EU programmes which could develop its relations with China. The representatives of the region were not sure if there were programmes that could be used for such cooperation. In addition, they point to difficulties, such as complicated and lengthy procedures, in using European funds. The region does not, however, exclude the possibility that if such support aimed at cooperation with China accompanied by friendly procedures appeared, they would benefit from it.

### **Auvergne- Rhône -Alpes**

This region was created as a result of the territorial reform in France in 2016. It was a merger of the two regions of Auvergne and Rhône-Alpes. Lyon is the capital of the new unit. The major cities include Grenoble, Saint-Etienne, and Clermont-Ferrand. The number of inhabitants (nearly 8 million) makes it the second-largest region in France (behind Île -de-France). It also ranks second in economic importance, with 11.4% of the country’s GDP and is a foreign investment and research centre. With more than 600 laboratories and 40,000 scientists, the region “has created an innovative ecosystem” of 18

inter-connected clusters, French “tech cities” and competing centres (*Mapping France. The Dynamism of France’s Regions through Investment by French and Foreign Companies*, 2019).

**The region perceives China as a strategic partner for cooperation.** The first contact was made in 1986 with Shanghai at the initiative of the president of Rhône-Alpes at the time. The formalisation of contact was supposed to facilitate economic relations of local entrepreneurs as well as academic cooperation. Researchers from the region, especially from Grenoble, had already established relationships at universities in Shanghai. Moreover, in 1991, the regional government of Rhône-Alpes decided to open an economic agency there to set up enterprises in Shanghai. It was important because it allowed many French companies to enter the Chinese market. The partnership was then renewed.

The new authorities of the Auvergne-Rhône-Alpes region signed an agreement with Shanghai again in 2017. However, because of changes in France and the new decentralized policy, the regional government decided to close the office in Shanghai in the same year. A different formula was planned to support the entities from the French region. The authorities intend to cooperate with a single French entity which will represent Auvergne-Rhône-Alpes in China (it will probably be the BF or the French Chamber of Commerce).

In 2017, a new partnership was established with Hebei Province as well. The initiative was born in connection with the preparation of China for the 2022 Winter Olympic Games and the desire to use the experience of the French region in the organisation of such a global event. Joint activities also concern healthcare, environmental protection, academic cooperation, and the development of new technology.

The main focus of the cooperation of this French region with the Chinese partner is **academic** in nature. Contact between researchers from Grenoble and their counterparts at the universities in Shanghai formed the beginning of years-long cooperation, which the regional representative assessed in 2018 as an example of a successful project. Every year, the region holds competitions for students and researchers from Auvergne-Rhône-Alpes with its own resources and runs several projects in cooperation with Shanghai. For example, the stays of French doctors to teach medical French language at the Jiaotong University in Shanghai are funded.

“It has been a big project that continues now, that we still support. It is our best example of cooperation” (*Interview with a Representative of the Auvergne-Rhône-Alpes Region*, personal communication, 2019).

In connection with the academic cooperation, the region places a great emphasis on innovation, especially in environmental protection, including the involvement of regional companies and clusters. The representatives of the clusters, including Lyonbiopole (a global cluster with a medical profile), have established partnerships with entities from China. They have started a project in the field of air pollution with an observatory of air quality and the Shanghai Environmental Monitoring Centre.

**The regional government also supports local enterprises, including clusters, in their contact with Chinese partners.** It co-finances their participation in economic missions to China from its own resources. Until now, the funding for trips or calls for proposals by entrepreneurs have been easier to organise with their own resources rather than with EU funding.

“We think, our cooperation opens some door for the companies, especially in the field of environment. If the local government supports the project it is easier for the Chinese institution to go ahead and work with us (*Interview with a Representative of the Auvergne-Rhône-Alpes Region*, personal communication, 2019).

For the region’s authority, cooperation with the state plays an important role, especially in dealing with China. The representatives of the region participate in **regular consultations with central entities**, also on the occasion of subsequent visits of Chinese delegations. They look for some knowledge and opinions.

“Sometimes we ask the national government to help us evaluate the Chinese delegation’s offer to identify ‘a good delegation’ because sometimes we devote a lot of time to the organisation of Chinese partner programs” (*Interview with a Representative of the Auvergne-Rhône-Alpes Region*, personal communication, 2019).

Cooperation with Chinese partners encounters some problems and challenges connected with the political circumstances in French local government. The various political parties governing the region and its capital make it difficult to synergise the activities of Auvergne-Rhône-Alpes and Lyon towards China. **The city and regional authorities organise trips and meetings with foreign partners independently, without combining or coordinating their initiatives.**

There are also different circumstances on the Chinese side which influence the partnerships. One difficulty in the relations is the lack of continuity in the contact of officials from both countries. Departments change as do the people responsible for cooperation on the Chinese side. Different people come to subsequent meetings as part of ongoing cooperation endeavours. There are also difficulties in keeping current contacts related to the policy in China and the interference of the central authorities, who decide, for example, to withhold permits for foreign delegations. What is more, the region's representatives are not always able to assess the goals of subsequent visits of Chinese delegations, which often visit a number of regions from different countries during one trip to Europe.

Another problem is also China's changing approach to cooperation. Chinese delegations are less likely to visit, they are also less numerous, but more focused on specific activities. Representatives of the region are aware of the changes and challenges posed by cooperation with partners in China (e.g. concerns relating to the transfer of their own technologies to China). However, they believe that joint initiatives should be undertaken. It is important to acquire knowledge of the partners and ensure that the cooperation brings benefits to both parties.

“We must continue to cooperate with them, but we must strongly defend our interests. So I think that in the future we will continue to maintain relations, but we will be more aware. Before the delegation goes to China, it prepares, it is a question of mutual knowledge [...]. We must go to China to understand it. The more we get to know each other, the more we find solutions for good cooperation” (*Interview with a Representative of the Auvergne-Rhône-Alpes Region*, personal communication, 2019).

According to the region's representatives, **there is a need for a coherent EU policy towards China, which will also translate into the activities of individual regional authorities from the EU countries.** The Chinese market should be more open, and Europe should define its goals clearly.

“I think it must be a strategic policy towards China in the field of investment, the European Union must look at this project [the Chinese investments in the EU], explain to the Chinese government what we need and defend our interests, including European strategic companies from each Member State, because I think we all have the same problem” (*Interview with a Representative of the Auvergne-Rhône-Alpes Region*, personal communication, 2019).

## Conclusions

The analyses show the important interplay between the state level relations and regional contacts between France and China. The opening-up policy of the Chinese leadership after 1978 resulted in partnerships between Chinese and European partners at the local and regional level. The changes in domestic policies of the countries also influence the sphere of cooperation.

French regions, along with British and German local governments, were among the first that started cooperation with China. Decentralized cooperation in France is understood as a way to develop the regions and the whole country. The state government supports and facilitates the international activities of local and regional authorities. The regular meetings within the National Commission for Decentralized Cooperation create an opportunity to exchange information, discuss ongoing projects and analyse how to make this activity more effective. Regions and cities are also engaged in French economic diplomacy (BF network).

Looking at the decentralized cooperation of French regions with China, in all the surveyed regions the emphasis is put on the economic and academic dimension of the relation. However, the two presented case studies show that priority can be accorded differently. It depends on the region, its resources, but also the local government. The French enterprises, universities and business

environment organisations are among the main local partners in cooperation with China. However, it depends on the region what type of local partner is the main subject of cooperation and which is the supporting one.

Despite the great opportunities for cooperation, the regions are also aware of the threats that may result from China's foreign policy and Chinese investment. The representatives know that cooperation with China is a rather long-term investment, they must care about the reciprocity rule and look for synergy with the state government policy and activity towards China.



# CHAPTER 6

## SPAIN

**Adriana Skorupska**

<http://dx.doi.org/10.18778/8142-517-9.07>

### Introduction

Spain and China have had a strategic partnership since 2005 (Zhongping & Jing, 2014). There has been an increase in the two countries' economic ties in recent years. What is more, the bilateral relations have been developed also on other levels. 11 out of 17 Spanish autonomous communities declare cooperation with partners from China. One objective of this chapter is to characterize the activities between Spanish communities and Chinese provinces and cities – their intensity, scope, advantages and obstacles that they face. The question relates to a broader perspective – the bilateral state government relations and the EU-China cooperation: is there any correlation between the relations at the state level and the regional level? Moreover, one of the ultimate goals of the whole project is to analyse the impact of the EU-China relations on paradiplomacy. Do the autonomous communities see any role of the EU in their activities with Chinese partners? Do they need any support from the European Union to have more intense or effective cooperation with this Asian partner?

In the first phase of the project an online survey was sent to all Spanish autonomous communities. 14 out of 17 regions sent completed questionnaires<sup>33</sup>. In the case of two more regions, partial information was received by e-mail. One region – Madrid – did not complete the questionnaire. Assumptions about partnership with China in that case are based on the information found on the region's website, which is why the information is not full and comparable to data gathered from the rest of the communities. Additionally, two autonomous communities were selected for a deeper analysis of the character of their cooperation with their Chinese partners. On the one hand, the cooperation between the selected communities and China is quite unusual and very intense<sup>34</sup>, but, on the other, the form and spheres of cooperation are very different in both regions. In the case of Castile and León, much emphasis is placed on educational cooperation, while in Valencia – economic.

The chapter is divided into two main parts. The first starts with some general information on the bilateral state relations, as well as those at the society level. There are also some basic characteristics of paradiplomacy regulations in Spain. The second part is dedicated to the research results. The chapter ends with some conclusions and policy recommendations.

## Central Level of Spain-China Relations

Spain and China established diplomatic relations in 1973, which is relatively late compared to some other Western European countries. As in the case of most Western European countries, opening relations with the PRC was supposed to strengthen the Spanish political position in Europe (Esteban, 2016). In 1985 – the year of the Spanish accession to the European Communities – President Felipe Gonzalez was the first Spanish president to visit the PRC. Spain began to offer tied loans to the PRC to facilitate the entrance of Spanish

---

<sup>33</sup> Krystyna Czarnecka helped to gather the information about Spanish foreign activities in the first phase of the project.

<sup>34</sup> Catalonia is also particularly active in international cooperation (not only with China). However, the tools and objectives of Catalonia's paradiplomacy are widely described in the literature, often in combination with Scotland or Quebec (see e.g. Segura, 2017)

companies to China. Since that time **the Spanish policy towards China has remained the same for the last three decades, regardless of changes in the government**, focusing on economy. Spain is one of the EU member states which combines a soft power approach on political issues with a demanding position on economic matters (Esteban, 2016).

In November 1990, when China was isolated (after the Tiananmen Square massacre), the Spanish Foreign Minister, Francisco Fernandez Ordonez, was the first representative of a Western authority to visit Beijing, which was appreciated by the Chinese leaders (Esteban, 2016). The first official action plan on the Asia-Pacific Region, released in 2000 (Higuera, 2015; *Plan Marco Asia Pacifico 2000–2002*, 2000), treated China as the most relevant country for Spain in Asia<sup>35</sup>.

The aforementioned close relations also have their institutional dimensions. The comprehensive strategic partnership between China and Spain was established on 14 November 2005. The year 2007 was the “Year of Spain” in China. At the same time, **China is the second-largest foreign holder of Spanish government bonds**, and the level of bilateral foreign direct investment has been increasing significantly since 2010 (Esteban, 2016). President Rodriguez Zapatero visited China four times during his terms in office (2004–2011). The former Chinese Prime Minister, Wen Jiabao, called Spain “the best friend of China in Europe” during his official visit in 2009 (Esteban, 2016).

The Spanish government has been engaged in the Belt and Road Initiative (BRI), announced by China in 2013. The government promotes the idea as a business opportunity for several sectors. Spain relatively quickly became **a founding member of the AIIB**, a bank perceived as a pillar of the BRI. The country can be viewed as **the last Eurasian leg of the BRI**, since Spain is the gateway to the Atlantic Ocean and the western Mediterranean Sea (Esteban & Otero-Iglesias, 2016). Spain hopes to be the regional hub for trade, to expand export markets for Spanish companies, and to offer opportunities to bid on construction projects (Pirner, 2018). The government expects that the Chinese project will bring opportunities especially in three sectors: construction and management of large infrastructure projects, cultural tourism from Asia, and

---

<sup>35</sup> In the new strategy, no country is specifically mentioned (*A Strategic Vision for Spain in Asia 2018–2022*, 2018)

the export of agricultural products to China (Esteban & Otero-Iglesias, 2016). Prime Minister Mario attended the BRI forum in China in May 2017.

The good relations were also underlined during the official visit of the PRC Chairman Xi Jinping to Madrid in November 2018<sup>36</sup>. It was the year of the 45<sup>th</sup> anniversary of the establishment of diplomatic relations between Spain and China. The meeting focused on the BRI and economic cooperation. The countries signed “**The Comprehensive Strategic Partnership for a New Era**”, which is treated as a sign of the deepening of relations.

## Spain-China relations at the society level

Looking at the perception of China, there is a difference between the elite and wider society. In 2005, only 30% of Spanish people considered China as an opportunity for Spanish business, while 61% considered Chinese products as a threat (Esteban, 2018). However, the general perception of China was better. In 2006, China's influence on the world was considered as positive by 45% of Spanish people. That support declined dramatically during the European crisis (data from 2013). While the government focused on the opportunities connected with the economic development of China, **the Spanish society blamed the Chinese for the decline in jobs in Spain** (Esteban, 2016).

Nowadays, the government, the public administration and media still perceive the increasing Chinese investments positively. This is in contrast to the Spanish public opinion which is more suspicious as regards the capital coming from China than from other geographic directions (Esteban & Otero-Iglesias, 2017). This could be caused by stereotypes and a generally poor knowledge about China, evidenced in some research. According to data from *Special Eurobarometer 2018 (Future of Europe. October-November 2018, 2018)*, more people have a “total ‘Negative’” view about China (50%) than “total ‘Positive’” (38%). However, it is interesting that this attitude has changed in the last three years. From 35% positive in 2016 (*Future of Europe. September-October 2016, 2016*), to 29% in 2017 (*Future of Europe. September-October 2017, 2017*), and finally to 38% in 2018 (*Future of Europe. October-November 2018, 2018*). This

---

<sup>36</sup> It was the first time in 13 years that a Chinese head of state had come to Spain.

shows that, from one point of view, the opinion and attitude towards China is still quite negative but, on the other hand, it fluctuates, which may be caused by a lack of knowledge about the country among Spaniards.

The Chinese traditionally have a positive attitude to Spain. They associate Spain with a beautiful and picturesque country. However, they do not know much about modern Spain, for instance its position in the EU and Latin America.

To improve the mutual perception, both countries have conducted many public diplomatic initiatives (Esteban, 2016). Spain opened the Cervantes Institute in Beijing, and China – eight Confucius Institutes and nine Confucius Classrooms in Spain<sup>37</sup>. Apart from the development of trade and investment, tourism has also expanded (Pirner, 2018). The bilateral initiatives at the regional and local level are also an important tool to develop the economic, cultural and academic cooperation.

**The growing Chinese minority in Spain** is an important factor in bilateral relations. This community is the fourth-largest diaspora in Spain, with 207,593 registered citizens, according to the 2017 figures from the National Institute of Statistics (INE) (Rosati, 2018). The high increase in the number of Chinese in Spain has also been confirmed by Eurostat data. The number of long-term residents from China grew rapidly from 2010, when the number was 78,264 until the end of 2018, when the number was 129,510 (*Eurostat*, 2019). One of the factors was **the “golden visa” scheme** introduced in 2013. By 2016, more than 700 persons had benefited from this (Godement & Vasselier, 2017).

## Paradiplomacy regulations

Spain is a decentralized country: “the State is organized territorially into municipalities, provinces and the Self-governing Communities that may be constituted”<sup>38</sup>. There are 17 autonomous communities, and each has its own status. The Statute of Autonomy is hierarchically located under the Constitution of the country. The Spanish Constitution from 1978

<sup>37</sup> Hanban website, [http://english.hanban.org/node\\_10971.htm](http://english.hanban.org/node_10971.htm)

<sup>38</sup> Spanish Constitution, <http://www.congreso.es>

underlines the unity of the Spanish nation, but at the same time guarantees the right to self-government: “All these bodies shall enjoy self-government for the management of their respective interests” (*Constitution*, 1978).

Autonomous communities have their own elected Parliament and local government to run the region. The regions have control over services, such as health care and education. Some have more autonomy. For instance, Catalonia and the Basque Country have their own police forces. The Basque Country and Navarra have independent fiscal systems. Communities also have great freedom in language policy.

International relations remain solely among the state government’s prerogatives; however, **the communities have the right to conduct foreign activities within their internal competences**. They cooperate with cities and regions from other countries. They sign cooperation agreements with foreign partners, participate in international projects, open representative offices abroad, and are active in international associations of local government.

Some Communities define their right to conduct international activities in their Statutes. They include special provisions on the foreign promotion of culture or vernacular languages, international contacts with overseas migrant communities and foreign aid (Tavares, 2016). Chapters or just articles referring to foreign actions can be found, for example, in the Statutes of Autonomy of communities such as Catalonia, Galicia, Andalusia, Aragon, Asturias, Castile and Leon. However, there are differences in the level of detail. **The case of Catalonia is particularly distinctive**. The region is very active in the field of international operations. Catalan paradiplomacy is analysed as activity towards the international promotion of the process of self-determination, also in a comparative study along with regions from other countries (Lohmar Sainz de Vicuña, 2015).

In the Statute of Autonomy of Catalonia from 2006, the whole chapter refers to the “Foreign action of the Generalitat” and another one to the “Relations of the Generalitat with the European Union” (*Statute of Autonomy of Catalonia*, 2006). It defines, among other activities, the right to establish offices abroad and to participate in international bodies:

“The Generalitat and the State shall undertake the necessary measures to obtain official status for Catalan within the European Union and its presence

and use in international organisation and in international treaties of culture or linguistic content. (Art 6(3)) (...) In order to promote the interests of Catalonia, the Generalitat may sign collaboration agreements in areas falling within its powers (from Art 195)”

However, in the general provision it states that “The Generalitat shall foster the external projection of Catalonia and promote its interests in this area, while respecting the powers of the State in foreign affairs” (*Statute of Autonomy of Catalonia*, 2006).

## Spain-China Paradiplomacy

There are some factors influencing the significant dynamics of paradiplomatic cooperation with Chinese partners in recent years. These include processes such as globalization, the increasing role of territorial units, the decentralization of international affairs, domestic situations, and the foreign policies of the two countries. The growing international position of China is also an important factor. It relates to the economic expansion and to the Chinese model of promotion (Szcudlik, 2018). The best examples of effective Chinese soft power tools are the BRI and the Confucius Institutes. The first Institute was established at the University of Madrid in 2005, the next five between 2006 and 2011, and two latest ones were opened in 2017<sup>39</sup>.

Cities and communities show an interest in being involved in the BRI. **Madrid was the second city to organize the Silk Road Forum** (the first one was held in Istanbul) in 2015. Topics covered during the meeting included infrastructure connectivity, international cooperation in production capacity, the Silk Road construction, and sustainable development.

The most developed project connected with the BRI in Spain is **the train connection between Madrid and Yiwu. This is the world’s longest rail link**. The first trip was undertaken in December 2014 (Esteban & Otero-Iglesias, 2016). However, the biggest problem remains the lack of demand for filling the trains from Madrid back to Yiwu.

---

<sup>39</sup> Hanban webside, <http://english.hanban.org/>

Internal factors from the Spanish side include the interest of the communities in cooperation as a tool for regional development, as well as creating investment opportunities for regional companies and regional promotion. The growing Chinese diaspora in Spain is also an important factor (Rosati, 2018).

Another essential aspect is the Spanish engagement in **child adoption from China**, especially some years ago. The China Center of Adoption Affairs reported that Spain, after the U.S., is the country that adopts the highest number of children from China. According to Spanish government data, Spanish families adopted 2,700 children from China in 2005, while there were 5,400 adoptions from abroad in total (Bernstein-Wax, 2007). The high number of adoptions from abroad results in a new obligation for communities. Regions are obliged to provide Chinese lessons in schools and universities to protect the adoptive children's rights to maintain close relations with the Chinese language and culture.

All those facts translate into the Spaniards' interest in the Chinese language, culture and tourism. New regional contacts may be the pretext for, or the outcome of, business contact, the establishment of new Confucius Institutes or academic cooperation. The cultural and educational projects are important tools to bring the two societies closer and get to know the culture and the language better.

## Survey results

According to data collected in 2017, 11 out of 17 Spanish autonomous communities declare active cooperation with Chinese partners (Table 23). Further three communities – Aragon, Cantabria, Chartered Community of Navarre – used to have some contacts, but their partnerships are not active now. Among these, the communities of Cantabria and Chartered Community of Navarre would like to have some kind of partnership, but there were no details provided in 2017. The last three regions – Balearic Islands, Castilla-La Mancha and Canary Islands – have not had any partnerships with Chinese partners. However, Castilla-La Mancha declared an intention for future cooperation.

Among the 11 communities which confirmed their active cooperation, there are 32 declared partnerships. However, only 18 are characterized as active

(any common initiative during the last two years), 13 are not active and the status of one is unknown. **There is no correlation between the degree of activeness and the formal status of cooperation.** There are some not active relations even though an agreement was signed. On the other hand, there are active partnerships without any formal arrangement. The factor connected with the initiator of cooperation is neither correlated with the activity status nor with the starting year. In the case of 8 relations, the initiator was the Chinese side and half of them are not active now. Similar numbers come up in the case of relations initiated by the Spanish partner or by a business partner.

Looking at the years of launching the contacts, some synergy between state governmental relations and paradiplomacy can be seen. After the initiation of the China “opening” policy, it was the city partnerships that started first. A cooperation agreement between Madrid and Beijing was signed in 1985. Next, town twinnings have been launched since the mid-1990s, about one new contact a year. **The year 2005 was exceptional since it was the year of the strategic partnership signed between the countries – five new partnerships between cities were established.**

The international activity at the provincial level started later. Most regional contacts between Spain and China started at the beginning of the 21<sup>st</sup> century. The Region of Valencia partnership with Sichuan, which dates back to 1994, and with Shanghai (1997) are two exceptions. The contacts from the beginning of the 21<sup>st</sup> century can be related to the state strategy towards Asia (2000), where China is mentioned as one of the main partners for Spain (Higueras, 2015). The partnerships from this period are still active. The next important year was 2006. It was a year of the growing interest of China after signing the strategic partnership between the two countries. Three new partnerships were signed in 2006, and one more just a year later. All the three new contacts from 2006 were launched by the Rioja region and are not active now (Table 23).

The absence of an active cooperation within regional contacts launched in 2006-2007 and the lack of new partnerships between local governments in 2008 can be connected with the financial crisis in Europe. Revival in cooperation took place in the next decade of the 21<sup>st</sup> century. It can be linked to the official visit of the Chinese Prime Minister, Wen Jiabao, to Spain during his European tour in January 2009. In the period of 2009-2010 three relationships were launched – by Catalonia, The Basque Country, and The Region of Valencia and Asturias.

**Table 23.** Spanish regional cooperation with Chinese partners (2017)

No.	Region	Cooperation declared	Cooperation in the past	Cooperation in the future	Active cooperation	Non-active cooperation	Sum of partnerships
1	Andalusia	Yes			1		1
2	Aragon	No	Yes	No			
3	Balearic Islands	No	No	No			
4	The Basque Country	Yes			1		1
5	Cantabria	No	Yes	Yes			
6	Castilla-La Mancha	No	No	Yes			
7	Castile and León	Yes			5		5
8	Catalonia	Yes			5		5
9	Galicia	Yes			1	1	2
10	Canary Islands	No	No data	No data			
11	La Rioja	Yes			0	3	3
12	Chartered Community of Navarre	No	Yes	Yes			
13	Principality of Asturias	Yes			1		1
14	The Region of Murcia	Yes			1		1
15	Extremadura	Yes			1		1
16	The Region of Valencia	Yes			2	9	10
17	Madrid*	Yes			No data	No data	1
	<b>Sum</b>				<b>18</b>	<b>13</b>	<b>32</b>

\*in the case of Madrid the status is not known.

Source: *own elaboration*

**Table 24.** Chinese Partners of the Spanish Autonomous Communities

No.	Autonomous Community	Province/city	Status of Chinese Partner	Start of Cooperation	Active/ not active
1	Andalusia	Shanghai	a city with provincial status	2002	active
2	Basque Country	Jiangsu	a province	2010	active
3	Castile and León	Xiangtan	a city in the Hunan province	2015	active
4		Chongqing	a city with provincial status	2015	active
5		Jinan	a city, the capital of the Shandong province	2016	active
6		Changchun	a city, the capital of the Jilin province	2016	active
7		Nanjing	a city, the capital of the Jiangsu province	2016	active
8	Catalonia	Guangdong	a province	2003	active
9		Hong Kong	a province	2009	active
10		Jiangsu	a province	2015	active
11		Zhejiang	a province	2015	active
12		Chongqing	a city with provincial status	2016	active
13	Galicia	Mongolia interior	a province	2011	not active
14		Hunan	Hunan	2016	active
15	La Rioja	Shandong	a province	2006	not active
16		Liaocheng	a city in the Shandong province	2006	not active
17		Heze	a city in the Shandong province	2006	not active

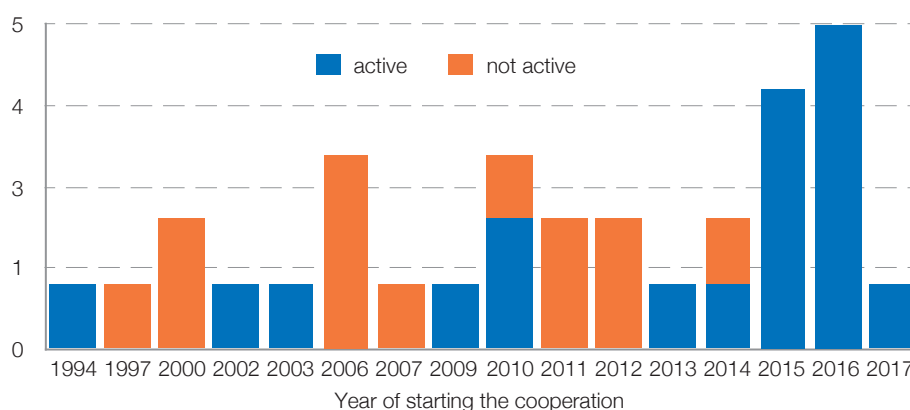
**Table 24.** cont.

No.	Autonomous Community	Province/city	Status of Chinese Partner	Start of Cooperation	Active/ not active
18	Asturias	Shanghai	a city with provincial status	2010	active
19	Murcia	Yangzhou	a city in the Jiangsu province	2014	active
20	Extremadura	Shaanxi	a province	2013	active
21	Valencia	Sichuan	a province	1994	active
22		Shanghai	a city with provincial status	1997	not active
23		Liaoning	a province	2000	not active
24		Beijing	a city with provincial status	2000	not active
25		Guizhou	a province	2007	not active
26		Guangzhou	the capital city of the Guangdong province	2010	not active
27		Ningxia	the Hui autonomous region	2011	not active
28		Jilin	a province	2012	not active
29		Wenzhou	a city in the Zhejiang province	2012	not active
30		Fujian	a province	2014	not active
31		Tianjin	a city with provincial status	2017	active
32	Madrid	Beijing	a city with provincial status	no data	no data

Source: own elaboration

Most partnerships are relatively new, especially in comparison to other West-European countries such as Germany and France. **A high increase in new contacts has been observed again since 2013: the year of announcing the**

**Belt and Road Initiative.** Most new partnerships launched in this period are still active. However, the engagement of the sides is not always connected with the priorities of the BRI project (infrastructure, economy). Castile and León constitutes a good example. The representatives of this region declared five partnerships with Chinese partners, all of which initiated after 2013. However, they concentrate on soft activities – promotion of language and culture.



**Figure 16.** Activeness of Spanish partnerships with Chinese partners

Source: own elaboration

Most surveyed regions have one active partnership with a Chinese partner. Catalonia, and Castile and León, declaring 5 partners, and Valencia with 11 partners, are the exceptions. The cases of the last two autonomous communities will be analysed in detail later in this chapter.

Similarly to the results in most of the surveyed countries, **general economy and then education/research remain the most often indicated areas of cooperation** (Table 25). However, the specific character of the multi-area type of relation can be seen. Besides the categories mentioned above, there are activities in the spheres connected with agriculture and rural development, environment, sport and tourism, administration, health and public policy<sup>40</sup>. The category “other” includes, among others, cultural cooperation.

<sup>40</sup> Due to the low number of surveyed cases, the order of cooperation areas is only approximate.

**Table 25.** The areas of cooperation between Spanish and Chinese regions

Areas of cooperation	No. of responses
General economy	9
Higher education and research	6
General education	5
Agriculture and rural development	5
Other	5
Sport and tourism	4
Environment	4
Administration and region management	3
Health and public policy	2
Municipal economy	1
<i>Number of regions answering the question</i>	<i>10</i>

Source: own elaboration

Universities, business partners and representatives of educational institutions are also **the main local partners** engaged in contacts with China. The forms of cooperation also confirm the great importance of activities connected with economy. Besides the official visits, business missions and participation in fairs and economic forums are the most often reported kinds of activities. In some cases, the representative office in China plays an important role in cooperation. Two autonomous communities declared having established this type of office in their partner's province.

Looking at **the benefits**, the multifaceted cooperation is reflected. The activities connected with general economy are also among the most often declared benefits of paradiplomacy with China in Spain (as well as in other surveyed countries). Most regions point to the better position for business, trade development and Chinese investments as the most important profits (Table 27). Promotion is also an important advantage. Regions underline **cultural and tourism promotion** as an important aspect of partnerships. Additionally, six out of 10 regions indicate a general exchange of experience as an important benefit.

**Table 26.** The forms of cooperation between Spanish and Chinese regions

Forms of cooperation	No. of responses
Official visits	9
Participation in fairs and economic forums	7
Business missions	6
Permanent office in China	2
Other	2
Work within official central government delegations	1
Permanent Chinese office in your region	1
<i>Number of regions answering the question</i>	<b>9</b>

Source: own elaboration

**Table 27.** The main benefits of the cooperation with China indicated by Spanish regions

Benefits	No. of responses
Cultural promotion	9
Better position for business	9
Trade development	8
Tourism promotion	8
Attracting Chinese investment	7
Exchange of experience	6
<i>Number of regions answering the question</i>	<b>10</b>

Distance and the related cost are the main declared obstacles to a regional cooperation with Chinese partners. At the same time, they are one of the reasons why some partnerships are finished or no longer active. The second category of problems reported by the communities is connected with language barriers and cultural differences. That, and the lack of knowledge about China, have already been mentioned in terms of the general public's attitudes.

**Table 28.** The main obstacles in the cooperation with China indicated by Spanish regions

Distance	9
Cost	7
Language barriers	6
Cultural differences	6
Other	1
<i>Number of regions answering the question</i>	<i>10</i>

Source: own elaboration

## Case studies

### Castile and León

Castile and León is an autonomous community in north-western Spain. It is the largest Spanish region, with no access to the sea. It was constituted in 1983. The capital city is Valladolid, among the biggest cities are Burgos, Salamanca and León. The community neighbours eight historical Spanish regions (it is situated next to Madrid, Castilla-La Mancha, Extremadura, Murcia, Cantabria, La Rioja, and Aragon). Over 60% of all of Spain's heritage sites lie in Castile and León. Towns like Avila, Salamanca and Segovia are among the World Heritage Cities. Moreover, this is the region where the Spanish language was born. These prerogatives are also important in the community's paradiplomacy. The cooperation with China focuses on activities connected with education, language, culture and the local and central government partner's engagement.

### Education – especially language

The representatives of the region declare active and formalized cooperation with five Chinese cities. Four of them are the capitals of provinces and Chongqing is one of China's four municipalities under the direct administration

of the central government. Agreements with the cities of Xiangtan (Hunan) and Chongqing were signed in 2015, while those with Jinan, Changchun and Nanjing were signed in 2016. Although there are some activities connected with economic cooperation or local development experience sharing, **collaboration in the sphere of education, then research, culture, sport and tourism are the most prominent**. Institutions connected with education played the role of the cooperation initiators in four out of five partnerships. Regional Spanish Universities initiated activities in three cases, and the Ministry of Education – with one city. In the last case it was the City authorities.

In reference to the emphasis put on education, especially language learning, an important role in the cooperation is played by the Spanish Ministry of Education, and Chinese institutions – Hanban (the Confucius Institute Headquarters) and the Confucius Institute, situated at the University of León. A few years ago, the Ministry invited autonomous communities to participate in activities aiming to get to know Chinese culture and provinces. The Ministry of Education also played an important role as an initiator and organizer of cooperation with Hanban. **Chinese language courses in schools were among the flagship initiatives in 2018**.

In Spain, apart from obligatory courses in schools in the whole country, each community can choose optional subjects which become the part of the official curriculum. Castile and León is **the only community in Spain where there is a possibility to choose the Chinese language as an optional school subject**. Moreover, in two schools in Valladolid the Confucius Classes in high schools are going to be arranged.

“All communities are interested [in Chinese learning] but each one has got its own pace. For example, Andalusia has greatly developed Chinese learning in initial teaching, but as an extra-curricular activity, just as in secondary schools. We started with extracurricular activities and quickly included it in the curriculum.” (*Interview with Officials from the Government of Castile León, personal communication, 2018*).

The increase in the interest in the Chinese language and culture can be also connected with the already mentioned Chinese child adoptions which took place at the beginning of the 21<sup>st</sup> century in some parts of Spain, including

Castile and León. These children should have contact with their native culture and language.

**The region promotes the Spanish language in partner cities and provinces.** Castile and León wants to establish partnerships with Chinese schools where Spanish courses are offered for pupils and encourage them to participate in summer schools in Spain.

“We advertise exchange opportunities every summer. Hanban sends us a list of centers where students can make summer stays and more, we publish these offers through our social media.” (*Interview with Officials from the Government of Castile León*, personal communication, 2018).

Apart from the signed partnerships there are also some irregular initiatives connected with the region's promotion and tourism. The authority of Castile and León, referring to the historical and linguistic heritage, tries to encourage Chinese people to visit the community. The Regional Council for Tourism and Culture organizes the Language Tourism Day in cooperation with the Spanish Tourist Office from Hong Kong to promote the region among Chinese people.

## **Perspectives and obstacles**

Thanks to the cooperation of the Ministry of Education and the University of León, the region is planning to start a programme of student exchanges. The community wants to further develop educational programmes. The new cooperation agreements should have a wider scope. This will not be an agreement with individual/concrete regions, but a framework agreement which will cover all Chinese provinces. Among the plans for the future is to “Deepen and make new relations with China. Allow teachers and students to stay here and ours there. Then, extend the teaching of Chinese as an optional subject to a larger number of secondary schools and introduce it to primary education. These are our plans in the medium and long term.” (*Interview with Officials from the Government of Castile León*, personal communication, 2018).

China is a quite new geographic direction for cooperation in the case of Castile and León. The encounter with the Chinese language and culture is

a challenge for people from the region. The common activities are appraised as valuable and the regional government wants to develop them, however **the problem is the financing of the cooperation**. Most activities are financed from their organizers' own resources. The Confucius Institutes are financed by the Chinese side, but the regional government is responsible for the technical and organisation part.

"In Castile and León learning a foreign language and a possibility to get to know other cultures is something we are very much interested in. This is the strategic goal of our council. In this context, an opening to the East region is enriching our activities. The activities whose mission is to make our students and society open to global world." (*Interview with Officials from the Government of Castile León*, personal communication, 2018).

**The representatives of the community do not see any role for the BRI initiative** in their case. They regard this initiative as a possibility for Spanish regions, but only those from the Mediterranean area, such as Valencia, Aragón and Catalonia.

Currently, all the activities with Chinese partners are financed from communities' funds. The representatives of the region do not see any opportunity to use the European Union programmes to finance this kind of activity. However, having good experience with Erasmus, reaching to such geographic areas as South America, they see a chance of including also China in the Erasmus idea, which would support the exchange of professors and students. The community has also proposed the idea of a study visits programme to their Chinese partners. It would enable best practice exchange in the education system between regions.

"I proposed to Hanban and the representatives of the Chinese government to set up a study visit program to study how regions with good academic performance are pursuing education. Castile and Leon is also a good example. We have high scores in the PISA study, we have good practice, just like Shanghai has good practice. Therefore, we proposed that scientists come from here to look at Castile and León, and our scientists could go there, analyse education in Shanghai" (*Interview with Officials from the Government of Castile León*, personal communication, 2018).

## The Region of Valencia

The Region of Valencia (Valencia) is a coastal province on the east side of the Iberian Peninsula. It is the fourth most populous autonomous community with more than 4.9 million inhabitants. The regional government is called *The Generalitat Valenciana*<sup>41</sup>. Many Valencian people speak Valencian. An important asset of the region is **the largest port in Spain and in the Mediterranean Sea basin, located in Valencia**, the capital city of the community. There are also important ports in Sagunto and Castellón. Apart from the capital, the biggest cities of the region are Alicante, Elche, Gandia and Castellon. The geographical location and the ports are essential in the regional development and in foreign contacts.

**Valencia is the most experienced Spanish region in terms of cooperation with China.** The cooperation was initiated by the representative of the Valencian Institute responsible for developing exports. The first partnership was signed in 1994 with Sichuan province, followed by the cooperation between the regional capital cities Chengdu-Valencia. One year later, the first office was opened in Hong Kong, launching the trade cooperation. During the next ten years, new representative offices were opened: in Shanghai (1997), Beijing (2000), and Guangzhou (2004). Independently of these activities, the region has developed contacts with other provinces and cities. The representatives of Valencia have declared 11 partnerships of this kind, however, only two of them were deemed still active in 2017, one with Sichuan, and one with Tianjin. Most of the not active partnerships have never had any formal basis for cooperation.

## Economy, tourism, ports

Economy was the major focus of cooperation. Offices were opened to promote the region and to facilitate business relations. However, all of them have been closed as regional offices in recent years due to the fact that regional authorities decided to change the model. A consulting company is now responsible

---

<sup>41</sup> Generalitat is the name of the systems of government of two of the present Spanish autonomous communities: Catalonia and the Valencian Country.

for these offices, which work as subcontractors. This change resulted from the economic crisis in Spain and the region; the community had to limit its expenses. Despite closing the representative office, cooperation with Sichuan continues, **focusing on business relations**. The most frequently reported benefits include a better position for regional companies, Chinese investments and trade development. Additionally, in the last years more stress has been put on **tourism promotion**.

Due to the geographical location of the Autonomous Community of Valencia, the new partnership with Tianjin was very important. As the largest coastal city and the largest port in North China, it is one of four municipalities under the direct administration of the Chinese central government. Ports in Valencia, Sagunto and Castellón, which are primarily commercial, as well as industrial **ports were highly interested in the development of this partnership**.

Besides these spheres of cooperation, the representatives of the Valencia community underline the importance of institutional dialogue which is a necessary part of the relationship. The official visits are an opportunity to present investment opportunities, and to explain the potential of investments in ports, industrial parks, commercial cooperation and tourism. This is also the opportunity for the exchange of experience in urban management.

“Community that supports its local companies, presenting itself as a stable and reliable partner. (...) Institutional relations are also important, especially in the case of China, where the support and confirmation of political contacts are always an added value for them.” (*Interview with Officials from the Government of Valencia*, personal communication, 2018).

## Local partners

There are also some cultural and educational events. The Confucius Institute at Valencia University organizes language courses, promotes the Chinese culture, and prepares the visit of the Chinese Ambassador to Valencia. The Institute creates a good atmosphere for a bilateral relation. However, there is no formalized or regular cooperation between the Institute and the regional government.

The cooperation with the Sichuan province is also a good example of a parallel partnership between regions and capital cities. Following the cooperation of regions, the partnership of Valencia and Chengdu (the capital city of Sichuan) was started. Moreover, in May 2017, a proposal for a new alliance was approved (*Valencia and Chengdú are twin cities*, 2018). The cities want to cooperate in the cultural, educational and commercial fields. The idea is also to engage local universities and cultural institutions to work together.

Cooperation with local companies is a natural consequence of the stress on economy and trade by the community. Business is mentioned as one of the main local partners engaged in the activities with China. Its representatives take part in official visits of the community, in fairs and economic forums. The Generalitat provides organisational, institutional and political support for business activities. The costs of these missions are covered by businesses themselves.

### **Synergy with the Spanish government**

Despite the large autonomy of the community, the Generalitat works in agreement with the Spanish government. The state institutions and diplomatic corps support the regional activities. **The representatives of the community underline that the region benefits from good Spain-China relations.** The Community works within the framework of the China-Spain Strategic Partnership and the EU regulations, especially on trade.

“It is worth emphasizing that we are working in harmony and in agreement with the Spanish government, not on its margins. National institutions, such as the Instituto de Comercio Exterior, the embassies, trade and tourist advisers, our diplomatic corps, give us full support. For our autonomous community, external policy is not a point of confrontation, but an essential element of economic development.” (*Interview with Officials from the Government of Valencia*, personal communication, 2018).

The representatives also underline the specific perception of paradiplomacy in China. The provincial delegations must be authorized by the Chinese Ministry of Foreign Affairs. The local authorities require a permit from the

central government. **The strategic partnership framework and political support is very important for both sides.**

## **Perspectives and the EU role**

The representatives of Valencia underline the need for specialization in paradiplomacy. Even in the case of cooperation, which is based on several spheres, each partnership should have one main, most developed one: “In each region, you need to strengthen your position in a specific sector”.( Interview with Officials from the Government of Valencia, personal communication, 2018)

The development of tourism and trade seems to be among the most beneficial spheres of cooperation with China for the autonomous community of Valencia. **Spain is a very popular tourist destination for the Chinese, however, fewer than 1% of them visit the Valencia region** when they come to Spain. Additional stress put on the economic relation is the result of the last visit of the representatives of the region to China. The Chinese partners are now more interested in importing Valencian products, not just exporting goods there. A crucial role is played here by Valenciaport. The Far East represents 48% of the traffic managed by the port. Around 50% of foreign trade between Spain and China passes through Valencia. **At the end of 2017, China constituted the main commercial partner of Valenciaport by the volume of imports** (6.97 million tonnes channelled, 2.95% more than the previous year). In November 2018, the Port Authority of Valencia attended the China International Import Expo to promote its central role in the Mediterranean as a key port for cargo transit with the Far East (Ullyett, 2018).

Half a year later (July 2019), the director of the Port of Valencia attended the fifth edition of the International Cooperation Forum of the ports of the new Silk Road in Ningbo, China, and presented the Valenciaport PCS platform, a management model for optimization and operational data management (Ullyett, 2019).

**The representatives of Valencia underline the important role of the European Union in trade policy**, in setting the main direction of development of this relation. However, in the case of China they do not see any need for any special programmes or financial support.

“Our entrepreneurs are open to the world. The framework set by the European Union is our framework (...) the use of funds or specific programs of the European Union was not our priority, because there was no need” (*Interview with Officials from the Government of Valencia*, personal communication, 2018).

Better protection of the EU market is the real necessity. For example, companies from the Valencia Community had a problem with price dumping: “One of the objections our entrepreneurs have against China and the European Union concerns the dumping of ceramic tile prices. It is the EU that should ensure that products that enter the European market are introduced under fair conditions” (*Interview with Officials from the Government of Valencia*, personal communication, 2018).

## Conclusions

In comparison to other Western European countries, Spanish autonomous communities are characterized by short-lasting partnerships with China. This is due to their greater interest in cooperation with China, but also to the intensification of Spanish-Chinese relations at the level of central authorities, including Chinese investments, which are to support Spain during the financial crisis.

The cooperation between Spain and China seems to be quite intense and reliable. It concentrates on business and academic cooperation, and other spheres of interest include culture, tourism and regional development. The communities' new initiatives are linked to government activities. Moreover, local partners are also eager to participate in common projects.

Looking at the cases, Castile and León, and Valencia differ in the forms and areas of paradiplomacy with China, however, some common points can be found. The characteristic features of partnerships are the result of communities' specificity, history and geographical localization. Despite the large autonomy of Spanish communities, there is cooperation with the state government in both presented cases. The regions underline the subordination to the national interest and the activities within its prerogatives. The lack of

cooperation or exchange of information between Spanish communities is a significant feature. However, each surveyed region has a clear idea of its goals and the benefits of the cooperation with Chinese partners and they just implement its vision.

The perception of the EU's role in paradiplomacy with China is also common for all the regions. The Spanish representatives notice the positive role of the EU and its projects focusing on the initiation or strengthening of the cooperation aimed at another geographical direction. However, they have not benefited from any European project to develop their cooperation with China. In both communities, the expenses are covered mainly from their own resources. In the opinion of the representatives of Castile and León, the EU could create a financial instrument which would promote projects focused on the exchange of best practices not only with the EU regions, but also involving partners from other countries.

Although the representatives of the researched regions do not currently see themselves as part of the Belt and Road Initiative, both regions seem to have the potential to engage in some initiatives if they take place. In the case of Castile and León, it could be based on historical heritage and educational cooperation, whereas in the case of Valencia it could be an infrastructure project with the use of Valencian seaports.



# CHAPTER 7

## POLAND

**Adriana Skorupska**

<http://dx.doi.org/10.18778/8142-517-9.08>

### Introduction

Over the last 15 years, Polish local authorities have been endeavouring to take advantage of the intensification of relations at the government level and greater interest in Poland and Central Europe by China. **The number of Chinese cities and provinces among foreign partners of Polish regions has increased** (Skorupska, 2016). 11 Polish voivodeships out of 16 declare active cooperation with Chinese partners. Polish local governments are aware that cooperation with China must be treated as a long-term, demanding, but profitable investment.

The first objective of the chapter is to characterize the activities between Polish regions and Chinese provinces and cities – their intensity, scope, advantages and obstacles. When it comes to a broader perspective – the bilateral state government relations – the chapter answers the question whether there is any correlation between relations at the state level and at the regional level. Moreover, taking into consideration that one of the main objectives for the whole project is to analyse the correlation between the EU-China relations and paradiplomacy, the question is: do the voivodeships see any role for the EU in their activities with Chinese partners? Do they need any support from the Union to have more intense and effective cooperation?

In the first phase of the project an online survey was sent to all Polish voivodeships. All of them responded. In the second part of the project three territorial units were selected for a deeper analysis of the character of their cooperation with Chinese partners. The selected regions are quite diversified in a socio-economic sense, but they are also distinguished by their intensity in cooperation with China. Dolnośląskie voivodeship has renewed cooperation which has developed intensively since 2017. The Mazowieckie voivodeship case is interesting because of its privileged location and status (the capital of the country is in this region). The best known case in Poland is the partnership between Łódzkie voivodeship and the Sichuan province because of a rail connection between these regions' capital cities. However, here the cooperation of the first two regions will be referred to since the latter case is described in detail in other publications (Kamiński, 2019b; Mierzejewski & Chatys, 2018).

The chapter is divided into two main parts. The first one starts with some general information on the bilateral state relations, as well as the society perspective. There are also some basic characteristics of the paradiplomacy regulations in Poland. The objective of the second part is to characterise the sub-state unit relations with China and to present the research results. The article finishes with some conclusions and perspectives for future cooperation.

## Cooperation at the intergovernmental level

Despite the official visits to China of the Polish Prime Minister, Waldemar Pawlak, in 1994 and President Aleksander Kwaśniewski in 1997, in the first years after Poland's political and economic transformation, **Sino-Polish relations were correct, but not very intensive**. After 1989, relations with neighbouring countries and then the preparation to join NATO and the European Union were at the top of the Polish government agenda. Moreover, Chinese diplomacy at that time was focused on the "old" EU members. Poland's reluctance towards communist regimes was also an important factor (Szczudlik, 2014).

The first ever visit of the PRC's Chairman to Poland was of primary significance for the slight intensification of bilateral relations was. In June 2004, just after the accession to the EU, Hu Jintao paid an official visit to Poland.

The states signed a joint declaration upgrading their relations to a “friendly cooperation partnership” (*The People’s Republic of China and the Republic of Poland’s Joint Statement*, 2004). A few months later, the Polish government announced the *Republic of Poland’s Strategy for Non-European Developing Countries*. The document included claims that China is a priority country for Polish diplomacy in the Asia-Pacific region (*Strategia RP w Odniesieniu Do Pozaeuropejskich Krajów Rozwijających Się*, 2004).

However, the real change in bilateral relations began at the time of the global economic crisis (from 2008), when the economic role of China increased very quickly. The Polish economy was overdependent on the European (mostly EU) market – more than 80% of trade and investments were conducted in Europe. Poland needed new markets and new sources of capital. Moreover, the government being aware of the rising position of China in the world, wanted to intensify also the political Sino-Polish relation. Polish foreign policy started to become more global. Cooperation with Asia, including China, was listed among the priorities of Polish foreign policy.

In August 2009, the branch of the China Council for the Promotion of International Trade signed an agreement with the Polish Information and Foreign Investment Agency<sup>42</sup>, as a result of which an information campaign for entrepreneurs from both sides was launched (Mierzejewski & Chatys, 2018).

The preparation for the Shanghai Expo 2010 was one of the more important events in the process of intensification of the relations. The exhibition was a chance to promote the Polish transformation model and cultural heritage to Chinese authorities and society. The event also had a regional dimension: delegation from the Pomeranian Voivodeship, headed by the Marshal Mieczysław Struk, presented the investment offer of that region and its cities (Nelke, 2010).

Another result of this intensified dialogue was the visit of the Polish President, Bronisław Komorowski, to China in December 2011. It was perceived as **a new opening in the bilateral relations**. The aim was to change the image of Poland, strengthen relations and improve economic development.

---

<sup>42</sup> Nowadays, it is PAIH: Polish Investment and Trade Agency (*Polska Agencja Inwestycji i Handlu*).

The Polish President took part in three bilateral forums – an investment one in Shanghai, an economic one in Beijing and an educational one at the Beijing Foreign Studies University. **The main political result was the declaration of upgrading the relationships to a strategic partnership** (*Wspólne Oświadczenie Rzeczypospolitej Polskiej i Chińskiej Republiki Ludowej w Sprawie Ustanowienia Partnerskich Stosunków Strategicznych*, 2011). The document announced a more intensive political dialogue at a high level, a new mechanism of cooperation at the level of vice ministers of foreign affairs, and **strong support for a new dimension to the bilateral relations – cooperation between regional and local authorities**. The document was a clear signal that Poland is an important partner for China. Poland was the first country in Central and Eastern Europe to sign such a strategic partnership.

The intensive contacts were continued in 2012. During Prime Minister Wen Jiabao's visit to Warsaw in April, a new formula of cooperation between China and Central Europe – 16+1 – was established (Kaczmarek, 2015; Szczudlik, 2019). The new initiative was proof of the growing interest of China in this part of Europe. The Prime Minister presented China's new strategy towards Central and Eastern Europe.

The establishment of the strategic partnership was followed by other political, economic and regional initiatives. In November 2012, the Polish Prime Minister established an Inter-ministerial Team for Coordination of Activities for the Development of a Strategic Partnership between Poland and China. The Polish Information and Foreign Investment Agency (PAIIZ) and the Ministry of Economy launched the "Go China" programme. It was an internet platform to collect economic information about China to help entrepreneurs launch business contacts in that country.

The Polish government engaged in subsequent Chinese activities. In 2013, Poland supported the Belt and Road Initiative (BRI), which was seen as a chance to increase Polish exports to China, attract investment and improve infrastructure<sup>43</sup>. In March 2015, Poland submitted an application to the Asian Infrastructure Bank (AIIB) in order to obtain the status of a founding member. Supporters of Poland's participation in the AIIB hoped that, thanks to this,

---

<sup>43</sup> However, no significant project for Poland has yet been launched under the Silk Road banner.

the trade balance of Poland with China would improve (*Polska w AIIB. Nasz kraj weźmie udział w chińskiej alternatywie dla Banku Światowego*, 2016).

After the change of the ruling political party in Poland in 2015 (The Law and Justice Party won the presidential and parliamentary elections in 2015), there was continuity in the policy towards China. The new elected Polish president, Andrzej Duda, visited China in November 2015. He also took part in the 4th 16+1 summit held in Sushou. The president confirmed the continuity in the Polish policy of strengthening bilateral relations and invited the Chinese President, Xi Jinping, to Warsaw. The official visit of the Chinese leader in Warsaw took place in June 2016. He took part in the International Silk Road Forum. The most important result of the visit was the declaration of **elevating bilateral relations to a “comprehensive strategic partnership”**.

Although the economic dimension has remained the main goal for Poland, the biggest problem in bilateral relations is the high and still rising trade deficit. In 2011, the deficit amounted to nearly 12 billion euros and it was at the level of 10:1 – Poland imported 10 times more from China than it exported to it. In 2015, the ratio increased to 11:1 (the deficit – to 18.6 billion euros), in 2016 and 2017 – to 12:1. The deficit reached 22 billion euros in 2017 and 24 billion in 2018 (*Syntetyczna Informacja o Eksporcie i Importie Polski Styczeń–Grudzień 2018 r. w Mln Euro*, 2019). **Poland’s goal is not to limit imports from China, but to expand exports to China.**

The goals towards China were not modified in 2017 and the representatives of the Polish authorities took part in important events. The situation started to change in mid-2017. A Polish expert in the bilateral relations writes about a “cautious approach towards the PRC” (Stanzel et al., 2016). Since the beginning of 2018 the representatives of the Polish government have openly admitted that the strategic partnership does not work well, and the deficit is still rising. The Polish government has also started to be more **cautious about Chinese investments**. The political dialogue has become less intensive. As the China analyst Justyna Szczudlik notices, “the modification of Poland’s approach is also connected with the wider global assumption such as the recent discourse that China might not only be a partner, but also a challenge”. **The lower number of bilateral meetings** observed at the central authorities’ level in 2018 also translated into a smaller number of visits and initiatives at the regional level of Polish-Chinese contacts.

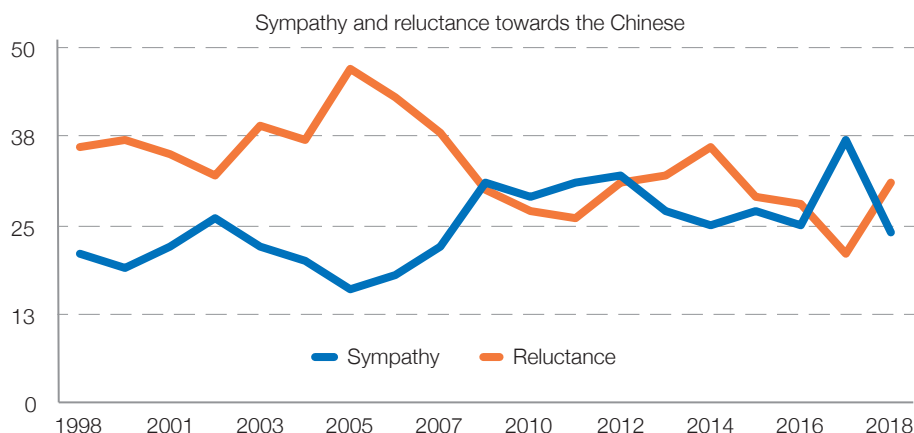
## Society level

**Polish society does not have a well-defined attitude towards China** and Chinese people. There is a downward trend when it comes to reluctance towards this nation, but with some volatility. In the last year of research (2018) conducted by the Polish public opinion centre, reluctance towards Chinese people prevailed over sympathy – 24% of Poles declared a positive attitude, 29% were indifferent and 31% stated a reluctance. However, one year before the results were just the opposite: only 21 % of Poles declared reluctance to China and 37% had a positive attitude in 2017. It is particularly interesting that the positive attitude to the Chinese declared in 2017 had been at the highest level since 1998 (*Komunikat z Badań. Stosunek Do Innych Narodów*, 2018). However, it is important to notice that the year 2018 was generally the time of worsening attitudes towards most of the researched nations<sup>44</sup>. The same short-term change can be observed in the Eurobarometer results. The “total ‘Positive’” and “total ‘Negative’” view of China was at the same level (42% in both categories), but one year earlier more Poles had been positive (48%) and fewer negative (37%). The highest level of reluctance and the lowest level of positive attitude towards the Chinese was observed in 2005, the year after joining the EU (47% – reluctance). This negative attitude towards the Chinese in 2005 could be connected with society’s focus on the process of European integration. In the next years, an increase in the number of people with a positive attitude could be observed (Figure 17).

Regardless of the general perception of China, there **is a growing interest in learning Chinese**. Sinology at Polish universities has become one of the most popular fields of study. At Warsaw University, in the oldest sinology department in Poland, there were 15 – 20 candidates for one place in the years 2010-2018. Currently, sinology can be studied at six universities in Poland, and more and more institutions offer Chinese language courses (Jastrzębska, n.d.).

---

<sup>44</sup> Almost all European nations plus Americans, Israelis, the Vietnamese, and the Japanese.



**Figure 17.** Sympathy and reluctance towards the Chinese 1998-2018

Source: CBOS

The Confucius Institutes established in Poland play an important role in promoting the Chinese language, culture and a positive image of China. The first one was opened in Kraków at the Jagiellonian University in 2006. There are four more Institutes in Poland at the following universities: Wrocław, Adam Mickiewicz (Poznań), Gdańsk, and the Opole University of Technology. Moreover, two Confucian classes were launched at the Vistula University in Warsaw and at the Wrocław University of Technology. In 2018, the Institute, operating in Kraków, opened a branch, at the SWPS University in Warsaw (Przychodniak, 2018).

Poland also attracts students from China. Due to competitive prices in comparison to universities in Western Europe, the number of Chinese students in Poland is growing. In 2010/2011 it amounted to 515, in 2015/16 – 845, in 2016/17 – 953 and in 2017/2018 it totalled 1,164. In 2018 the students from China accounted for 1.6% of foreign students (the largest group were the Ukrainians – 52%) (*Rocznik Statystyczny Rzeczypospolitej Polskiej 2018*, 2018).

Looking from the Chinese perspective, Poland is not very well recognized in China. Opinion polls conducted before Expo 2010 showed that the Chinese society had neither positive nor negative associations with Poland. This was an impulse for Polish decision-makers to prepare a long-term promotional campaign to be carried out in China. The Polish authorities wanted to promote the

country, culture and language. The aim was also to **attract Chinese tourists and students** to visit Poland and study there, and to build people-to-people relations. These soft goals were seen as long-term investments. To support these goals, in May 2014 the Polish Institute was established in the Polish embassy in Beijing.

In mid-2016, there were more than 6,000 Chinese people with an official permit to stay, accounting for 2.7% of foreigners. At the end of 1989, the number of Chinese residents in Poland totalled approximately 600 persons. The dynamics started to change a little after accession to the EU. The Belt and Road Initiative was important for the recognition of the region of Central and Eastern Europe, including Poland, in the Chinese mind. Taking into consideration data from 2014-2016, the Chinese were the second fastest growing diaspora in Poland after the Ukrainians (Wardęga, 2017).

There was also an increase in the number of Chinese visitors to Poland in the three preceding years. The number of trips to Poland covering at least one night in 2015 amounted to 60,500, in 2016 – 81,200 and, in 2017, Poland was visited by 130,300 Chinese<sup>45</sup>. This data from GUS (Statistics Poland) do not recognize the aim of the visit. However, experts from Polish Tourism Organisation (POT) assume that about 75% of these visits had a touristic character (*Zagraniczny Ośrodek Polskiej Organizacji Turystycznej w Pekinie. Sprawozdanie Rok 2017, 2018*).

## Regional level – legislation

The territory of Poland is divided into 16 regions, called voivodeships, further divided into counties (districts). The lowest level of public administration is communes (municipalities). The current system was introduced in the 1990s. Administrative authority at the voivodeship level is shared between a central government-appointed governor, called the voivode, an elected assembly, and an executive chosen by that assembly. The leader of that executive is called *marszałek*.

---

<sup>45</sup> Almost 130,000 tourists from China had visited Poland in 2018, by November 2018. There is no data for December 2018. Główny Urząd Statystyczny.

**The regulations regarding the international cooperation of local governments are found both in the Constitution and in local government acts.** Article 172 para. 2 of the Constitution of the Republic of Poland of 1997 states that all levels of local governments have “the right to join international associations of local and regional communities and cooperate with local and regional communities of other countries” (*Konstytucja Rzeczypospolitej Polskiej*, 1997).

More detailed regulations concern the international activity of the voivodeship self-government. According to the Regional Governments Act of 5 June 1998, the *sejmik* (provincial legislature) adopts the priorities of foreign cooperation of the voivodeship, defining the main goals, geographical preferences of future cooperation and intentions regarding membership in international regional associations. All the activities must comply with the Polish domestic law, as well as the state’s foreign policy and its international commitments, within the competence of the province’s authorities. A resolution on a region’s international cooperation priorities, and all international initiatives, must be approved by the minister responsible for foreign affairs. The law treats the international activity of the regional government as one of the basic elements of formulating and implementing the voivodeship development strategy (*Ustawa o Samorządzie Województwa*, 1998). In addition, the regional government has among its statutory tasks “organizing cooperation with the structures of regional self-government in other countries and with international regional associations”.

Separate regulations cover cross-border cooperation. Initially, it was regulated in the documents of the Council of Europe. The European framework convention on cross-border cooperation between communities and territorial authorities, drawn up on 21 May 1980 in Madrid, known as the Madrid Convention, was ratified by Poland in 1993. The Convention obliges the state to facilitate and support cooperation between cross-border communities and local authorities, thus contributing to the economic and social progress of border areas.

The European Grouping of Territorial Cooperation (EGTC) is a relatively new legal instrument of territorial cooperation of the EU is. Although the EGTC assumes the possibility of cooperation between territorial units not only from border areas, so far the existing EGTCs with the participation of Polish entities have covered only cross-border areas.

## Poland-China Paradiplomacy

The geography of the local government international activities corresponds with Polish foreign policy priorities. The beginning of the 21<sup>st</sup> century was a period of building new relations, primarily with partners from the neighbouring countries and from the European Union. After Poland's accession to the EU, Polish regions became more attractive to more geographically distant countries. There were more activities with Asian countries, particularly with China. Many delegations from China began to come to Poland to observe the situation of Polish cities, regions and possibilities of cooperation. China recognises the growing importance of Poland because of its political and economic stability, and its position in the European Union (Mierzejewski, 2016; Szczudlik-Tatar & Skorupska, 2014). The increase in the number of partners from China was the result of both the interest of the Chinese authorities and business in closer relations at regional levels, and of Polish foreign policy priorities. Local authorities have benefited from the intensification of political relations. Paradiplomacy gained the political support of Warsaw and Beijing.

**Upgrading Polish-Chinese relations to a strategic partnership in 2011 became a symbol of a closer cooperation between the two countries.** However, the relations at the top level are not sufficient to exploit the full potential of the partnership. Local administrations are best positioned to stimulate the development of practical cooperation. The important role of cooperation at the regional level was emphasized in the strategic partnership declaration. One of the points of the document was to reinvigorate local cooperation between cities and regions. Article seven of the agreement stated that “both sides express their satisfaction with current stage of local governments exchange and will promote interprovincial and intercity cooperation, in order to deepen understanding between two countries' societies, promote local economy development and cultural and educational exchange”.

Moreover, it was agreed to establish **the Polish-Chinese Regional Forum**. It was supposed to serve as a platform for establishing contacts with local authorities, universities and cultural institutions. The first Regional Poland-China Forum was held in April 2013 in Gdansk on the initiative of the authorities of the Pomeranian Voivodeship. The next one was organized by the Chinese side and the meeting of the territorial authorities of both countries

took place in Guangzhou in June 2014 in the Guangdong province. Between 2015 and 2016 subsequent forums were held in Łódź and then in Warsaw, respectively. The organisation of the last forum was combined with the visit of China's President Xi Jinping to Poland, in June 2016. Unfortunately, the forum planned for 2018 did not take place. It was postponed to 2019 and it was supposed to take place in Chengdu (the capital of Sichuan, the Łódzkie region partner). However, despite the interest of regions and provinces, there is no certainty that the forum will be organized.

The "16 + 1" Initiative, a forum for 16 Central European countries and China, is another platform for meetings. There are also thematic forums, including a forum for representatives of Chinese provinces and cities, as well as regional and local governments of Central Europe. Apart from the representatives of local authorities, there is attendance from business representatives. The first meeting of local and regional leaders from China and Central and Eastern Europe was held in Chongqing in 2013. The meeting was devoted to the cooperation and development of territorial units from China and CEE. The next meeting took place in Prague in July 2014, and the main subject discussed was the mechanisms of supporting the economic cooperation of local authorities in the "16 + 1" format. An important event was the establishment of the Association of Chinese Provincial Governors and Presidents of the Regions of Central and Eastern Europe. Representatives of local authorities and entrepreneurs also took part in the newly created Chinese Investment Forum, whose task was to promote economic cooperation, trade and investment. The third local and regional government forum was held in Tangshan, in the Hebei province in 2016. It was accompanied by another meeting of the Association of Governors of the Chinese Provinces and the Presidents of the Regions of Central and Eastern Europe (Mierzejewski & Chatys, 2018). The meetings of the Association were attended by, among others, representatives of regional offices from Łódź, Warsaw and Lublin. Representatives of the cities were also present at the meeting. The cities of Uniejów, Łęczyca and enterprises from the Łódzkie region also presented their offer. The fourth Local Leaders' Meeting of the Central and East European countries and China "16+1" was held in October 2018, in Sofia. The motto of the event was "Global Thinking, Local Action" (*Outline of China-Central and Eastern European Countries Cooperation in Sofia*, 2018)

Additionally, **as part of the 16 + 1 initiative, the *Forum of Mayors of the Cities* was established.** Sofia was the host of the first forum in 2016. The main topic of the meeting was the promotion of tourism and culture. Another forum, one year later, was organized in the capital of Montenegro and the main theme was “Green Cities”, sustainable development, and environmental protection in general (Mierzejewski & Chatys, 2018).

Another important political and economic initiative, which is interesting for regions, is the Belt and Road initiative. The concept is seen as an opportunity not only for countries, but also for cities and regions. It is presented as a chance to strengthen trade and attract Chinese investment, including in infrastructure.

The third multilateral platform for cities and regions is the local cooperation in the EU. There are some initiatives and programmes organized by the Committee of Regions, the representation of European local and regional units in the EU, which offer the possibility to exchange experience. Most activities are concentrated in the fields of regional policy, urban planning, smart cities, and generally sustainable development. The beginning of the EU-China dialogue on regional policy dates back to the end of 2004 at the 7th China-EU Summit. On 15 May 2006, a Memorandum of Understanding (MoU) on regional policy cooperation was signed to exchange information and best practices on experiences in setting up and implementing cohesion policy. The launching of the exchange programme known as CETREGIO (Chinese European Training on Regional Policy) was an important bilateral initiative. In the period 2010-2014, 220 Chinese decision makers from all 31 provinces shared experience and good practices in more than 45 regions of 17 EU Member States. The Dolnośląskie voivodeship was among the regions was. Another example of cooperation was the China-EU Partnership on Urbanization. It was set up in 2012 and aims at promoting exchanges and cooperation in sustainable urban development (Kamiński, 2019a).

Although the most considerable increase in regional contacts occurred in the period after Poland's accession to the EU and the signing of the Polish-Chinese strategic partnership, the history of the first contacts at the local level dates back much further, to the 20<sup>th</sup> century. **The cooperation between Pomorskie voivodeship and China has the longest history.** It is connected with the first Chinese-foreign company Chipolbrok (Chinese-Polish Joint

Stock Shipping Company) established in Gdynia in 1951, with the headquarters in Shanghai (Wróbel, 2016). In the mid-1980s, an agreement was signed to establish friendly relations between the former Gdańskie voivodeship and Shanghai, the oldest Polish-Chinese partnership agreement. The agreement with Shanghai was renewed in 2005 by the new voivodeship – Pomorskie<sup>46</sup>. The participation of Pomorskie in Expo 2010 in Shanghai was an important event for this partnership. It was the only Polish region which took part in the exhibition. The representatives of the voivodeship and some Pomorskie cities (Gdańsk, Gdynia, Sopot, and Słupsk) presented their offer. They also prepared seminars on subjects such as the cooperation of universities, exchange of students and scientists, environmental protection, tourist offer and economic issues. Events were accompanied by artistic performances.

## Survey results

All the Polish voivodeships adopted international cooperation priorities in the years 1999-2000, after the regional self-government reform in Poland. China was indicated by seven voivodeships (Kujawsko-Pomorskie, Lubelskie, Lubuskie, Łódzkie, Pomorskie, Warmińsko-Mazurskie, Zachodniopomorskie) as a direction of cooperation, out of which only three indicated the names of the partner provinces. In addition, Śląskie identified Asia as a potential direction of co-operation. In the following years, after Polish entry into the EU, the list of potential or actual partnerships was expanded on the occasion of the adoption of new priorities. Chinese provinces appeared in the documents of the Dolnośląskie, Małopolskie, Opolskie, Świętokrzyskie and Wielkopolskie voivodeships, while Asia was generally indicated in Mazowieckie and Podkarpackie voivodeships. **Only one region (Podlaskie) did not indicate directly China or Asia as a direction of cooperation**<sup>47</sup>. Changes in priorities confirm the thesis of increasing interest of Polish regions in distant Asian countries.

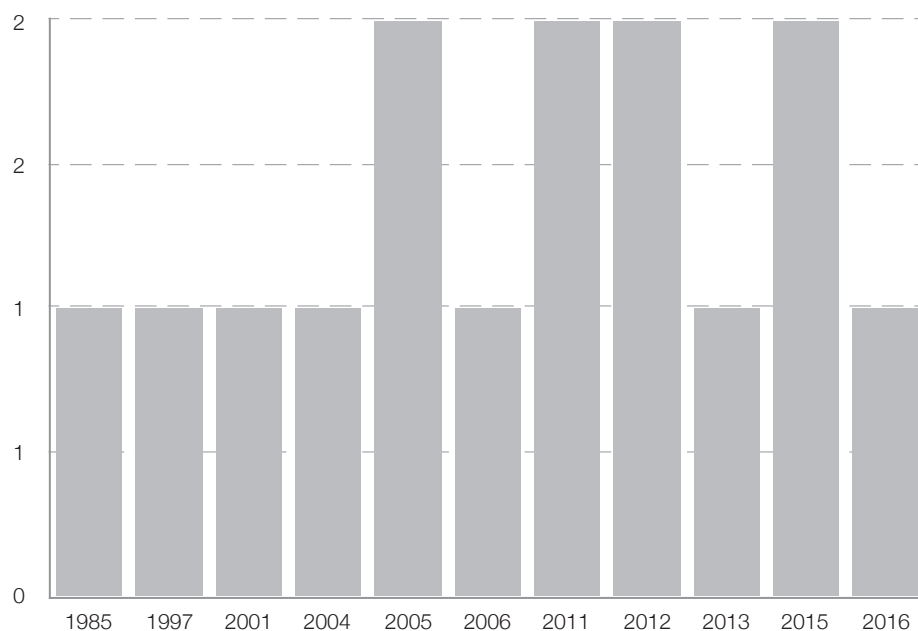
<sup>46</sup> The Pomeranian Voivodeship was established as a result of the local government reform.

<sup>47</sup> There is just one sentence about other directions that can be important for the region.

Cooperation with Chinese provinces was declared by 13 voivodeships at the beginning of 2017, of which only two – Zachodniopomorskie and Warmińsko-Mazurskie – defined those contacts as not active ( which means that no action had been taken in the previous two years, however, it does not mean that cooperation is not possible in the near future or there are not any contacts between the partners). Only three regions – Świętokrzyskie, Podlaskie and Wielkopolskie – did not have any partners in China. However, the latter two regions were planning to establish this type of partnership in the future. **Most regions had one partner in China**, except for Mazowieckie and Śląskie, which declared cooperation with two provinces.

**Only two out of 15 declared partnerships have not been formalized** yet. However, the beginning of co-operation does not always coincide with the date of the partnership's formalization. Signing a contract or a letter of intent is usually preceded by at least a few months or sometimes several years of relationship focused on getting to know one another, agreeing on principles and spheres of cooperation. Nevertheless, when analysing these dates, there are some regularities. There is a connection between the signing of new contracts and the broader context in international and bilateral relations. Only Pomorskie declares the beginning of cooperation in the 1980s. The next two partnerships were established after the system transformation in Poland (Dolnośląskie, 1997 and Zachodniopomorskie, 2001) but before EU accession. EU membership had a significant influence on Poland's position in the world. The Polish regions became more attractive partners for China. Between 2004 and 2006, four new relationships were established. Then, there were no new partnerships until 2011, when the strategic partnership between the countries was signed. In the years 2011-2012, four contracts were established. Initiatives such as the "16 + 1" and the announcement of the "Silk Road" concept resulted in new co-operation agreements. In the 2013-2016 period, four partnerships were launched. In the case of Dolnośląskie it was the renewal of an agreement and cooperation with Anhui in 2017 (Figure 18).

**In most cases the cooperation initiative was on the Chinese side.** Polish regions were often just one of the stages of longer tours around Europe. The increasing number of Chinese delegations visiting the Polish regions and cities were interested in the Polish experience in system transformations, and



**Figure 18.** New partnerships of Polish regions with Chinese provinces 1985-2016

Source: own elaboration

regional policy and were keen to sign letters of intent or cooperation agreements, but this did not always entail immediate action.

## Regions and cities

Polish-Chinese relations are characterized by **high asymmetry**. This concerns both the population (the number of people living in some provinces exceeds the number of inhabitants of the whole of Poland) and the economic potential. In spite of these differences, the cooperation is most often carried out at the level of the Chinese province and the Polish voivodeship, or between cities. The exception is Pomorskie, whose partner is the city of Shanghai (a city with provincial status). This Polish region, with about 2.3 million inhabitants, cooperates with the city of Shanghai, which has the status of a separate city, and has a population of about 23 million.

**Table 29.** The cooperation between Polish voivodeships and Chinese Provinces

No.	Region	Chinese province	Beginning of cooperation	Active/not active
1	Dolnośląskie	Anhui	1997/2017	active
2	Kujawsko-Pomorskie	Hubei	2011	active
3	Lubelskie	Henan	2005	active
4	Lubuskie	Hainan	2006	active
5	Łódzkie	Sichuan	2013	active
6	Małopolskie	Jiangsu	2004	active
7	Mazowieckie	Shandong	2015	active
		Hebei	2016	active
8	Opolskie	Fujian	2012	active
9	Podkarpackie	Guangxi	2011	active
10	Pomorskie	Shanghai (city)	1985/2005	active
11	Śląskie	Liaoning	2012	active
		Shanxi	2015	active
12	Warmińsko-mazurskie	Heilongjiang	2005	not active
13	Zachodniopomorskie	Guangdong	2001	not active

Source: own elaboration

The map of partnerships at the level of regional cooperation is complemented by relations between cities. According to data from the National Institute of Local Government (NIST), **almost 20% of the 100 largest cities in Poland declare cooperation with at least one partner from China** (only the City of Łódź declares three partners in the PRC and Elbląg – two partners). 10 out of the 16 regional capital cities have partners in China. Among them are Poznań, Kielce and Białystok, cities from the voivodeships which currently do not have partners in China. In two other cases the partner city is also the capital of the province which is a partner for the Polish region – this is the situation of Łódź-Chengdu and Katowice-Shenyang partnerships. These are

examples of cooperation facilitating, but also strengthening the partnership with such a remote yet important partner. In the case of Łódź and Łódzkie Voivodeship, the cooperation at these two levels has resulted in the opening of a city and regional office in Chengdu, the partner city.

### Local partners and the sphere of cooperation

Developing relationships on several levels (with different types of local partners) gives more chance for long-lasting and effective partnerships. Regional governments which initiate international cooperation involved higher education institutions, scientific institutes and entrepreneurs in common initiatives with foreign regions. **All the voivodeships which declare active cooperation with Chinese partners additionally indicate the involvement of universities in joint activities.** Polish language courses are opened in partner provinces, representatives of territorial units promote their regional universities, encouraging Chinese students to come to Poland, and organize student exchanges and internships. A China analyst from local universities also assists the local government in organizing visits, conducting projects, and promoting the region and local business.

Local business is another important partner frequently involved in joint ventures. 10 voivodeships point to entrepreneurs and various types of business entities as important local partners in cooperation with China. In many regions, **the economic dimension has become the main objective of partnerships.** Entrepreneurs from both countries are invited to study tours, conferences, and also to represent their regions in their partner's country. Eight out of 13 regions indicate the support for local business as an advantage of cooperation with China. Two regions (Łódzkie, Pomorskie) have regional offices in China, in their partner's provinces. Business missions, participation in fairs and economic missions are among the most frequently mentioned forms of cooperation.

In the case of cooperation with partners from Eastern Europe or Asia, the regional authorities provide additional legitimacy for business partners. Business contacts can also be an inspiration or a starting point for broader cooperation. An example of a local government partnership where it was the business that started the contact is Łódzkie voivodeship. In 2013, a private company opened a freight rail link from Łódź to Chengdu, the capital of the

Sichuan province in central China. Both the city and the region joined the initiative later. The city of Łódź has the ambition to become a transport hub for reloading goods. Due to the prospect of further development of cooperation, the Chengdu Regional Office was opened in 2014 in Łódź. A letter of intent between Łódzkie and the Sichuan province was signed in 2015.

On the other hand, there is an example where the cooperation between a region and a province came first and business links were established later. The beginning of the cooperation between Opolskie and the Fujian Province dates back to 2012. In January 2017, the Hongbo Company from Fujian launched their investment in Opole. They started to produce LED lamps in Poland.

**Cultural and educational institutions are involved in collaborating with the Chinese provinces less often than universities and business.** Among the local partners, non-governmental organisations joined the partnerships the least often (only in the case of two voivodeships). Cultural interdependencies or school exchanges are more often the domain of partnerships which are geographically closer. However, delegations from the local government or the economic organisation are often accompanied by cultural groups promoting the region or country. Promoting the Polish culture is indicated as a cooperation profit by almost all the regions cooperating with China. In terms of education and culture, the Confucius Institutes, which are opened at Polish universities, play an important role. Their task is to promote the Chinese culture and language in other countries. A good example are the cases of Opolskie and Dolnośląskie, where the representatives of the CI support the regional government in organizing the visits.

## Problems

Among the major difficulties, the representatives of Polish regions most often report the large **geographical distance** (11 regions) and the **high costs** (10 regions) involved in cooperation. Much less often (in the case of two, three regions) language barriers or cultural differences cause some issues. This is undoubtedly the result of the already mentioned enhancement of the competences of the people involved in cooperation. Some regions (3) also indicate inadequate commitment of Chinese partners to the cooperation. The representatives of provinces insist on signing a document formalizing the

cooperation, but after that, they lose interest and the intensity of activities and the number of meetings decrease.

## Case studies

### Dolnośląskie

International cooperation is an important element of development for Dolnośląskie Voivodeship. The region, situated in southwestern Poland, borders the Czech Republic and Germany. As a result of its geographical location there are many partnerships with the regions from the neighbouring countries (three German lands and five Czech counties). In addition, Dolnośląskie also has partners in other European countries, as well in Georgia, Brazil (albeit the cooperation is not very active) and in China. The region is also active in multilateral initiatives, such as the NOVUM European Grouping of Territorial Cooperation and the Odra Partnership<sup>48</sup>.

The document setting forth the priorities of the international cooperation of Dolnośląskie, adopted in March 2016 by the regional parliament, starts with a statement on the compatibility of international cooperation actions of the region with the assumptions of Polish foreign policy, respecting the unitary system of the state and its internal law. The first chapter of the document also indicates the role of paradiplomacy in the state foreign policy:

“In connection with the contemporary processes of globalization and decentralization of tasks of diplomacy carried out by the administration at the governmental level, public diplomacy realized in the local government dimension became an important aspect of international contacts. The activity of the Dolnośląskie Voivodeship in the field of international relations fully falls under it and makes a significant contribution to the foreign policy of the state” (*Priorytety Współpracy Międzynarodowej Województwa Dolnośląskiego*, 2010).

---

<sup>48</sup> The informal cooperation network of four western Polish regions and four East German lands established in 2006.

Cooperation with China is included in the document in the sub-chapter dedicated to non-European partners, however, the name of the province is not specified. The title of the fragment discussing the cooperation with more distant partners indicates the character of the actions taken in this kind of cooperation: “Contacts with partners from non-European countries as an element supporting the internationalization of enterprises and the economic development of the region” (*Priorytety Współpracy Międzynarodowej Województwa Dolnośląskiego*, 2010). As noted in the document, the dynamics of international contacts and the economic situation in Europe and in the world make it necessary to continue and further develop cooperation with, among others, Asian countries, including China. The document also points out other local subjects/entities that are recommended to cooperate to create “favourable conditions for exports and foreign investments”. This means economic chambers and associations of entrepreneurs and employers (*Priorytety Współpracy Międzynarodowej Województwa Dolnośląskiego*, 2010).

Currently, the Lower Silesian Agency of Economic Cooperation Ltd. (Dolnośląska Agencja Współpracy Gospodarczej – DAWG), a company with a 100% stake held by the Self-Governing Authority of Dolnośląskie, operates on its behalf and for its benefit. The Agency is responsible for supporting entrepreneurship, stimulating the region’s innovation and the competitiveness of the SME sector, as well as shaping the image of the voivodeship abroad. In July 2017, the Agency launched a project, financed from the Regional Operational Programme entitled “Gaining new sales markets and building brand recognition in Dolnośląskie at home and abroad”. It was the first such a comprehensive project on economic diplomacy in the voivodeship, with a budget of almost 1.4 million PLN.

“DAWG is the implementer of the economic diplomacy project of our region, in several locations we will organize the promotion of our province” (Interview with Officials in Dolnośląskie Marshal’s Office, personal communication, 2018)

Among the companies which are the showcase of the region and invest in China are *Selena* (a global producer and distributor of construction chemicals) and *KGHM*. “Dolnośląskie is characterized by the highest share of exports

in regional GDP in Poland”. The region also belongs to the voivodeships which have the largest share in generating domestic exports. According to the data for 2014, the main directions of the region’s exports were Germany (33.9%), the Czech Republic (10.8%), the United Kingdom (7.1%), France (5.9%) and then China (3.8%) (*Strategia Rozwoju Województwa Dolnośląskiego 2030*, 2018).

The Strategy for Development of Dolnośląskie Voivodeship 2030, adopted in autumn 2018, is another important document **confirming the priority of the economic cooperation**. The strategic objective is to effectively use the economic potential of the region, while the operational objective is to strengthen the national and European competitiveness of the region and its brand. Strategic activities include: economic promotion, supporting entrepreneurship and development of business environment services, development of the economic network, including cluster initiatives; and support for the internationalization of enterprises (*Strategia Rozwoju Województwa Dolnośląskiego 2030*, 2018).

**The history of cooperation with Chinese partners dates back to the 1990s.** In 1997, an agreement was signed between the Wrocław region<sup>49</sup> and the Anhui province. Although the partnership was formally taken over two years later by the newly created province, no joint actions were taken. In 2017, the Chinese side announced a desire to renew cooperation through the Polish consulate in Shanghai. On the 20<sup>th</sup> anniversary of signing the agreement, over 70 delegates from China visited the capital of the region and a cooperation agreement was reinitiated. The document on cooperation was also renewed by the Dolnośląskie Chamber of Commerce, which had co-operated with its Chinese counterpart in 1997.

From the beginning of the cooperation, the stress was put on the economic sphere. A significant part of the Chinese delegation in the spring of 2017 were entrepreneurs interested in potential cooperation and investments. Both regions focus on innovation. The Anhui Province has the development of new technologies among its goals.

---

<sup>49</sup> Before the local and regional government (1998) there were 49 voivodeships. Wrocław voivodeship was one of them.

“This province was initially perceived as such an agricultural province; but later we started to receive information that this province was chosen by the Chinese government to develop new technologies .... Dolnośląskie is also innovative ... also from this point of view, this province seems good for cooperation” (Interview with Officials in Dolnośląskie Marshal’s Office, personal communication, 2018).

The second sphere of cooperation is connected with academic activities. During the Anhui representatives’ visit to Poland in 2017 **a special forum for the universities from both sides was organized**. The contract was signed, inter alia, by the Medical University of Wrocław, which is particularly important here. The medical industry/sector is the third sphere of cooperation. The Anhui province wants to promote Chinese natural medicine.

“The structure of this delegation that came to us – it defined our ideas. It was a large business delegation and therefore we count on economic cooperation and building relationships between companies. It was also an incentive for Chinese investors to come to our region and do their businesses here. The second issue is the cooperation of universities... there were probably eight-nine universities at our place; we have made such an inter-university forum, in which all our Wrocław universities participated – ranging from the Wrocław University of Technology to the Wrocław University and private schools such as the College of Banking and the College of Logistics and Transport. The College of Logistics and Transport is very active in this Chinese field” (Interview with Officials in Dolnośląskie Marshal’s Office, personal communication, 2018).

The fourth area of cooperation is **city partnerships**. Two Chinese cities from the Anhui Province (Bozhou and Luan) were interested in cooperation. Finally, Bozhou established cooperation with the City of Legnica. The relationship will be developed in cultural cooperation and the tourism sector. To encourage Chinese tourists to visit Dolnośląskie, the region was planning to sign an agreement with the Central Bohemian Region – the region around Prague (the Czech Republic) to present a joint offer, in order to attract Chinese tourists also to come to the Polish region. The Lower Silesian Tourist Organization is responsible for this cooperation.

“The Anhui province is considered to be a very attractive tourist destination, the Chinese go there very willingly. It is a very old and very photogenic province. It is popular among film producers. Some scenes from the movie *Crouching Tiger, Hidden Dragon* were shot in Anhui. We also have a guide published in Polish about the province (the Adam Marszałek publishing house). So, this province is also promoted for tourists” (Interview with Officials in Dolnośląskie Marshal’s Office, personal communication, 2018).

In the autumn of 2017, the first economic forum for entrepreneurs from Anhui and Dolnośląskie took place in Wrocław. The next year, in May 2018, a “return visit” of the Polish region to China was arranged with the Marshal of the Region’s participation. Representatives of the Marshal’s Office were accompanied by an economic delegation. Dolnośląskie presented its economic and tourist offer. In cooperation with DAWG, two economic forums were organized at the Polish Consulate in Shanghai and at Hefei, the capital of Anhui. Among the prospective sectors for cooperation, the agency selected the food, photovoltaic, electric vehicle and tourist industries. One of the elements of such meetings were B2B talks – direct talks of companies from both countries. One of the first effects of contacts was the investment of *Capchem*, which will produce lithium-ion batteries in Dolnośląskie.

In the opinion of the representatives of the region, **the attitude of Chinese partners is changing considerably**. Even a few years ago, the visits of the Chinese were very official, and the talks were on general subjects. They did not result in any concrete projects. However, recent visits from the partner province were very well prepared, the Chinese are now very engaged in cooperation, present a concrete offer of joint activities and invite the representatives of the region to visit their province. They also encourage Polish students to come to their universities, and presented scholarship offers.

“We also note an evident change in the attitude of the Chinese side towards us over the past years; the staff that came to us was completely new. Now there are people, who have been working in this administration for two-three years. They are very young for China. And they have a whole new outlook on many things (...) there was a moment when they only wanted to come

to us – and now it has changed” (Interview with Officials in Dolnośląskie Marshal’s Office, personal communication, 2018).

Regardless of the partnership with Anhui, the representatives of the region also participate in other bilateral and multilateral initiatives with partners from China. In January 2015, a delegation from the voivodeship took part in meetings on regional policy in Beijing, Tianjin and Guangzhou within the EU CETREGIO programme. Local entities such as regional development agencies, chambers of commerce and tourist agencies were also involved in the project. However, in the case of Dolnośląskie, activities under the EU initiative did not translate into permanent cooperation.

In June 2015, a delegation from the region also participated in the First Polish-Chinese Intergovernmental Committee in Beijing and in the Polish-Chinese business forum in Chengdu (the Sichuan province). The trip took place under the auspices of the Ministry of Foreign Affairs on the occasion of the opening of the Polish consulate in Chengdu.

The representatives of the region underline **the need for cooperation between the representatives of local government and the state government** as well as the exchange of information, and they recommend enabling the representatives from different levels of administration to participate in the official visits of Polish delegations to Chinese provinces. They also see the need to activate such platforms as the Forum of Poland-China.

“We always say that these official visits at the ministerial level or generally at the state level should also take into account local and regional perspectives. I think that it is also worth drawing on our experience and well-developed contacts because we already have a specific history of such cooperation” (Interview with Officials in Dolnośląskie Marshal’s Office, personal communication, 2018).

## The Mazowieckie case

Mazovia, located in the east-central part of the country, is the biggest and the richest region in Poland. It produced about 22% of the whole GDP of the state

in 2014 (Godlewska-Majkowska et al., 2017). The capital of the voivodeship – Warsaw – is also the national capital, the biggest city in Poland and a centre of science, research, education, industry and infrastructure. The presence of the state capital within the region is a strong factor influencing the interest in cooperation on the part of foreign partners.

The international cooperation priorities of Mazovia voivodeship adopted in 2006 open with the emphasis that the region, when working with foreign partners, follows the directions of Polish foreign policy, and operates within regional competences, but also takes into account the importance of the city of Warsaw for the development of the entire region. Through its activity, Mazovia wants to support Poland's foreign policy and create the image of a strong region, facilitating the development of entrepreneurship, the transfer of modern technologies, and sharing experience in the field of decentralization processes. The document does not mention individual partners, or even countries (only regions of the world are presented). It mentions Southeast Asia as a dynamically developing region (*Priorytety Współpracy Zagranicznej Województwa Mazowieckiego*, 2006).

“In shaping the conditions of dynamic economic and social development of the Mazovia, the voivodeship will seek to use it from the experience of the world's leading economic leaders, i.e. OECD member states, including the United States of America, as well as the dynamically developing countries of Southeast Asia” (*Priorytety Współpracy Zagranicznej Województwa Mazowieckiego*, 2006).

Mazovia is one of two Polish regions cooperating with China which has two formalised partnerships – with the provinces **Hebei** and **Shandong**. In both cases the agreements are quite new (respectively 2016, 2015), however the contacts started much earlier.

The **Hebei** province is the region surrounding Beijing. It has a rather agricultural character. A letter of intent on the future Mazovia-Hebei interregional cooperation was signed during the first visit of the Chinese to Warsaw in September 2005. At the same time, a delegation of entrepreneurs from this province presented its investment projects in Warsaw. However, after these events, there was no contact for many years. The growing interest of

the Hebei Province Governor's in Central and Eastern Europe, including the 16 + 1 format, was the impulse to renew contact. Soon after the Local Leader Summit 16+1 in Prague, a provincial delegation visited Warsaw in September 2014. The talks focused on cooperation in the field of economy and tourism. The delegation also included entrepreneurs and representatives of tourist organisations.

The contact has intensified ever since. After the next visit of the Chinese delegation to Warsaw in February 2015, representatives of Mazovia organized a return visit to China in May 2015. The trip to the Hebei Province was combined with the participation of the Marshal of the region in the first meeting of the Association of Governors 16 + 1 and participation in international trade fairs in Lanfang (a city in Hebei province). In the same year, Mazovia organized the Economic Forum in Hebei and Shandong, as part of the project "Mazovia – the economic promotion of Poland's heart" (September 2015).

The agreement between the Mazovian and the Hebei Provinces on establishing friendly interregional relations based on the principles of partnership was signed during the third working meeting of local and regional leaders of Central and Eastern Europe countries and China in June 2016. There was a reference to both the Polish-Chinese intergovernmental agreement of 2004, concerning economic cooperation, as well as to the agreement on strategic partnership from 2011. Partners declared cooperation in the following areas: economy, science and technology, environmental protection, education, health care, and culture. It was declared that the cooperation between the Hebei and Mazovia provinces would take place in the form of official and study visits, conferences, participation in fairs and cultural events. The partners reserved the possibility to extend the scope of cooperation to other areas within their competence (*Porozumienie Między Województwem Mazowieckim (Rzeczpospolita Polska) a Prowincją Hebei (Chińska Republika Ludowa) o Ustanowieniu Przyjaznych Relacji Międzyregionalnych*, 2016).

**Shandong** is the second partner of Mazovia. The province, located on the east coast of China, is among the regions considered the cradle of Chinese civilization. It is also the birthplace of Confucius. The province is one of the richest regions in China. In terms of GDP (USD 711 billion), Shandong takes third place in the provinces after Guangdong and Jiangsu.

The first contacts, initiated by the Chinese side, date back to April 2012 and a visit by the vice-governor of Shandong to Mazovia. A year later, another visit took place with the new vice-governor. Then, in July 2014, the Chinese organized tourist fairs in Warsaw. There was also the Shandong-Poland Trade & Investment Promotion and Business Matchmaking Forum, organized by PAIIZ, the Council for the Promotion of International Trade (CCPIT) and the Trade Department of the Shandong Province, under the patronage of the People's Government of the Shandong Province and the Polish Ministry of Economy. The next meetings with the representatives of the economic sphere of Shandong in Mazovia took place in August 2014. When assessing the cooperation with partners from China in autumn 2014, the representatives of the Marshal's office stated that the interest in cooperation with Mazovia increased significantly in 2014.

“And when it comes to China, this is the direction that has intensified recently. China and Korea. Poland may not be their target, but it is definitely a gateway to Europe, which is clear given the number of visits. This cooperation will certainly focus on economic issues. But what seems equally intense is also tourism, which is obvious during every meeting. For now, these are timid plans, but we are also talking about increasing the air connections, or about the development of tourist products that could be sold to the Chinese from partner provinces” (Interview with Officials in Mazovia Marshal's Office, personal communication, 2014).

A year later, on 14 September 2015, the representatives of Mazovia signed an agreement between Mazowieckie and the Shandong Province on friendly inter-regional cooperation during a visit to China. Among the declared areas of cooperation were economy, culture, education, renewable energy, and tourism. There were also references to intergovernmental relations in the contract. Less than a month later, the partner regions signed a Memorandum on cultural exchange between the Province of Shandong and Mazovian Voivodeship. On the Polish side, the Mazovian Institute of Culture was invited to cooperate.

In 2016, three subsequent visits of the representatives of the Shandong province to Mazovia took place. In June, the meetings focused on cooperation

in the field of culture. The visit in October was connected with Shandong's participation in the World Travel Show in Nadarzyn, near Warsaw. In November, the talks focused on the topics related to cooperation in the field of agriculture and agritourism. In addition, one of the employees of the Marshal's office went on a scholarship awarded by a partner province to learn Chinese at one of the provincial universities.

In 2017, there was another visit of the representatives of the Government Academy in the Province of Shandong. It was connected with a wider programme within the framework of the 16 + 1 initiative. Provincial representatives were acquainted with the political and administrative conditions in 16 + 1 countries. However, as one representative of Mazovia noted in 2017, after the agreement was signed, the cooperation was not so intense.

“After the agreement was signed – there really is not much interest on the part of the Chinese to implement this agreement” (Interview with Officials in Mazovia Marshal's Office, personal communication, 2017).

Regardless of the cooperation with the Hebei and Shandong provinces, Mazovia has contacts with other provinces. They are not formalized. There are some ad hoc meetings, initiatives or projects as a result of specific actions and interest. For example, the Hunan Province was interested in economic cooperation with Mazowieckie. In March 2017, the Economic Promotion Conference of the Hunan Province was organized with the participation of Polish and Chinese entrepreneurs.

**The economic dimension of the cooperation clearly dominates in various types of contacts.** Almost all Chinese and Polish delegations are accompanied by representatives of enterprises and business organisations. The Mazovia Development Agency (Agencja Rozwoju Mazowsza S.A.) plays an important role here. The agency, established by the Marshal's Office, is responsible for promoting the region and supporting enterprises in foreign contacts. The Agency also has an Investor and Exporter Service Centre, which is responsible for, among other things, issues connected with investment areas and preparation of offers. Companies from China are interested in political support from regional authorities.

“The Chinese expect political support in addition to market incentives. They expect that if there are problems, someone will help them solve them” (Interview with Officials in Mazovia Marshal’s Office, personal communication, 2017).

The meetings organized by the Marshal’s Office are also attended by representatives of Polish organisations, such as the Polish Investment and Trade Agency (PAIH), whose main task is to increase the inflow of foreign direct investment to Poland and to support the internationalization of Polish enterprises. On the other hand, the companies from the Mazowieckie region take part in business missions organized by PAIH. Emphasis is also put on the development of tourism, which is favoured by direct flights from Warsaw to China.

Warsaw and the surrounding area is also often chosen for international fairs and exhibitions. Some of them are organized or co-organized by the local government. It is an opportunity to present offers from regions and establish direct relations between entrepreneurs. For years, Mazovia has been taking part in the annual China Homelife and China Machinex fairs in Nadarzyn near Warsaw. The event is referred to as the largest trade fair of Chinese products in Europe (1,300 exhibitors in 2018). In 2019, for the first time, the promotion of exhibitors from China was accompanied by Expo Export, which brought together exporters from Central and Eastern Europe, representing various industries. The fair attracted representatives of over 50 chambers of commerce from Albania, Belarus, Bulgaria, Croatia, the Czech Republic, Estonia, Latvia, Lithuania, Moldova, Poland, Russia, Slovakia, Slovenia, Ukraine and Hungary. The Mazowieckie region also presented its companies and organized some cultural events to promote the region. Among the patrons of the event were the PRC Embassy in Poland and the Ministry of Entrepreneurship and Technology, but also the Marshals of 10 Polish voivode-ships, including Mazowieckie and Dolnośląskie.

The educational/university dimension also appears in contacts with partners from China. The parties are interested in **student exchange** and **research cooperation**. Chinese delegations coming to the Marshal’s Office also visit Polish universities.

The difference in the competences of the authorities of Chinese provinces and the Polish voivodeship is among the obstacles to cooperation is. Chinese provinces have more prerogatives to invest and do business. Polish units may primarily support their local entrepreneurs in their internationalization.

“The Chinese economic and financial structure gives the regions some economic autonomy in shaping or adapting the central government’s plan to local needs. Moreover, it gives them autonomy when it comes to financing investment, stimulating economic sectors” (Interview with Officials in Mazovia Marshal’s Office, personal communication, 2017).

**For Chinese partners it is not clear what the division of competences is and what the system of functioning of the local government administration in Poland consists in.** The representatives of Chinese provinces expect a quick decision, contacts and agreements, especially on the occasion of events at the central level.

“The Chinese side does not understand the functions of the office (Marshal’s Office), what things an office can do and what not” (Interview with Officials in Mazovia Marshal’s Office, personal communication, 2017).

Another problem, as in many other European regions, is the issue of disproportion and scale. For the regions and the local companies, it is difficult to find the opportunities to get involved, meet the expectations of Chinese partners and find a niche in business dealings. Poland is interested in importing agri-food products, however, the potential export goods are primarily luxury goods.

## Conclusions

The cooperation between Polish cities/regions and Chinese partners has two important dimensions. On the one hand, by joining the governmental activities (the strategic partnership, the “16+1”, the BRI), **paradiplomacy**

**stimulates the development of a practical.** Due to the great emphasis on the economic dimension in relations with China, entrepreneurs and central institutions play an important role. They perceive these contacts as an opportunity for regional economic development and the internationalization of Polish companies. Local government initiatives have a chance to contribute to large national strategies: the Polish Responsible Development Plan (the Morawiecki Plan) and the Chinese Belt and Road initiative.

On the other hand, establishing contacts with China contributes to the development of competence in the local government administration and to the cooperation with local partners. More partnerships and meetings result in more conferences, forums, where the representatives of local and regional authorities can share their experience. Universities play a special role here. By engaging in cooperation, they can promote themselves, as well as support local governments with their China analysts. Business is another important local partner. Local companies perceive cooperation with China as having great potential. However, they need the support of regional authorities. They need the political umbrella, the legitimacy of business partners.

Poland's accession to the EU was an important element in building the position of the state and the regions also benefited here. China's interest in the regional with the new EU members has increased. Representatives of local governments also gained platforms for meetings and discussions with their Chinese partners. However, the opinion of **the representatives of the surveyed regions does not indicate any direct impact of the EU on cooperation.** According to information from 2017-2018, regions did not use any EU programmes directly supporting contacts with China. When travelling on business missions or in the organisation of fairs, regions typically use their regional funds for promotion. Moreover, there is no unambiguous opinion on possible EU programmes for cooperation. In the case of support for economic initiatives, the conditions for granting EU subsidies to entrepreneurs would not be effective. Competition procedures are usually long, and entrepreneurs on both sides expect quick actions and decisions.

**The problem which besets paradiplomacy with China is asymmetry.** It does not relate only to the territory and population dimension, but also to the expectations and competencies of regional authorities. As one of the representatives of the researched regions underlined "the Chinese provinces

have money and tools to invest, meanwhile, Polish regions have the support of their companies inscribed in their strategies and aims of regional development, but they have no means to do this” (*Interview with Officials in Mazovia Marshal Office*, personal communication, 2017). That is why the Regional Forum Poland-China was a very good opportunity to provide effective support on building business and other types of relation.

Among the challenges, but also opportunities for Polish local governments for the coming years are tourism, infrastructure projects, and greater interest in Polish food and culture. The Chinese are eager to travel to Europe, but they know very little about Poland. Fewer tourists come to Poland than to the neighbouring Czech Republic. Poland, however, is beginning to be associated with healthy food. Taking into account the cooperation and the willingness to support entrepreneurs, one should bear in mind the specifics of the local market. Despite the opening of China to the world, it is not a free market economy. China defends its market. The economic with China is a long-term investment requiring knowledge of the country, language and people. Hence, the mediation of the authorities from the territorial administration can be an important asset. Scale also remains a big problem. It is important to launch the cooperation among Polish entrepreneurs from one region or one type of industry to meet the demands of the Chinese market.

# CONCLUSIONS

**Tomasz Kamiński, Adriana Skorupska, Justyna Szczudlik**

<http://dx.doi.org/10.18778/8142-517-9.09>

The analysis of the region-to-region contacts between the six largest EU countries and China gives only a partial picture of the subnational relations with the Chinese partners. City-to-city relations as well as the activities of regions in smaller EU member states were beyond the scope of our investigation. However, having these limitations in mind, it is possible to formulate some observations regarding the scope of subnational contacts with the Chinese and their features, identify the factors which favour cooperation, and the goals of European regions, as well as formulating some recommendations for the European Union. Many of the observations presented below have already been presented, in a more policy-oriented form, in the policy report entitled “The Subnational Dimension of EU-China Relations” (Skorupska et al., 2019).

## **The scope of cooperation between European and Chinese regions**

The subnational dimension has started to be a visibly important element of EU-China relations. More and more regions are cooperating with Chinese counterparts in many different areas: from economy to environment and from cultural to academic exchange. In a sense “hundreds of flowers bloom” – referring to the famous words of Mao Zedong. In five analysed countries

(France, Spain, Germany, Poland, and Italy) cooperation with partners from China has been declared by 80% of the regions. In the UK the situation is harder to assess, but at least some regions as well as cities (in particular those grouped in the Northern Powerhouse and the Midlands Engine projects) are active in the cooperation with China. In all the surveyed EU regions, the economic and academic dimensions dominate the cooperation. Regions support the internationalisation of their local enterprises, and promote themselves to Chinese investors, as well as to students and tourists. Cooperation agreements between regional authorities are often accompanied by arrangements between universities and business contracts.

## **Key factors which determine contacts with Chinese regions**

Three major factors which determine contacts of European regions with the Chinese are:

1. **Economy.** Regional authorities are aware of the threats and challenges linked to cooperation with a distant and non-democratic partner, but stress that relations are necessary for their development. China has become important in terms of regional economic development and, without a doubt, economy remains the key area of collaboration and economic profits for the region and is the main motivation for it.
2. **People.** Looking for factors which enable an efficient with China, the human factor should not be overlooked. The beginnings of cooperation are often a result of the involvement of a small group of people or even one person (Valencia, Liverpool) convinced of the need for relations with China as an economically and politically important partner. These people, believing that their regions should be open to a cooperation with China and that they can benefit from it, have been able to involve different local stakeholders and turn vision into practice. The inclusion of local partners, such as regional agencies, chambers of commerce, universities, and tourist agencies seems to be of major importance. In particular, close contacts in the triangle between regional administration, local academic entities and companies

have been key to building an effective with China. This finding is very much in line with the “triple helix model” in which academia, business and local/regional government build a complex network of relationships in which they dynamically collaborate.

3. Politics. Although central governments do not control the paradiplomatic activities of regions towards China, in all the surveyed countries, the relationship between regional cooperation and the government policy towards China is visible. The political factor matters, and good relations with China at the government level foster subnational cooperation. Bilateral agreements between governments, EU declarations of interest in the BRI, or, for example, Poland’s accession to the EU, strengthening its international position, have encouraged European and Chinese regions to cooperate. Italy is a good example of this. The Italian government’s change in policy towards China was a decisive factor in the opening up of regions to a new direction of cooperation. On the other hand, there is limited support from central governments to regions: in some countries through regular meetings (e.g. France) or through the organisation of regional forums (France and Poland, at least until 2016). However, contacts with China are usually financed from the regions’ own funds. Sometimes, these are EU funds directed for the promotion of the region or support for companies which want to develop their exports to China.

## **Goals of European regions in their relations with Chinese counterparts**

There are no major differences between the countries in terms of the goals, areas, benefits, or even obstacles in their cooperation with the Chinese partners. Even if issues like education, academic exchange, urbanization, and environment and climate change are playing an increasingly important role, prospects of economic benefits are the main reason why the regions are interested in working with Chinese partners. Regional authorities count mainly on possible Chinese investment, an increase in exports to China and a tourist inflow.

The regions try to find their specialties in cooperation, promote their “strengths” and create their own “brands” and flagship initiatives in the co-operation with China. Examples of such areas of specialisation include the role of ports (Valencia, Liverpool), UNESCO heritage (e.g. promoting tourism in Castile and Umbria), the promotion of good universities and schools (Liverpool, Berlin), the promotion of language learning (Liverpool, Castile), the International Business Festival (Liverpool), cargo lines (Łódź-Chengdu, Madrid-Yiwu), and the Umbria Jazz festival (Umbria).

## **The impact of subnational actors on EU foreign policy**

Our research revealed a weak link between the EU-China relations planned and implemented in Brussels, and the subnational cooperation between the six EU countries and their Chinese partners. While this cooperation is an important element of the international activities of local governments, the EU does not support it in a measurable way (e.g. allocating funds for the co-operation with China) and does not analyse this contact on a regular basis (See: Kamiński, 2019c).

It might be a major omission due to the fact that contacts between regions and cities create a useful channel of influence on China and a potential transmission belt for European policy goals. For example, regional links might be employed to promote more balanced and inclusive development, sought by the EU, and in supporting socioeconomic and environmental reforms in China. The transfer of knowledge and best practices directly to the local level, bypassing the often-politicised contacts at the diplomatic level, can be effective in different spheres of local community functioning, such as public transport organisation and waste management.

Another objective of the EU policy towards China is to attract Chinese investment to Europe. Regional authorities, which most often negotiate potential investment in the region with Chinese partners, should be a natural partner for the EU in this process. Cooperation with local entities is also important for the economic security of the EU, especially when concerns about Chinese investment are growing, resulting in the screening mechanism. On the one

hand, local government officials should be aware of potential threats from Chinese investors and be involved in monitoring Chinese investment activity in Europe. On the other, greater EU attention devoted to local relations can improve the operation of the Union screening mechanism thanks to the faster circulation of information about new Chinese investments.

Subnational entities should be included in the EU's science diplomacy towards China. Since the academic is an important area of contact stimulated by regional authorities, if the EU wants to strengthen cooperation with China in research and innovation, then it should closely collaborate with regions in this regard.

The people-to-people dimension of EU-China relations is a similar situation. If the EU desires the development of interpersonal contact, attracting students and tourists from China to Europe, relations at the subnational level are a natural place for implementing these plans.

We can sum up by saying that there is great potential for a closer between the EU institutions and regional authorities, but at the same time in the institutional system of the EU foreign policy there are hardly any effective mechanisms to do so. Due to this fact, the impact of regions on the EU policy towards China is limited – and vice versa.

## Trends

Based on the analysis it is possible to present some observations regarding trends in the development of subnational relations between the EU and China.

Firstly, representatives of European regions see a change in the attitude of Chinese provinces to cooperating with them. Currently, fewer delegations arrive from China than a few years ago, but meetings are better prepared and more focused on specific projects to be implemented. Earlier, the Chinese would often come only to familiarise themselves, sign declarations, or obtain information from the European partner.

There is also a visible increase in the role of Chinese regions, despite attempts at centralisation by Chairman Xi Jinping. They are becoming more independent and open for cooperation with foreign partners, especially in terms of economic issues. This may mean that they will be willing to cooperate

with European counterparts, even in the case of deterioration of bilateral relations at the governmental level.

Secondly, the authorities of the surveyed local governments see great opportunities for the development of their regions through cooperation with partners from China. However, they are also more and more aware of the cost of cooperation or even threats that may result from China's foreign policy and Chinese investment (e.g. taking over technology, threat to critical infrastructure, etc.) Due to this, on the European side, we can observe the process of rationalisation of activities towards China. For instance, many regions have given up their representations abroad (Italy, France, Spain) for financial or political reasons (e.g. under the influence of the national government policy). Instead of paying for permanent offices in China, they cooperate with their state agencies, chambers of commerce or consulting companies which have bureaus in Chinese cities. Moreover, they attach increasing importance to reciprocity. They make sure that the benefits of cooperation come from both sides. An example is Liverpool, which works with regions in China which correspond to its own profile, for example, in terms of business or science projects which create an opportunity for mutual benefits.

Thirdly, in the light of deteriorating bilateral relations between the U.S. and China, one can expect greater interest from Chinese regions in cooperation with European partners. Chinese regions may want to mitigate the effects of any China-U.S. dispute in this way, as well as the worsening economic situation in China. Economy-focused local cooperation can be a secure communication channel in a situation of deteriorating relations at the government level, e.g., under U.S. influence or tensions in the EU policy towards China.

## **Political recommendations for the European Union**

The results of our research suggest that the EU should try to employ sub-state level relations in its policy towards China by encouraging regional and local actors to develop cooperation in line with the EU's policy goals. In the context of rising diplomatic tensions and possible escalation of conflict between Beijing and the West, such low-key channels of communication with China might be very useful.

In order to make real use of the dynamics of the contact with China at the level of regions, cities and provinces, the EU should recognise their significance. For legal and political reasons, the EU institutions cannot directly influence autonomous local government authorities in Europe. However, the fast development of the region-to-region cooperation reveals a rising need for monitoring of the sub-state layer of EU-China relations.

Apart from monitoring, the EU should support regional contacts in order to benefit from them in the context of reaching its policy goals towards China. In addition to possible financial support through geographically targeted programmes, it is important for the EU to develop a way of communicating with the regions. It could then share information about EU priorities in relations with China (including changes in the EU policy towards China), as well as problems and threats.

From the perspective of the EU regions, it may also be helpful to create a forum for the exchange of experience of local and regional governments engaged in a cooperation with China. This would give them an opportunity to be more effective in the implementation of policy objectives towards China.

## **Future research**

Heretofore, the rising importance of sub-state contacts between Europe and China has been overlooked by academics. We hope that this book initiates much wider, in-depth studies on this ever more important phenomenon in international relations. We may suggest two paths for possible future investigations.

Firstly, the examination of the possible use of sub-state relations in European foreign policy planning and implementation. This topic should be closely examined both from the theoretical as well as the practical perspective. There are some interesting cases from which the EU can learn such as paradiplomacy in the U.S. in the context of climate change and the employment of provinces to realise the goals of Chinese foreign policy. Some member states may have other useful examples of collaboration by their sub-state entities with foreign partnerships.

Secondly, there is the role of cities in EU-China relations. City-to-city collaboration is developing simultaneously to region-to-region contacts, but the

scale of this phenomenon is unknown. During our investigation on the regional dimension of EU-China relations we often have had the impression that city cooperation might develop even faster and may be even more significant than region-to-region relations with China. Unfortunately, nobody has done comprehensive research on this and there is an important knowledge gap.

# BIBLIOGRAPHY

- A strategic vision for Spain in Asia 2018-2022*. (2018). Ministerio de Asuntos Exteriores. [http://www.exteriores.gob.es/Portal/es/SalaDePrensa/Multimedia/Publicaciones/Documents/2018\\_02 ESTRATEGIA%20ASIA%20ENG.pdf](http://www.exteriores.gob.es/Portal/es/SalaDePrensa/Multimedia/Publicaciones/Documents/2018_02 ESTRATEGIA%20ASIA%20ENG.pdf)
- Amenda, L., & Hamburg, F. für Z. in. (2006). *Fremde—Hafen—Stadt. Chinesische Migration und ihre Wahrnehmung in Hamburg 1897-1972* (1., Aufl.). Dölling und Galitz Verlag.
- Andornino, G. (2012). The Political Economy of Italy's Relations with China. *The International Spectator*, 47(2), 87–101. <https://doi.org/10.1080/03932729.2012.683280>
- Anzahl der ausländischen Studierenden an Hochschulen in Deutschland im Wintersemester 2018/2019 nach Herkunftsländern*. (2019). Statista. <https://de.statista.com/statistik/daten/studie/301225/umfrage/auslaendische-studierende-in-deutschland-nach-herkunftslaendern/>
- Assisi, Italy. (n.d.). Retrieved 30 August 2019, from <http://www.sacred-destinations.com/italy/assisi>
- Athenstaedt, C. (2011). *Die Kompetenzverteilung in der deutschen staatlichen Entwicklungszusammenarbeit: Zur Zulässigkeit entwicklungspolitischer Maßnahmen deutscher Bundesländer und Kommunen*. Herbert Utz Verlag.
- Aufgaben der deutschen Aussenpolitik: Südostasien sowie Australien, Neuseeland und Pazifische Inseln am Beginn des 21. Jhd.* (2002). Auswärtiges Amt.
- Ausländische Bevölkerung nach Geburtsort und ausgewählten Staatsangehörigkeiten am 31.12.2018*. (2019). Destatis. [https://www.destatis.de/DE/Themen/Gesellschaft-Umwelt/Bevoelkerung/Migration-Integration/Publicationen/Downloads-Migration/auslaend-bevoelkerung-2010200187004.pdf?\\_\\_blob=publicationFile](https://www.destatis.de/DE/Themen/Gesellschaft-Umwelt/Bevoelkerung/Migration-Integration/Publicationen/Downloads-Migration/auslaend-bevoelkerung-2010200187004.pdf?__blob=publicationFile)
- Ausländische Studierende in Deutschland nach Herkunftsländern 2017/2018 | Statistik*. (n.d.). Statista. Retrieved 21 February 2019, from <https://de.statista.com/statistik/daten/studie/301225/umfrage/auslaendische-studierende-in-deutschland-nach-herkunftslaendern/>

- Bachtler, J., Gorzelak, G., & Kasprzyk, M. (Eds.). (2004). *Współpraca transgraniczna Unii Europejskiej. Doświadczenia Polski i Niemiec*. Wydawnictwo Naukowe Scholar. <http://www.euroreg.uw.edu.pl/pl/publikacje,wspolpraca-transgraniczna-unii-europejskiej-doswiadczenia-polski-i-niemiec>
- Bahr, E. (1998). *Deutsche Interessen. Streitschrift zu Macht, Sicherheit und Außenpolitik*.
- Basic Law for the Federal Republic of Germany*. (2019). [https://www.gesetze-im-internet.de/englisch\\_gg/print\\_englisch\\_gg.html](https://www.gesetze-im-internet.de/englisch_gg/print_englisch_gg.html)
- Bernstein-Wax, J. (2007, March 25). Spain's would-be parents turn to China to adopt. *Los Angeles Times*. <https://www.latimes.com/archives/la-xpm-2007-mar-25-adfg-spadopt25-story.html>
- Berthold, E.-M., & Sun, Y. (2019). *Chinesische Unternehmenskäufe in Europa. Eine Analyse von M&A-Deals 2006-2018*. Ernst&Young.
- Billing, C., McCann, P., & Ortega-Argilés, R. (2019). Interregional inequalities and UK sub-national governance responses to Brexit. *Regional Studies*, 53(5), 741–760. <https://doi.org/10.1080/00343404.2018.1554246>
- Bogusz, M., Formuszewicz, R., & Jakóbowski, J. (2019). *Wizyta Xi Jinpinga w Europie: Preludium do szczytu UE-Chiny* [Analizy OSW]. Ośrodek Studiów Wschodnich. <https://www.osw.waw.pl/pl/publikacje/analizy/2019-03-27/wizyta-xi-jinpinga-w-europie-preludium-do-szczytu-ue-chiny>
- Bosco, F. (2018). Ni Hao Britain. Chinatowns in the UK. *Focus Magazine*.
- Brown, K. (2016). *Erase and Rewind: Britain's Relations with China. The Search for a New Framework*. Australia-China Relations Institute.
- Brown, K. (2019). *The Future of UK-China Relations*. Agenda Publishing.
- Brown, K., & Mimi, Z. (2018, September 29). In China puzzle, Australia knows itself. The UK hasn't a clue. *South China Morning Post*. <https://www.scmp.com/week-asia/opinion/article/2165790/china-puzzle-least-australia-knows-itself-uk-hasnt-clue>
- Brown, S. (2018). Free Trade, Yes; Ideology, Not So Much: The UK's Shifting China Policy 2010-2016. *Journal of the British Association for Chinese Studies*, 18(1).
- Burney, M., Hivonnet, J., & Raube, K. (2014). 'Soft Diplomacy' and People-to-People Dialogue between the EU and the PRC. *European Foreign Affairs Review*, 19, 35–56.

- Business France publishes 2018 Annual Report: Foreign investment in France.* (2019, April 4). Business France. <https://www.businessfrance.fr/discover-france-news-business-france-publishes-2018-annual-report#>
- Campbell, C. (2017, May 12). *China Says It's Building the New Silk Road. Here Are Five Things to Know Ahead of a Key Summit.* Time. <https://time.com/4776845/china-xi-jinping-belt-road-initiative-obor/>
- Casson, R., & Dardanelli, P. (2012). Local Government Paradiplomacy in the UK: The Case of the Kent-Virginia Project. *Local Government Studies*, 38(5), 599–614. <https://doi.org/10.1080/03003930.2012.666213>
- China, Italy facilitate more cooperation in culture and tourism. (2019, March 25). *China Daily*. <http://www.chinadaily.com.cn/a/201903/25/WS5c984793a3104842260b2580.html>
- China remains Germany's biggest trading partner in 2017. (2018, February 21). *Reuters*. <https://www.reuters.com/article/us-germany-economy-trade-idUSKCN1G5213>
- China Strategy 2015–2020. Strategic Framework for Cooperation with China in Research, Science and Education.* (2015). German Federal Ministry of Education and Research. [https://www.bmbf.de/pub/China\\_Strategy\\_Longversion.pdf](https://www.bmbf.de/pub/China_Strategy_Longversion.pdf)
- China-France Joint Fact Sheet on the 4th High Level Economic and Financial Dialogue.* (2016). French Ministry of Economy and Finance. <https://www.economie.gouv.fr/files/files/PDF/china-france-joint-fact-sheet-2016.pdf>
- China-France Joint Fact Sheet on the 6th High Level Economic and Financial Dialogue* | Gouvernement.fr. (2018). French Ministry of Economy and Finance. <https://www.gouvernement.fr/en/china-france-joint-fact-sheet-on-the-6th-high-level-economic-and-financial-dialogue>
- Chinese International Travel Monitor 2018.* (2018, August 7). Ipsos. <https://www.ipsos.com/en/chinese-international-travel-monitor-2018>
- Chinesische Delegation zu Besuch in der Thüringer Landesvertretung.* (2015, June 11). <https://thueringen.dgb.de/++co++8e2ec914-103c-11e5-b7c3-52540023ef1a>
- Christiansen, F. (2003). *Chinatown, Europe: An Exploration of Overseas Chinese Identity in the 1990s* (1 edition). Routledge.
- Christiansen, T., Kirchner, E., & Wissenbach, U. (2018). *The European Union and China* (1st ed. 2019 edition). Red Globe Press.

- Christiansen, T., & Maher, R. (2017). The rise of China—Challenges and opportunities for the European Union. *Asia Europe Journal*, 15(2), 121–131. <https://doi.org/10.1007/s10308-017-0469-2>
- Ciesielska-Klikowska, J. (2017). *Francja i Niemcy w procesie integracji europejskiej w latach 1992-2007*. Wydawnictwo Uniwersytetu Łódzkiego.
- City Partnership Beijing. (2019, January 30). <https://www.berlin.de/rbmskzl/en/international-relations/city-partnerships/beijing/artikel.23713.en.php>
- Constitution. (1978). [http://www.congreso.es/portal/page/portal/Congreso/Congreso/Hist\\_Normas/Norm/const\\_espa\\_texto\\_ingles\\_0.pdf](http://www.congreso.es/portal/page/portal/Congreso/Congreso/Hist_Normas/Norm/const_espa_texto_ingles_0.pdf)
- Copus, C., Roberts, M., & Wall, R. (2017). *Local Government in England: Centralisation, Autonomy and Control*. Palgrave Macmillan UK. <https://doi.org/10.1057/978-1-137-26418-3>
- Coralluzzo, V. (2008). Italy's foreign policy toward China: Missed opportunities and new chances. *Journal of Modern Italian Studies*, 13(1), 6–24. <https://doi.org/10.1080/13545710701816794>
- Corigliano, M. A. (2011). The Outbound Chinese Tourism to Italy: The New Graduates' Generation. *Journal of China Tourism Research*, 7(4), 396–410. <https://doi.org/10.1080/19388160.2011.627015>
- Cornago, N. (2010). On the Normalization of Sub-State Diplomacy. *The Hague Journal of Diplomacy*, 5(1–2), 11–36. <https://doi.org/10.1163/1871191x-05010102>
- Cornago, N. (2013). *Plural Diplomacies: Normative Predicaments and Functional Imperatives*. Martinus Nijhoff.
- Crossick, S., & Xiaobin, G. (2007). The Arms Embargo. In S. Crossick & E. Reuter (Eds.), *China-Eu: A Common Future* (pp. 189–197). World Scientific.
- Czapiewski, T. (2015). The (Para)diplomacy of Scotland towards Asian Countries. *Zeszyty Naukowe Uniwersytetu Szczecińskiego ACTA POLITICA*, 31, 59–76.
- Dąbrowski, M., Musiałkowska, I., & Polverari, L. (2018). EU–China and EU–Brazil policy transfer in regional policy. *Regional Studies*, 52(9), 1169–1180. <https://doi.org/10.1080/00343404.2018.1431389>
- Detterbeck, K., Renzsch, W., & Schieren, S. (2009). *Föderalismus in Deutschland* (1st ed.). De Gruyter Oldenbourg.
- Deutschland beliebtestes Reiseland für Chinesen in Europa*. (2016, January 25). <https://www.gfk.com/de/insights/press-release/deutschland-beliebtestes-reiseland-fuer-chinesen-in-europa/>

- Deutschland und China – Wahrnehmung und Realität Die Huawei-Studie 2014.* (2014). Huawei in Zusammenarbeit mit dem GIGA und TNS Emnid. <http://www.huawei-studie.de/downloads/Huawei-Studie-2014-DE.pdf>
- Deutschland und China: Bilaterale Beziehungen.* (2019, November 26). Auswärtiges Amt. <https://www.auswaertiges-amt.de/de/aussenpolitik/laender/china-node/bilateral/200472>
- Deutschland und China verstärken ihren Jugendaustausch.* (2017, May 26). <https://www.bmfsfj.de/bmfsfj/aktuelles/alle-meldungen/deutschland-und-china-verstaerken-ihren-jugendaustausch/116478>
- Die Volksrepublik China ist erneut Deutschlands wichtigster Handelspartner.* (2019). Destatis. <https://www.destatis.de/DE/Themen/Wirtschaft/Aussenhandel/handelspartner-jahr.html>
- Duchacek, I. D. (1984). The International Dimension of Subnational Self-Government. *Publius: The Journal of Federalism*, 14(4), 5–31.
- Duran, M. (2015). *Mediterranean Paradiplomacies: The Dynamics of Diplomatic Reterritorialization*. Brill Nijhoff. <https://brill.com/view/title/26957>
- Ekman, A. (2018). Political values in France-China relations, 2018: The start of a policy shift under Emmanuel Macron. In T. Ruhling, B. Jerden, F. P. van der Putten, J. Seaman, M. Otero-Iglesias, & A. Ekman (Eds.), *Political Values in EU-China Relations*. ETNC Report.
- Esteban, M. (2016). Spain's Relations with China: Friends but not Partners. *Chinese Political Science Review*, 1(2), 373–386. <https://doi.org/10.1007/s41111-016-0019-x>
- Esteban, M. (2018). *Relaciones España-Chin* (No. 24; Informe). Real Instituto Elcano. <http://www.realinstitutoelcano.org/wps/wcm/connect/70d1270b-1f68-44e2-8533-b273036d2d0d/Informe-Elcano-24-Relaciones-Espana-China.pdf?MOD=AJPERES&CACHEID=70d1270b-1f68-44e2-8533-b273036d2d0d>
- Esteban, M., & Otero-Iglesias, M. (2016). Spain: Looking for Opportunities in OBOR. In F. P. van der Putten, J. Seaman, M. Otero-Iglesias, A. Ekman, & M. Huotari (Eds.), *Europe and China's New Silk Roads*. ETNC Report.
- Esteban, M., & Otero-Iglesias, M. (2017). Chinese Investment in Spain: Open for Business, but not at Any Price. In J. Seaman, M. Otero-Iglesias, & M. Huotari (Eds.), *Chinese Investment in Europe. A Country-Level Approach*. ETNC Report.

- Eurostat*. (2019). Data Explorer. <https://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do>
- Farnell, J., & Irwin Crooks, P. (2016). *The Politics of EU-China Economic Relations. An Uneasy Partnership*. Palgrave Macmillan. <http://www.palgrave.com/it/book/9781137491176>
- Feuille de route internationale pour la periode 2016-2021*. (2015). [https://www.paysdelaloire.fr/uploads/tx\\_oxcsnewsfiles/Feuille\\_de\\_route\\_international\\_2016\\_-\\_2021\\_\\_\\_\\_vot%C3%A9\\_BP\\_2017.pdf](https://www.paysdelaloire.fr/uploads/tx_oxcsnewsfiles/Feuille_de_route_international_2016_-_2021____vot%C3%A9_BP_2017.pdf)
- Fox, J., & Godement, F. (2009). *A Power Audit of EU-China Relations*. European Council on Foreign Relations.
- Freistaat Bayern Haushaltsplan 2017/2018 Einzelplan 02 Ministerpräsident und Staatskanzlei*. (n.d.). Bayerische Staatsregierung. [http://www.stmfh.bayern.de/haushalt/staatshaushalt\\_2017/haushaltsplan/](http://www.stmfh.bayern.de/haushalt/staatshaushalt_2017/haushaltsplan/)
- Future of cities: UK-China city relationships*. (2016, August 22). Government Office for Science. <https://www.gov.uk/government/publications/future-of-cities-uk-china-city-relationships>
- Future of Europe. October-November 2018* (No. 479; Eurobarometer). (2018). European Commission. [https://data.europa.eu/euodp/en/data/dataset/S2217\\_90\\_2\\_479\\_ENG](https://data.europa.eu/euodp/en/data/dataset/S2217_90_2_479_ENG)
- Future of Europe. September-October 2016* (No. 451; Eurobarometer). (2016). European Commission. [https://data.europa.eu/euodp/en/data/dataset/S2131\\_86\\_1\\_451\\_ENG](https://data.europa.eu/euodp/en/data/dataset/S2131_86_1_451_ENG)
- Future of Europe. September-October 2017* (No. 467; Eurobarometer). (2017). European Commission.
- Gauck, J. (2014). *Deutschlands Rolle in der Welt: Anmerkungen zu Verantwortung. Normen und Bündnissen*. <http://www.bundespraesident.de/SharedDocs/Reden/DE/Joachim-Gauck/Reden/2014/01/140131-Muenchner-Sicherheitskonferenz.html>
- German Federal Foreign Office*. (n.d.). Auswärtiges Amt. Retrieved 24 January 2019, from <https://www.auswaertiges-amt.de/en/aussenpolitik/laenderinformationen/china-node/china/228916>
- Germany Exports China*. (2019). Trading Economics. <https://tradingeconomics.com/germany/exports/%20china>
- Germany Imports from China*. (2019). Trading Economics. <https://tradingeconomics.com/germany/imports-from-china>

- Ghiasi, R., & Zhou, J. (2017). *The Silk Road Economic Belt: Considering security implications and EU–China cooperation prospects* (p. 76). SIPRI and Friedrich Ebert Foundation.
- Giese, K. (1999). Patterns of migration from Zhejiang to Germany. In H. Mallee & F. N. Pieke (Eds.), *Internal and International Migration Chinese perspectives*. Curzon Press. <https://doi.org/10.4324/9781315027449-11>
- Giordano, R. (2002). *Deutschland und Israel: Solidarität in der Bewährung. Bilanz und Perspektive der deutsch-israelischen Beziehungen*. Bleicher Vlg., Gerl.
- Global sensor centre strikes China deal*. (2016, November 11). UKTN (UK Tech News). [https://www.uktech.news/press\\_release/global-sensor-centre-strikes-china-deal](https://www.uktech.news/press_release/global-sensor-centre-strikes-china-deal)
- Globalisierung gestalten—Partnerschaften ausbauen—Verantwortung teilen. Konzept der Bundesregierung 2012*. (2012). Auswärtiges Amt.
- Godement, F., & Stanzel, A. (2016). *China and Brexit: What's in it for us?* European Council on Foreign Relations. [https://www.ecfr.eu/publications/summary/china\\_and\\_brexit\\_whats\\_in\\_it\\_for\\_us7112](https://www.ecfr.eu/publications/summary/china_and_brexit_whats_in_it_for_us7112)
- Godement, F., & Vasselier, A. (2017). *China at the gates: A new power audit of EU-China relations*. European Council on Foreign Relations. [https://www.ecfr.eu/publications/summary/china\\_eu\\_power\\_audit7242](https://www.ecfr.eu/publications/summary/china_eu_power_audit7242)
- Godlewska-Majkowska, H., Pilewicz, T., Turek, D., Żukowska, J., Zarębski, P., Czarnecki, M., & Typa, M. (2017). *Atrakcyjność inwestycyjna regionów 2017. Województwo mazowieckie*. Instytut Przedsiębiorstwa Szkoły Głównej Handlowej w Warszawie.
- Goette, A., & Qianlan, G. (2018). *Deutsch-Chinesische Kommunalbeziehungen* (No. 19). Servicestelle Kommunen in der Einen Welt.
- Günther, D. (2018, September 14). *Partnerschaft mit China ist für SH wichtig* [Interview]. [nachrichten/schleswig-holstein/Partnerschaft-mit-China-ist-fuer-SH-wichtig.china1130.html](https://nachrichten/schleswig-holstein/Partnerschaft-mit-China-ist-fuer-SH-wichtig.china1130.html)
- Gütinger, E. (1998). A Sketch of the Chinese Community in Germany: Past and Present. In G. Benton & F. N. Pieke (Eds.), *The Chinese in Europe* (pp. 197–208). Palgrave Macmillan UK. [https://doi.org/10.1007/978-1-349-26096-6\\_8](https://doi.org/10.1007/978-1-349-26096-6_8)

- Hanemann, T., & Rosen, D. (2012). *China Invests in Europe Patterns, Impacts and Policy Implications*. Rhodium Group. [https://rhg.com/wp-content/uploads/2012/06/RHG\\_ChinaInvestsInEurope\\_June2012.pdf](https://rhg.com/wp-content/uploads/2012/06/RHG_ChinaInvestsInEurope_June2012.pdf)
- Hauschild, H., Jungbluth, C., Gerlach, S., Gramke, K., Limbers, J., & Weiss, J. (2015). *China—Partner und Konkurrent*. <https://www.bertelsmann-stiftung.de/de/publikationen/publikation/did/china-partner-und-konkurrent/>
- Haushaltsrechnung des Landes Sachsen-Anhalt für das Haushaltsjahr 2009 Gesamtrechnung*. (n.d.). Sachsen-Anhalt Staatregierung. <https://mf.sachsen-anhalt.de/finanzen/haushalt/haushalt-archiv/doppelhaushalt-20082009/doppelhaushalt-20082009/>
- Heilmann, S., & Schmidt, D. (2014). *China's foreign political and economic relations: An unconventional global power*. Rowman & Littlefield.
- Higueras, G. (2015). Spain-China, Ten years of Strategic Partnership. *Journal of the Spanish Institute for Strategic Studies*, 5.
- Hrbek, R. (2017). Die Rolle der Länder und des Bundesrates in der deutschen Europapolitik. In K. Böttger & M. Jopp (Eds.), *Handbuch zur deutschen Europapolitik* (pp. 130–147).
- Interview with a representative of the Auvergne-Rhône-Alpes region*. (2019). [Personal communication].
- Interview with a representative of the Pays de la Loire region*. (2019). [Personal communication].
- Interview with Dr. O. Franke*. (2019, June 24). [Personal communication].
- Interview with German diplomat*. (2019, April 17). [Personal communication].
- Interview with Head of International Office for Economic Development, City of Magdeburg*. (2018, May 22). [Personal communication].
- Interview with officials from the Government of Castile León*. (2018). [Personal communication].
- Interview with officials from the Government of Valencia*. (2018). [Personal communication].
- Interview with officials in Dolnośląskie Marshal's Office*. (2018). [Personal communication].
- Interview with officials in Mazovia Marshal's Office*. (2014). [Personal communication].
- Interview with officials in Mazovia Marshal's Office*. (2017). [Personal communication].

- Interview with the Liverpool City Council representative.* (2018, May). [Personal communication].
- Interview with the Manager of the International Cooperation Office of the Umbria Region.* (2017, September 21). [Personal communication].
- Interview with the project officer in Eurocities.* (2019, January 30). [Personal communication].
- Italy Exports to China.* (n.d.). Retrieved 26 August 2019, from <https://tradingeconomics.com/italy/exports/china>
- Italy's Ministry of Economic Development Launches Task Force China.* (2018, August 21). Ministry of Economic Development, Republic of Italy. <https://www.mise.gov.it/index.php/en/news/2038554-italy-s-ministry-of-economic-development-launches-task-force-china>
- Jastrzębska, L. (n.d.). *Go East*. Portal Edukacyjny Perspektywy. Retrieved 16 December 2019, from [http://old.perspektywy.pl/index.php?option=com\\_content&task=view&id=1682&Itemid=542](http://old.perspektywy.pl/index.php?option=com_content&task=view&id=1682&Itemid=542)
- Jeffrey, C. (Ed.). (1998). *Recasting German Federalism: The Legacies of Unification* (1855th ed. edition). Pinter.
- Joint Declaration between Germany and China.* (2014). Presse- und Informationsamt der Bundesregierung.
- Joint Declaration on the occasion of Chinese President Xi Jinping's state visit to Germany from 28 to 30 March 2014: Establishment of a comprehensive strategic partnership between Germany and China.* (2014). <https://archiv.bundesregierung.de/archiv-de/meta/startseite/joint-declaration-between-germany-and-china-460244>
- Kaczmarek, M. (2015). Chiny – Europa Środkowo-Wschodnia: „16+1” widziane z Pekinu. *Komentarze OSW*. <https://www.osw.waw.pl/pl/publikacje/komentarze-osw/2015-04-14/chiny-europa-srodkowo-wschodnia-161-widziane-z-pekinu>
- Kamiński, T. (2015). *Sypiając ze smokiem. Polityka Unii Europejskiej wobec Chin*. Wydawnictwo Uniwersytetu Łódzkiego. <https://wydawnictwo.uni.lodz.pl/produkt/sypiajac-ze-smokiem/>
- Kamiński, T. (2019a). The Urbanisation Dialogue between the EU and China. Reality Check. *EU-China Observer*, 2, 9–13.
- Kamiński, T. (2019b). What are the factors behind the successful EU-China cooperation on the subnational level? Case study of the Lodzkie region

- in Poland. *Asia Europe Journal*, 17(2), 227–242. <https://doi.org/10.1007/s10308-018-00532-0>
- Kamiński, T. (2019c). The Sub-state Dimension of the European Union Relations with China. *European Foreign Affairs Review*, 24(3), 367–385.
- Keller, E. (Ed.). (2018). *Städtepartnerschaften—Den europäischen Bürgersinn stärken. Eine empirische Studie*. Bertelsmann Stiftung, Deutsch-Französisches Institut. <https://www.bertelsmann-stiftung.de/en/publications/publication/did/staedtepartnerschaften-den-europaeischen-buergersinn-staerken/>
- Kitchen, M. (2011). *A History of Modern Germany: 1800 to the Present* (2 edition). Wiley-Blackwell.
- Komunikat z badań. Stosunek do innych narodów (No. 37). (2018). Centrum Badania Opinii Społecznej. [https://www.cbos.pl/SPISKOM.POL/2018/K\\_037\\_18.PDF](https://www.cbos.pl/SPISKOM.POL/2018/K_037_18.PDF)
- Konstytucja Rzeczypospolitej Polskiej. (1997). <http://prawo.sejm.gov.pl/isap.nsf/DocDetails.xsp?id=WDU19970780483>
- Kontinakis, N., Liu, Y., Huo, B., Li, Y., & Jinjing, Z. (2019). *Cooperation Plans and Guidelines*. URBAN-EU-CHINA Innovation Platform on Sustainable Urbanisation.
- Krüger, H. (2009). Auswärtige Verwaltung. In F. Giese (Ed.), *Die Verwaltung. Zeitschrift für Verwaltungsrecht und Verwaltungswissenschaften* (Vol. 38).
- Krüger, J. (2002). Beiträge zur Geschichte der Beziehungen der DDR – VR China. Erinnerungen und Untersuchungen. *Berliner China-Studien*, 41.
- Kumoch, J. (2013, February 25). *Polityka Francji wobec Chińskiej Republiki Ludowej*. Centrum Studiów Polska-Azja. <http://www.polska-azja.pl/j-kumoch-polityka-francji-wobec-chinskiej-republiki-ludowej/>
- Kuznetsov, A. (2015). *Theory and Practice of Paradiplomacy. Subnational governments in international affairs*, Routledge. Routledge.
- Lau, S. (2019, July 25). Boris Johnson's Brexit focus could boost China trade ties, observers say. *South China Morning Post*. <https://www.scmp.com/news/china/politics/article/3019986/new-british-leaders-brexit-focus-could-end-boosting-china-trade>
- Le Corre, P., & Alfonsi, C. (2019). Italy's Risky China Gamble. *The Diplomat*. <https://thediplomat.com/2019/03/italys-risky-china-gamble/>

- Lecours, A. (2002). Paradiplomacy: Reflections on the Foreign Policy and International Relations of Regions. *International Negotiation*, 7(1), 91–114. <https://doi.org/10.1163/157180602401262456>
- Leitermann, W., Statz, A., Wohlfarth, C., Fücks, R., & Pohl, W. (2010). *Kommunale Partnerschaften und Netzwerke: Ein Beitrag zu einer transnationalen Politik der Nachhaltigkeit* (1., erste). Heinrich-Böll-Stift.
- Leonardy, U. (1999). *The institutional structures of German federalism*. <http://library.fes.de/fulltext/bueros/london/00538002.htm>
- LinkedIn Profile of Project Manager in Italy Marche Region Office in China*. (n.d.). LinkedIn. Retrieved 28 August 2019, from <https://www.linkedin.com/in/%E5%A8%B4-%E5%90%B4-1750179a/?originalSubdomain=cn>
- List of Chinese-European Twin Cities*. (2012). European Commission. [http://ec.europa.eu/regional\\_policy/en/policy/cooperation/international/china/](http://ec.europa.eu/regional_policy/en/policy/cooperation/international/china/)
- Liu, T., & Song, Y. (2019). Beyond the hinterland: Exploring the international actorness of China's Yunnan province. *International Relations of the Asia-Pacific*. <https://doi.org/10.1093/irap/lcz026>
- Liverpool coaching methods to be introduced in Yunnan schools—Chinadaily.com.cn. (2018, April 25). *China Daily*. <https://www.chinadaily.com.cn/a/201804/25/WS5adfdbdca3105cdcf651a5b4.html>
- Lohmar Sainz de Vicuña, R. (2015). *Catalan paradiplomacy, secessionism and state sovereignty: The effects of the 2006 Statute of Autonomy and the Artur Mas government on Catalan paradiplomacy* [Advanced master thesis, Leiden University]. <https://openaccess.leidenuniv.nl/handle/1887/35323>
- Malzahn, C. C. (2005, April 1). Schroeder's China Policy: Getting Cozy with the Dragon. *Spiegel Online*. <http://www.spiegel.de/international/schroeder-s-china-policy-getting-cozy-with-the-dragon-a-349133.html>
- Mapping France. The dynamism of France's regions through investment by French and foreign companies*. (2019). Choose! International Business Summit.
- Martin, K. (2018, September 26). UK's offshore trading of renminbi hits fresh record. *Financial Times*. <https://www.ft.com/content/c053e066-c0c7-11e8-8d55-54197280d3f7>
- Mei, Z. (2019, March 22). *China-Italy tourism cooperation a win-win situation, says ambassador*. <https://news.cgtn.com/news/3d3d414f7949544e33457a6333566d54/index.html>

- Meissner, W. (Ed.). (1995). *Die DDR und China 1945-1990. Politik—Wirtschaft—Kultur*. De Gruyter.
- Michelmann, H. J. (1988). Länder Paradiplomacy. *German Politics & Society*, 15, 22–31. JSTOR.
- Michelmann, H. J., & Soldatos, P. (Eds.). (1990). *Federalism and international relations: The role of subnational units*. Clarendon Press ; Oxford University Press.
- Midlands Engine China Strategy. (2017). <https://www.midlandsengine.org/library/china-strategy/#main>
- Mierzejewski, D. (2016, December 1). *The Local Dimension of China's Belt and Road Initiative*. <http://www.asian.sk/the-local-dimension-of-chinas-belt-and-road-initiative/>
- Mierzejewski, D. (2018a). Channeling Foreign Policy Through Local Activities in China: City of Guangzhou Case Study. In *Paradiplomacy in Asia. Case Studies of China, India and Russia*. Lodz University Press.
- Mierzejewski, D. (2018b). The Role of Local Governments in the New Silk Road. In C. Mendes (Ed.), *China's New Silk Road. An Emerging World Order* (pp. 135–151). Routledge.
- Mierzejewski, D., & Chatys, M. (2018). *Interakcje władz lokalnych w formacie 16+1. Wnioski dla Polski*. Ośrodek Studiów Azjatyckich. <https://wydawnictwo.uni.lodz.pl/produkt/interakcje-wladz-lokalnych-w-formacie-161-wnioski-dla-polski/>
- Mingjie, W. (2016, September 5). Fashion and culture draw Chinese tourists to Italy. *China Daily*. [http://www.chinadaily.com.cn/world/2016-09/05/content\\_26775432.htm](http://www.chinadaily.com.cn/world/2016-09/05/content_26775432.htm)
- Musiałkowska, I., & Dąbrowski, M. (2018). EU–China Regional Policy Dialogue: Unpacking the Mechanisms of an Unlikely Policy Transfer. *Europe-Asia Studies*, 70(10), 1689–1711. <https://doi.org/10.1080/09668136.2018.1545899>
- Nagel, K.-J. (2010). Foreign Policy: The Case of the German Lander. In F. Requejo (Ed.), *Foreign policy of constituents units at the beginning of 21st century* (pp. 121–141). Generalitat de Catalunya, Institut d'Estudis Autònoms.
- Nelke, D. (2010, September 16). *Pomorskie EXPO 2010*. Oficjalny serwis internetowy miasta Gdynia. <https://www.gdynia.pl/co-nowego,2774/pomorskie-expo-2010,399685>

- Neue Macht—Neue Verantwortung Elemente einer deutschen Außen- und Sicherheitspolitik für eine Welt im Umbruch.* (2013). Stiftung Wissenschaft und Politik und German Marshall Fund of the United States.
- Nicolas, F. (2019, April 8). *France and China's Belt and Road Initiative*. IFRI. <https://www.ifri.org/en/publications/publications-ifri/articles-ifri/france-and-chinas-belt-and-road-initiative>
- Number of Chinese tourist arrivals in Italy by region 2017.* (2018, March 9). Statista Research Department. <https://www.statista.com/statistics/814882/number-of-chinese-tourist-arrivals-in-italy-by-region/>
- Outline of China-Central and Eastern European countries Cooperation in Sofia.* (2018, July 8). <http://www.chinanewsportal.com/news/2018/0708/2034/5d417eac11315172fdf65ae4>
- Palermo, F. (2007). The Foreign Policy of Italian Regions: Not Much Ado About Something? *The International Spectator*, 42(2), 197–207. <https://doi.org/10.1080/03932720701406373>
- Parkinson, M. (2016). UK city regions: Policies, performance and prospects. *Town Planning Review*, 87(6), 629–653. <https://doi.org/10.3828/tpr.2016.42a>
- Partnerschaft in globaler Verantwortung. Gemeinsame deutsch-chinesische Erklärung anl. Des Besuchs des Ministerpräsidenten der Volksrepublik China, Wen Jiabao.* (2004). Auswärtiges Amt.
- Pietrasiak, M., Bywalec, G., Kamiński, T., Mierzejewski, D., & Słowikowski, M. (2018). *Paradiplomacy in Asia. Case Studies of China, India and Russia*. Wydawnictwo Uniwersytetu Łódzkiego.
- Pipe, J. (2013, November 2). Two years on, what has the Localism Act achieved? *The Guardian*. <https://www.theguardian.com/local-government-network/2013/nov/02/localism-act-devolution-uk-local-authorities>
- Pirner, K. (2018, May 25). Spanish – Chinese relations grow their respective economies thanks to stronger bilateral ties. *South EU Summit*. <https://www.southeusummit.com/europe/spain/china-spain-grow-respective-economies-thanks-stronger-bilateral-ties/>
- Plan Marco Asia Pacífico 2000–2002.* (2000). Ministerio de Asuntos Exteriores. [https://www.casaasia.es/pdf/home\\_plan\\_asia\\_pacifico.pdf](https://www.casaasia.es/pdf/home_plan_asia_pacifico.pdf)
- Plöhn, J., & Steffani, W. (1994). Bund und Länder in der Bundesrepublik Deutschland. In J. Hartmann (Ed.), *Handbuch der deutschen Bundesländer*.

- Polska w AIIB. Nasz kraj weźmie udział w chińskiej alternatywie dla Banku Światowego.* (2016, March 11). *www.money.pl*. <https://www.money.pl/gospodarka/wiadomosci/artukul/polska-w-aiib-nasz-kraj-wezmie-udzial-w,20,0,2037524.html>
- Popławski, K. (2017, January 25). *Kapitał ma narodowość: Obawy w Niemczech wobec chińskich inwestycji*. OSW Ośrodek Studiów Wschodnich. <https://www.osw.waw.pl/pl/publikacje/komentarze-osw/2017-01-25/kapital-ma-narodowosc-obawy-w-niemczech-wobec-chinskich>
- Porozumienie między Województwem Mazowieckim (Rzeczpospolita Polska) a Prowincją Hebei (Chińska Republika Ludowa) o ustanowieniu Przyjaznych relacji Międzyregionalnych.* (2016). [https://www.mazovia.pl/downloadStat/gfx/mazovia/pl/defaultaktualnosci/620/306/1/porozumienie\\_-\\_hebei.doc](https://www.mazovia.pl/downloadStat/gfx/mazovia/pl/defaultaktualnosci/620/306/1/porozumienie_-_hebei.doc)
- President Xi visits former site of Lyon Sino-French Institute. (2014, March 27). *China Daily*. [http://www.chinadaily.com.cn/world/2014xivisiteu/2014-03/27/content\\_17382546.htm](http://www.chinadaily.com.cn/world/2014xivisiteu/2014-03/27/content_17382546.htm)
- Priorytety współpracy międzynarodowej województwa dolnośląskiego.* (2010). Urząd Marszałkowski Województwa Dolnośląskiego. <http://bip.umwd.dolnyslask.pl/dokument,iddok,7853,idmp,151,r,r>
- Priorytety Współpracy Zagranicznej Województwa Mazowieckiego.* (2006). Zarząd Województwa Mazowieckiego. <https://www.mazovia.pl/samorzad/sejmik/uchwaly-sejmiku/uchwala,945,2706.html>
- Przychodniak, M. (2018). Instytuty Konfucjusza jako narzędzie promocji interesów ChRL. *Biuletyn PISM*, 147.
- Rath-Kastrinogianni, M. (n.d.). „Das Gleiche – aber anders“ *Schulpartnerschaften zwischen Deutschland und China | Austausch macht Schule* [Interview]. Retrieved 23 February 2019, from /interview/das-gleiche-aber-anders-schulpartnerschaften-zwischen-deutschland-und-china
- Reilly, M. (2017, February 28). BREXIT, China and the prospects for an FTA. *Asia Dialogue*. <https://theasiadialogue.com/2017/02/28/brexit-china-and-the-prospects-for-an-fta/>
- Reilly, M. (2018, August 7). Why China might welcome a ‘Hard Brexit’. *Asia Dialogue*. <https://theasiadialogue.com/2018/08/07/why-china-might-welcome-a-hard-brexit/>
- Reuters. (2018, September 6). China complains over British warship sailing through disputed South China Sea. *The Guardian*. <https://www.theguardian.com>

- com/world/2018/sep/06/china-complains-over-british-warship-sailing-through-disputed-south-china-sea
- Rocznik Statystyczny Rzeczypospolitej Polskiej 2018. (2018). Główny Urząd Statystyczny.
- Rodek, H.-G. (2019, August 17). Ai Weiwei zamierza opuścić Berlin. Artysta rozlicza Niemców z udawanej otwartości. *Gazeta Wyborcza*. <http://wyborcza.pl/naszaeuropa/7,168189,25079550,ai-weiwei-zamierza-opuscic-berlin-artysta-rozlicza-niemcow.html>
- Rosati, S. (2018, January 8). 'Chiñol': The dilemma of being second-generation Chinese in Spain. *El País*. [https://elpais.com/elpais/2018/01/08/inenglish/1515409434\\_109052.html](https://elpais.com/elpais/2018/01/08/inenglish/1515409434_109052.html)
- Ross, J. (2018, July 31). Outcome of Brexit process vital for China-UK relations—Global Times. *Global Times*. <http://www.globaltimes.cn/content/1113260.shtml>
- Roters, J., & Wolf, F. (2013). Städtekooperation und Städtediplomatie im Nahen Osten am Beispiel der Stadt Köln. *Zeitschrift für Außen- und Sicherheitspolitik*, 6(3), 331–343. <https://doi.org/10.1007/s12399-013-0346-z>
- Schiavon, J. A. (2018). *Comparative Paradiplomacy* (1 edition). Routledge.
- Schiek, S. (2017). *Bewegung auf der Seidenstraße. Chinas »Belt and Road«-Initiative als Anreiz für zwischenstaatliche Kooperation und Reformen an Zentralasiens Grenzen* (p. 35). Stiftung Wissenschaft und Politik Deutsches Institut für Internationale Politik und Sicherheit.
- Schüller, M., & Schüler-Zhou, Y. (2015). *Chinas Seidenstraßen-Initiative trifft auf transeuropäische Infrastrukturpolitik* (p. 8).
- Schwarz, P. (2018, February 19). *Interview with the City of Berlin official* [Personal communication].
- Schweizer, R. J., & Brunner, S. (1998). *Die Mitwirkung der Bundesländer an EU-Vorhaben in der Bundesrepublik Deutschland und in Österreich: Ein Modell für die Mitwirkung der Kantone in der Aussenpolitik*. Stämpfli ; Schulthess.
- Scotland's International Framework: China engagement strategy. (2018). Scottish Government. <https://www.gov.scot/publications/scotlands-international-framework-china-engagement-strategy/>
- Seaman, J. (2017). Chinese investment in France: An openly cautious welcome. In J. Seaman, M. Otero-Iglesias, & M. Huotari (Eds.), *Chinese Investment in Europe. A Country-Level Approach*. ETNC Report.

- Seaman, J., & Ekman, A. (2015). France and China: A not so 'special' relationship. In M. Huotari, M. Otero-Iglesias, J. Seaman, & A. Ekman (Eds.), *Mapping Europe-China Relations. A Bottom-Up Approach*. European Think-tank Network on China (ETNC).
- Seaman, J., & Ekman, A. (2016). France: On the Periphery of China's New Silk Roads. In F. P. van der Putten, J. Seaman, M. Otero-Iglesias, A. Ekman, & M. Huotari (Eds.), *Europe and China's New Silk Roads*. ETNC Report.
- Second Round Table China—SKEW*. (2017, April 5). The Service Agency Communities in One World. <https://skew.engagement-global.de/second-round-table-china.html>
- Segura, C. G. (2017). Sub-State Diplomacy: Catalonia's External Action Amidst the Quest for State Sovereignty. *International Negotiation*, 22(2), 344–373. <https://doi.org/10.1163/15718069-22001110>
- Silver, L., Devlin, K., & Huang, C. (2019, December 5). People around the globe are divided in their opinions of China. *Pew Research Center*. <https://www.pewresearch.org/fact-tank/2019/12/05/people-around-the-globe-are-divided-in-their-opinions-of-china/>
- Sisci, F. (2009). China, the Italian Prejudice. *The International Spectator*, 44(2), 119–123. <https://doi.org/10.1080/03932720903021160>
- Skorupska, A. (2016). Geograficzne kierunki międzynarodowej aktywności polskich województw. *Sprawy Międzynarodowe*, nr 3, 130–147.
- Skorupska, A. (2017). Paradyplomacja Polska–Chiny. Współpraca polskich województw z chińskimi prowincjami. *Sprawy Międzynarodowe*, 2, 131–140.
- Skorupska, A., Szczudlik, J., & Kamiński, T. (2019). *The Subnational Dimension of EU-China Relations*. Polski Instytut Spraw Międzynarodowych.
- Smith, O. (2018, August 1). *The curious European destinations that Chinese tourists love visiting*. The Telegraph. <https://www.telegraph.co.uk/travel/destinations/europe/articles/top-destinations-for-chinese-tourists/>
- Soldatos, P. (1990). An Explanatory Framework for the Study of Federal States as Foreign-policy Actors. In H. J. Michelmann & P. Soldatos (Eds.), *Federalism and International Relations*. Clarendon Press.
- Stanzel, A., Kratz, A., Szczudlik, J., & Pavlicevic, D. (2016). *China's investment in influence: The future of 16+1 cooperation*. European Council on Foreign Relations. [https://www.ecfr.eu/publications/summary/chinas\\_investment\\_in\\_influence\\_the\\_future\\_of\\_161\\_cooperation7204](https://www.ecfr.eu/publications/summary/chinas_investment_in_influence_the_future_of_161_cooperation7204)

- Statute of Autonomy of Catalonia*. (2006). <http://web.gencat.cat/en/generalitat/estatut/estatut2006/>
- Stellungnahme des Bundesrates zum Entwurf eines Gesetzes zu dem Abkommen vom 2. Mai 1992 über den Europäischen Wirtschaftsraum (EWR-Abkommen)*. (1992). Bundesratsdrucksache. <http://dipbt.bundestag.de/doc/btd/12/033/1203319.pdf>
- Strategia Rozwoju Województwa Dolnośląskiego 2030*. (2018). Zarząd Województwa Dolnośląskiego. [http://www.umwd.dolnyslask.pl/fileadmin/user\\_upload/Rozwoj\\_regionalny/SRWD/STRATEGIE%20-%20ZESTAWIENIE/1.DOLNY%20SLASK/SRWD\\_2030\\_calosc\\_druk.pdf](http://www.umwd.dolnyslask.pl/fileadmin/user_upload/Rozwoj_regionalny/SRWD/STRATEGIE%20-%20ZESTAWIENIE/1.DOLNY%20SLASK/SRWD_2030_calosc_druk.pdf)
- Strategia RP w odniesieniu do pozaeuropejskich krajów rozwijających się*. (2004). Ministerstwo Spraw Zagranicznych RP. <https://www.msz.gov.pl/resource/aaf21c98-4082-45c9-996c-a6f6c6a40a7b:JCR>
- Strauss, D. (2019, June 17). Hammond rejects US calls for harder line on Beijing | Financial Times. *Financial Times*. <https://www.ft.com/content/a2cba054-9125-11e9-b7ea-60e35ef678d2>
- Stürmer, M. (1991). Die alten Dämonen tanzen. *Der Spiegel*.
- Summers, T. (2015). UK-China relations: Navigating a changing world. In J. Seaman, M. Otero-Iglesias, M. Huotari, & A. Ekman (Eds.), *Mapping Europe-China Relations*. ETNC Report.
- Summers, T. (2016). The United Kingdom: A Platform for Commercial Cooperation. In F. P. van der Putten, J. Seaman, M. Otero-Iglesias, A. Ekman, & M. Huotari (Eds.), *Europe and China's New Silk Roads*. ETNC Report.
- Summers, T. (2017). Chinese Investment in the UK: Growing Flows or Growing Controversy? In J. Seaman, M. Otero-Iglesias, & M. Huotari (Eds.), *Chinese Investment in Europe. A Country-Level Approach*. ETNC Report.
- Summers, T. (2018a). *China's Regions in an Era of Globalization*. Routledge.
- Summers, T. (2018b). UK-China: Broadening the values agenda. In T. Ruhling, B. Jerden, F. P. van der Putten, J. Seaman, M. Otero-Iglesias, & A. Ekman (Eds.), *Political Values in EU-China Relations*. ETNC Report.
- Syntetyczna informacja o eksporcie i imporcie Polski styczeń--grudzień 2018 r. W mln euro*. (2019). Ministerstwo Przedsiębiorczości i Technologii. <https://www.gov.pl/web/rozwoj/analizy-z-obszaru-handlu-zagranicznego>
- Szczudlik, J. (2014). Poland and China: A Strategic Partnership in the Making. In R. Fürst & F. Tesař (Eds.), *China's Comeback in Former Eastern Europe*:

- No Longer Comrades, Not Yet Strategic Partners?* (pp. 25–44). Ústav mezinárodních vztahů, v. v. i.
- Szczudlik, J. (2018). *Towards a “New Era” in China’s Great Power Diplomacy* (1(161); PISM Policy Paper). Polski Instytut Spraw Międzynarodowych.
- Szczudlik, J. (2019). Seven Years of The 16+1: An Assessment of China’s ‘Multilateral Bilateralism’ in Central Europe. *Asie Visions*, 107. <https://www.ifri.org/en/publications/notes-de-lifri/asie-visions/seven-years-161-assessment-chinas-multilateral-bilateralism>
- Szczudlik, J., & Wnukowski, D. (2019). *Investment Screening Reforms in the U.S. and EU: A Response to Chinese Activity* (PISM Bulletin). Polski Instytut Spraw Międzynarodowych.
- Szczudlik-Tatar, J., & Skorupska, A. (2014). *Regional Cooperation Key to Polish–Chinese Strategic Partnership* (PISM Strategic File No. 25). Polski Instytut Spraw Międzynarodowych.
- Szczurowicz, K. (2013). *Dalekosiężne planowanie i podwójne standardy jako podstawa współpracy z Chińską Republiką Ludową Studium na przykładzie relacji niemiecko-chińskich*. Wydawnictwo Adam Marszałek. <http://www.znak.com.pl/ksiazka/dalekosieczne-planowanie-i-podwojne-standardy-jako-podstawa-wspolpracy-z-chinska-republika-ludowa-studium-na-przykladzie-relacji-niemiecko-chińskich-katarzyna-szczurowicz-42996>
- Tatham, M. (2015). Regional Voices in the European Union: Subnational Influence in Multilevel Politics. *International Studies Quarterly*, 59(2), 387–400. <https://doi.org/10.1111/isqu.12184>
- Tatham, M. (2016). *With, without, or against the state? How European regions play the Brussels game* (First edition.). Oxford University Press.
- Tatham, M. (2018). The Rise of Regional Influence in the EU – From Soft Policy Lobbying to Hard Vetoing. *JCMS: Journal of Common Market Studies*, 56(3), 672–686. <https://doi.org/10.1111/jcms.12714>
- Tavares, R. (2016). *Paradiplomacy: Cities and States as Global Players* (1 edition). Oxford University Press.
- The People’s Republic of China and the Republic of Poland’s Joint Statement*. (2004). Ministry of Foreign Affairs of the People’s Republic of China.
- The UK and China: A Framework for Engagement*. (2009). Foreign and Commonwealth Office. <https://hansard.parliament.uk/Commons/2009-01-22/debates/09012247000018/TheUKAndChinaAFrameworkForEngagement>

- Tourismuspolitischer Bericht der Bundesregierung*. (2017). Bundesministerium für Wirtschaft und Energie. [https://www.bmwi.de/Redaktion/DE/Publikationen/Tourismus/tourismuspolitischer-bericht.pdf?\\_\\_blob=publicationFile&v=28](https://www.bmwi.de/Redaktion/DE/Publikationen/Tourismus/tourismuspolitischer-bericht.pdf?__blob=publicationFile&v=28)
- Turner, O. (2018). The Golden Era of UK-China Relations Meets Brexit. *The Diplomat*. <https://thediplomat.com/2018/12/the-golden-era-of-uk-china-relations-meets-brexite/>
- Ulyyett, R. (2018, November 12). Valenciaport exhibits at China International Import Expo, Shanghai. *PortSEurope*. <https://www.portseurope.com/valenciaport-exhibits-at-china-international-import-expo-shanghai/>
- Ulyyett, R. (2019, July 18). ValenciaportPCS platform presented at Ningbo silk road forum. *PortSEurope*. <https://www.portseurope.com/valenciaportpcs-platform-presented-at-ningbo-silk-road-forum/>
- Umbria Jazz Fest travels to China. (2017, July 12). ANSA.It. [http://www.ansa.it/english/news/lifestyle/arts/2017/07/12/umbria-jazz-fest-travels-to-china\\_c066067e-2394-4ca8-af50-b8c7d4a1024f.html](http://www.ansa.it/english/news/lifestyle/arts/2017/07/12/umbria-jazz-fest-travels-to-china_c066067e-2394-4ca8-af50-b8c7d4a1024f.html)
- Ustawa o samorządzie województwa*. (1998). <http://prawo.sejm.gov.pl/isap.nsf/DocDetails.xsp?id=WDU19980910576>
- Valencia and Chengdú are twin cities*. (2018, January 3). <https://www.eurochinabridge.com/en/news2/143-economy/616-valencia-and-chengdu-are-twin-cities>
- Wardęga, J. (2017). Chińczycy w Polsce—Niewidoczna mniejszość. *Studia Migracyjne – Przegląd Polonijny*, 43(2 (164)), 121–141.
- Wei, C. (2017). *Zhongguo chengshi waijiao: Linian, zhidu yu shishi* [Chinese cities' diplomacy: Theory, system, practice]. Gonggong Waijiao Jikan.
- Wike, R., Stokes, B., Poushter, J., Silver, L., Fetterolf, J., & Devlin, K. (2018a, October 1). International publics divided on China. *Pew Research Center's Global Attitudes Project*. <https://www.pewresearch.org/global/2018/10/01/trumps-international-ratings-remain-low-especially-among-key-allies/>
- Wike, R., Stokes, B., Poushter, J., Silver, L., Fetterolf, J., & Devlin, K. (2018b, October 1). Trump Approval Worldwide Remains Low Especially Among Key Allies. *Pew Research Center's Global Attitudes Project*. <https://www.pewresearch.org/global/2018/10/01/trumps-international-ratings-remain-low-especially-among-key-allies/>

- Wintour, P., & Inman, P. (2010, November 10). David Cameron: China should be given better access to EU markets as reward for opening economy. *The Guardian*. <https://www.theguardian.com/politics/2010/nov/10/david-cameron-china-eu-markets-economy>
- Wir brauchen einander. (2007). Bundesregierung. [http://www.g-8.de/nn\\_90704/Content/DE/Artikel/G8Gipfel/2007-06-08-g8-gipfel-abschluss.html](http://www.g-8.de/nn_90704/Content/DE/Artikel/G8Gipfel/2007-06-08-g8-gipfel-abschluss.html)
- Wróbel, J. (2016). *Chipolbrok: Z dziejów polsko-chińskiego sojuszu morskiego 1950-1957*. Instytut Pamięci Narodowej--Komisja Ścigania Zbrodni przeciwko Narodowi Polskiemu. Oddział w Łodzi.
- Wspólne oświadczenie Rzeczypospolitej Polskiej i Chińskiej Republiki Ludowej w sprawie ustanowienia partnerskich stosunków strategicznych. (2011).
- Xuan, L. (2018, July 17). Sino-Italian move on tourism hopes to attract more Chinese explorers. *China Daily*. [//www.chinadaily.com.cn/a/201807/17/WS5b4dd8d3a310796df4df6ff1.html](http://www.chinadaily.com.cn/a/201807/17/WS5b4dd8d3a310796df4df6ff1.html)
- Yü-Dembski, D. (1997). Chinesenverfolgung im Nationalsozialismus. *Bürgerrechte & Polizei*, 3. <http://archiv.cilip.de/alt/ausgabe/58/china.htm>
- Zagraniczny Ośrodek Polskiej Organizacji Turystycznej w Pekinie. Sprawozdanie rok 2017. (2018). Polska Organizacja Turystyczna. <https://www.pot.gov.pl/attachments/article/1804/ZOPOT%20Chiny.pdf>
- Zaneli, V. (2019). Italy Signs on to Belt and Road Initiative: EU-China Relations at Crossroads? *The Diplomat*. <https://thediplomat.com/2019/04/italy-signs-on-to-belt-and-road-initiative-eu-china-relations-at-crossroads/>
- Zhongping, F., & Jing, H. (2014). *China's strategic partnership diplomacy: Engaging with a changing world* (ESPO Working Papers No. 8). European Strategic Partnerships Observatory.

# INDEX OF TABLES AND FIGURES

<b>Table 1.</b> Cooperation of the surveyed regions (France, Germany, Italy, Poland, Spain, UK) with Chinese partners	15
<b>Table 2.</b> Partnerships of Chinese Provinces with Regions in Six EU States	15
<b>Table 3.</b> The areas of cooperation with Chinese partners	18
<b>Table 4.</b> The forms of cooperation with Chinese partners	19
<b>Table 5.</b> Local partners in cooperation with China	20
<b>Table 6.</b> Benefits from cooperation with China	21
<b>Table 7.</b> Problems in cooperation with China	21
<b>Table 8.</b> German regional partnerships with China	44
<b>Table 9.</b> The number of partnerships in German regions, the size of regional economy and the value of exports to China	49
<b>Table 10.</b> German exports to China in 2017 by regions	51
<b>Table 11.</b> The overview of official visits of Italian prime ministers to China	62
<b>Table 12.</b> The list of Italian regions by GDP (2016) collated with the number of partnerships with China	68
<b>Table 13.</b> The areas of cooperation of Italian regions with Chinese partners	69
<b>Table 14.</b> Local partners for Italian regions engaged in cooperation with China	70
<b>Table 15.</b> The main benefits of collaboration with China indicated by Italian regions	72
<b>Table 16.</b> The main obstacles in cooperation with Chinese partners indicated by Italian regions	73
<b>Table 17.</b> The list of Chinese partners of the Umbria Region	75

<b>Table 18.</b> The list of identified partnerships between UK and Chinese regions	94
<b>Table 19.</b> French regional cooperation with Chinese partners (2017)	120
<b>Table 20.</b> The areas of cooperation between French and Chinese regions	122
<b>Table 21.</b> The main benefits of the cooperation with China indicated by French regions	123
<b>Table 22.</b> The main obstacles in the cooperation with the Chinese indicated by French regions	123
<b>Table 23.</b> Spanish regional cooperation with Chinese partners (2017)	144
<b>Table 24.</b> Chinese Partners of the Spanish Autonomous Communities	145
<b>Table 25.</b> The areas of cooperation between Spanish and Chinese regions	148
<b>Table 26.</b> The forms of cooperation between Spanish and Chinese regions	149
<b>Table 27.</b> The main benefits of the cooperation with China indicated by Spanish regions	149
<b>Table 28.</b> The main obstacles in the cooperation with China indicated by Spanish regions	150
<b>Table 29.</b> The cooperation between Polish voivodeships and Chinese Provinces	176

<b>Figure 1.</b> New partnerships with China in 1982-2018 by six Member States	17
<b>Figure 2.</b> Trade in goods between Germany and China 2014-2019 (in billions of EUR)	34
<b>Figure 3.</b> The amount of German imports and exports of goods from / to China 2014-2019 (in billions of EUR)	34
<b>Figure 4.</b> The number of Chinese citizens in Germany by federal state (as of 31 December 2018)	39
<b>Figure 5.</b> The number of established links between German and Chinese cities	47
<b>Figure 6.</b> Sino-Italian trade from 2014 to 2019	63
<b>Figure 7.</b> The number of long-term Chinese residents in Italy (2008-2018)	65
<b>Figure 8.</b> The number of partnerships between Italian and Chinese regions	67
<b>Figure 9.</b> The forms of Italian regions' cooperation with Chinese partners	71
<b>Figure 10.</b> The areas of cooperation between UK and Chinese regions	97
<b>Figure 11.</b> The forms of cooperation between UK and Chinese regions	98
<b>Figure 12.</b> The list of local partners involved in cooperation with China	98
<b>Figure 13.</b> The benefits for UK regions from cooperation with Chinese partners	99
<b>Figure 14.</b> The obstacles in cooperation with the Chinese pointed out by UK regions	99
<b>Figure 15.</b> Trade relations between France and China, 2014-2018 (EUR)	115
<b>Figure 16.</b> Activeness of Spanish partnerships with Chinese partners	147
<b>Figure 17.</b> Sympathy and reluctance towards the Chinese 1998-2018	167
<b>Figure 18.</b> New partnerships of Polish regions with Chinese provinces 1985-2016	175

# **ANNEX: LOCAL AND REGIONAL AUTHORITIES INCLUDED IN THE ANALYSIS.**

Annex: Local and regional authorities included in the analysis.

No.	France	Germany	Italy	Poland	Spain	The UK
1	Brittany	North Rhine-Westphalia	Lazio	Pomorskie	Andalusia	City of LEEDS
2	Bourgogne-Franche-Comté	Schleswig-Holstein	Sicily	Śląskie	Aragon	Scotland
3	Grand Est	Thuringia	Molise	Zachodnio-pomorskie	Balearic Islands	Stoke-on-Trent, Staffordshire, UK
4	Hauts-de-France	Bremen	Abruzzo	Podlaskie	The Basque Country	Glasgow City Council
5	Île-de-France	Mecklenburg-Vorpommern	Umbria	Opolskie	Cantabria	Nottingham City
6	Corsica	Berlin	Liguria	Świętokrzyskie	Castilla-La Mancha	Coventry
7	Pays de la Loire	Saxony	Apulia	Dolnośląskie	Castile and León	Cardiff
8	Centre-Val de Loire	Brandenburg	Basilicata	Warmińsko-Mazurskie	Catalonia	Leeds City Region
9	Nouvelle-Aquitaine		Sardinia	Łódzkie	Galicia	Manchester
10	Occitanie		Campania	Wielkopolska	Canary Islands	Liverpool
11	Auvergne-Rhône-Alpes		Marche	Podkarpackie	La Rioja	Northern Ireland
12	Provence-Alpes-Côte d'Azur		Calabria	Mazowieckie	Chartered Community of Navarre	Birmingham
13			Lombardy	Lubelskie	Principality of Asturias	
14			Veneto	Kujawsko-Pomorskie	The Region of Murcia	
15			Emilia-Romagna	Lubuskie	Extremadura	
16			Aosta Valley	Małopolskie	The Region of Valencia	
<b>Number of surveyed regions/ total number of regions</b>						
	<b>12/13</b>	<b>8/16</b>	<b>16/20</b>	<b>16/16</b>	<b>16/17</b>	



**TOMASZ KAMINSKI** ▪ Ph.D., political scientist, associate professor at the Faculty of International and Political Studies, University of Lodz. His research activities are concentrated on paradiplomacy and city diplomacy, in particular in the context of the EU's policy towards China. He has worked in numerous research projects funded by the European Commission (Horizon 2020, Jean Monnet Module) and the Polish National Science Centre. More information: [www.tomaszkaminski.eu](http://www.tomaszkaminski.eu)

**JUSTYNA SZCZUDLIK** ▪ Deputy Head of Research, Head of Asia-Pacific Programme and China analyst with the Polish Institute of International Affairs (PISM). She holds a PhD in Political Science from the University of Warsaw (2015), an MA in Chinese Studies from the University of Warsaw (2008) and an MA in Political Science from the University of Wrocław (2002). She studied Chinese language at the College of Advanced Chinese Training, Beijing Language and Culture University (2005-2006), Beijing and at the National Cheng-chi University in Taipei (2013). Her research focuses on China's foreign policy, especially China-Central and Eastern Europe relations including China-Poland relations, as well as Cross-Strait relations.

**ADRIANA SKORUPSKA** ▪ expert on paradiplomacy, for many years an analyst at the Polish Institute of International Affairs, project coordinator and author of publications on international cooperation of local governments.

**JOANNA CIESIELSKA-KLIKOWSKA** ▪ political scientist, assistant professor at the Department of Asian Studies at the University of Lodz. Scholarship holder of the Deutscher Akademischer Austauschdienst (DAAD) at the Technische Universität Chemnitz, summer school lecturer at the Universität des Saarlandes in Saarbrücken. She cooperates with Otto-von-Guericke-Universität in Magdeburg, where she teaches about the Polish-German relations and the political system in Poland. Member of the Polish Society for International Studies, Polish-Austrian Society and University Association for Contemporary European Studies.

In her research she deals with the German political system and issues of European integration, German-Chinese relations as well as the paradiplomatic relations between EU member states and China. Email address: [joanna.ciesielska@uni.lodz.pl](mailto:joanna.ciesielska@uni.lodz.pl)

**MICHAŁ GZIK** ▪ In 2020 he graduated with a Master's degree in international relations on an oriental specialty at the Faculty of International and Political Studies at the University of Lodz. Currently he is a PhD student at the Doctoral School of Social Sciences of the University of Lodz. Co-author of monographs about functioning of the European Union and sustainable development in the context of activity of international urban networks. Laureate of the "Debiut Naukowy 2019 - Zrównoważony Rozwój" competition. Author of papers presented at international and national scientific conferences, focusing on the issue of Italian-Chinese regional cooperation. His scientific work concentrates on the study of cooperation between cities in the European Union and Central and Eastern Europe with the cities of the People's Republic of China.

