



NORDIC–CHINA COOPERATION

Challenges and Opportunities

Edited by

Andreas Bøje Forsby

Nordic–China Cooperation

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Preface

IN FEBRUARY 2016, THE Nordic Council of Ministers (NCM) decided to investigate the potential for developing a closer relationship between the Nordic Council of Ministers and China.¹ At a May 2017 meeting in Beijing between the Ministry of Foreign Affairs of the People's Republic of China and the NCM, the two sides agreed to work together to strengthen existing cooperation and develop new initiatives.²

Commissioned and funded by the NCM, this report examines relations between the Nordic countries and China, taking stock of existing patterns of cooperation and identifying both opportunities and constraints for expanding Sino–Nordic cooperation. The NCM tasked the Nordic Institute of Asian Studies (NIAS) to carry out an initial exploratory project which, apart from this report, includes a public seminar and a roundtable session on Sino–Nordic cooperation (on 11 December 2019).

As envisioned by the main stakeholders in the original mandate for the project, the exploratory agenda of the Sino–Nordic cooperation project primarily revolves around five specific thematic areas that have so far proven instrumental in fostering stronger ties and collaborative initiatives:

- Entrepreneurship and business
- Sustainable development
- Research and education
- People-to-people exchanges
- Welfare solutions

Apart from an analysis of these thematic focus areas, more specific project guidelines request a set of country-specific perspectives on Sino–Nordic cooperation as seen from the lenses of the six states involved: China, Denmark, Finland, Iceland, Norway and Sweden.

While NIAS is responsible for the contents of the Executive Summary, Introduction, Conclusion and Recommendations, the thematic and country-specific chapters have been written by a group of scholars and practitioners with profes-

sional ties to the Nordic countries. To render the external contributions sufficiently comparable across different thematic areas and country-specific perspectives, they have been lightly edited by NIAS staff. It should be noted that the Nordic Council of Ministers has not been involved along the way in the writing or editing of this report. However, NIAS has worked closely with the Fudan-European Centre for China Studies in this process. The Centre has contributed to mapping out the trajectory of the project and provided continued administrative support.

In exploring Sino–Nordic relations and providing some recommendations for the way ahead, this report draws on the expertise of NIAS staff and the external contributors. Moreover, in preparing the Introduction, Conclusion and Recommendations, a number of interviews with various stakeholders of Sino–Nordic relations have been conducted by NIAS staff. It should be stressed, however, that all views and perspectives expressed in this report are those of the specific authors.

Andreas Bøje Forsby
Nordic Institute of Asian Studies
November 2019

Notes

1. See <https://www.norden.org/en/news/investigation-increased-co-operation-between-china-and-nordic-council-ministers>.
2. See <https://www.fmprc.gov.cn/ce/cedk/eng/zdgx/t1465357.htm>.

Executive summary

THIS REPORT, COMMISSIONED by the Nordic Council of Ministers, investigates current relations between China and the five Nordic countries. It sheds light on the range of interconnectivities and collaborative practices, mapping their scope and recent history across various dimensions, not only from an overall comparative perspective, but also from the individual perspectives of the five Nordic countries and China. Specifically, the report zooms in on five issue areas – business and innovation, sustainable development, research and education, welfare solutions and people-to-people relations – where opportunities exist for enhanced cooperation. At the same time, the main obstacles and challenges to Sino–Nordic relations are identified, including differences of political values and the burgeoning US–China great power rivalry. Furthermore, examining the rather limited measures taken by the Nordic countries to adopt a joint approach to China, the report discusses the extent to which such a joint approach could be a desirable complement (not alternative) to individual Nordic countries’ bilateral relations with Beijing as well as wider EU–China relations. Employing a number of issue- and country-specific perspectives, Sino–Nordic relations are explored in different ways by a group of scholars and practitioners with professional ties to the Nordic countries. Towards the end of the report, a set of recommendations is proposed for how to advance the Nordic countries’ relations with China.

In taking stock of the current state of Sino–Nordic relations, the report makes the following overall observations:

- China plays a central role in the management of international order on which the Nordic states are highly dependent. This is particularly true with respect to macro-economic coordination, international peacekeeping, non-proliferation of weapons of mass destruction and the fight against global warming. More generally, China and the Nordic countries seem to share a strong interest in upholding the multilateral institutional framework of international order, which has come under increased pressure in recent years.
- For all the Nordic countries, China has become the second-most important non-European trading partner, second only to the United States (or Russia in

the case of Finland). While Chinese foreign direct investment (FDI) in the Nordic countries is growing, it is still relatively insignificant compared to American FDI in the region.

- The Nordic region is not among China’s largest overall economic partners, nor is it closely affiliated with China’s Belt & Road Initiative (BRI). However, Nordic expertise, technology and innovation skills are in high demand in China, especially with respect to green growth and sustainable development solutions that are critical to China’s overall modernization objectives.
- The Nordic countries enjoy both a significant soft power and marketing potential in China based on Nordic culture, design and high-quality products, all of which seem to resonate well with the Chinese population. Yet, this potential remains largely untapped from a joint Nordic perspective (more on this below).
- While each Nordic country has adopted its own approach to government-to-government relations with China, all of them currently have productive MoU-guided working relationships with Beijing, including Sweden despite its ongoing row with the Chinese government about the case of Gui Minhai and other political differences.
- As close allies or partners to the United States, the Nordic countries are likely to be drawn into the unfolding US–China great power struggle. The US government campaign against Huawei is a case in point, with several Nordic ministers and intelligence agencies having echoed US concerns about the potential security risks posed by using Huawei technology in their critical IT infrastructure. Washington’s critical stance towards China’s BRI and its presence in the Arctic region point in the same direction.
- Meanwhile, with the EU having recently adopted a somewhat tougher stance vis-à-vis China, the Nordic EU member states should also expect tighter regulatory measures from Brussels in China-related questions such as inbound foreign direct investments.
- Differences of political values – notably concerning human rights – also constitute a major challenge to Sino–Nordic relations insofar as such differences are being politicized. Moreover, public perceptions of China in the Nordic countries have been deteriorating, and Nordic media coverage of China’s growing international assertiveness and the hardening of its illiberal regime has been overwhelmingly negative.

More specifically, the report offers the following observations with respect to the main opportunities and challenges within the five designated areas of

Sino–Nordic cooperation and the broader question of a joint Nordic approach to relations with China:

- With economic exchanges and interconnectivities still the mainstay of relations between China and the Nordic countries, **entrepreneurship and business** is a central field of bilateral collaboration. *Opportunities*: The Nordic countries find themselves in a good position to exploit not only ‘the Nordic brand’ in China, but also more generally the business potential of Nordic innovation, knowhow and technologies in a Chinese market characterized by growing purchasing and standard-setting power. *Challenges*: The business strategies and initiatives of the Nordic governments and commercial chambers in China remain largely uncoordinated even as Nordic companies operating on the Chinese market face similar opportunities as well as similar challenges like unfair competition and uncertainty about the impact of domestic Chinese laws and regulation.
- **Sustainable development** is becoming a central area of Sino–Nordic cooperation, as both sides have supported the UN Sustainable Development Goals and the Paris Agreement on climate change. *Opportunities*: Nordic companies are well positioned to capitalize on their green knowhow/technologies as China pursues a more sustainable growth model, while the Nordic governments could leverage their track record of assisting the Chinese government in this area to engage with it more systematically on the new joint Nordic sustainability agenda. *Challenges*: Despite overlapping knowhow and technologies, there are few joint Nordic initiatives directed at China. Moreover, the comparative advantages of Nordic companies on the Chinese market are being eroded by forced or illicit transfer of core technologies.
- As China has invested heavily in research and development, opened up its educational market and set up international mobility programs for its students, **research and education** has become another important area of Sino–Nordic collaboration. *Opportunities*: Given that the Chinese government generally views Nordic universities as more committed to joint development (rather than just profits), they are in a favorable position to expand their presence in China by establishing ‘educational outposts’ and research centres in cooperation with local partners. *Challenges*: Apart from the Nordic Center at Fudan University and a few loosely coordinated research networks, there are currently no pan–Nordic collaborative engagements with China within research and education.
- While both the Chinese and Nordic governments have taken steps to expand **people-to-people** relations, this area of collaboration has recently witnessed some setbacks with the closure of Confucius centres and the hardening of

negative public perceptions of China in some of the Nordic countries. *Opportunities*: The scope of Chinese tourism and exchange students in the Nordic countries is significant, and Nordic culture, norms and values seem to resonate well with the Chinese, especially among the younger generation. *Challenges*: Limited knowledge of Chinese language and culture in the Nordic countries, very negative Nordic media coverage of China and the assertive and illiberal trends that seem to be accompanying China's rise under Xi Jinping.

- **Welfare solutions** could become a key area of Sino–Nordic cooperation given the combination of current demographic development trends in China and the pioneering position of the Nordic welfare model. *Opportunities*: The Chinese government seems quite interested in studying how the Nordic countries organize and provide key welfare services, notably within healthcare and eldercare. *Challenges*: There is no joint Nordic cooperation within this field, and few private Nordic actors are capable of providing welfare solutions for the Chinese market.

Finally, while the report identifies only a few significant cases of a *joint Nordic approach* to China, it argues that such an approach would not only bring along a number potential synergies – like the pooling of resources and the harnessing of Nordic brand value – but also enable the Nordic countries to speak with a stronger voice vis-à-vis the Chinese government. Furthermore, inasmuch as bilateral relations are increasingly at risk of being politicized, and ultimately securitized, a joint Nordic approach could become an attractive complementary platform for a more depoliticized and bottom-up type of collaborative engagement that involve a range of China-interested non-state actors like research communities, business forums, friendship cities and universities (see Recommendations).



Screen shot courtesy BBC (<https://www.bbc.com/news/science-environment-25623400>)

China is fast adopting wind power, a technology pioneered by Nordic companies

Introduction

Andreas Bøje Forsby*

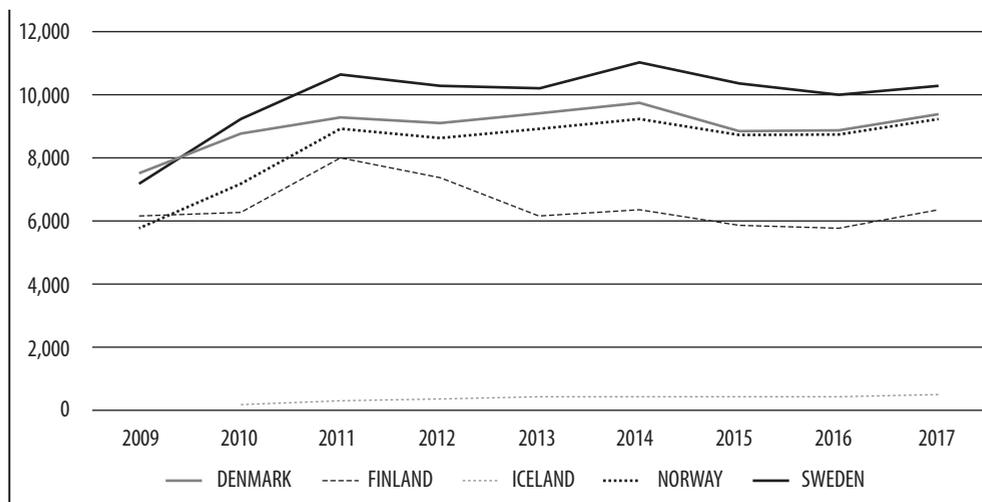
Taking stock of Sino–Nordic interconnectedness

OVER THE PAST COUPLE OF DECADES, relations between the Nordic region and the People's Republic of China (PRC) have not only deepened significantly but also become far more diversified.¹ Multiple interconnectivities have come to characterize the relationship across a wide range of areas, fully in line with the globalization logics of the post-Cold War order. Moreover, in today's globalized world, the PRC plays an increasingly central role in the management of international order on which the Nordic states are highly dependent. This is particularly true with respect to macro-economic coordination, international peacekeeping, industrial standard-setting, non-proliferation of weapons of mass destruction, environmental protection, drug trafficking measures and the fight against global warming. For instance, as the second-largest economy and biggest emitter of greenhouse gases in the world, China is of critical importance to the global governance regime concerning climate change, while the Nordic countries, given their green technological capacity and knowhow, are very well positioned to assist China in transforming its economy towards a more sustainable growth model. Against this backdrop, the Nordic countries have come to perceive the PRC as a key collaborative partner as demonstrated by the fact that the Nordic embassies in Beijing have expanded to become each country's largest or second-largest diplomatic representation outside of Europe.²

Economic opportunities have always been at the heart of the engagement, constituting the main driver of the observed deepening and diversification of Sino–Nordic relations. Bilateral trade, economic investments and commercial activities have served not only to create mutual interests and dependencies, but also to generate a need for increased government-to-government regulation, as witnessed

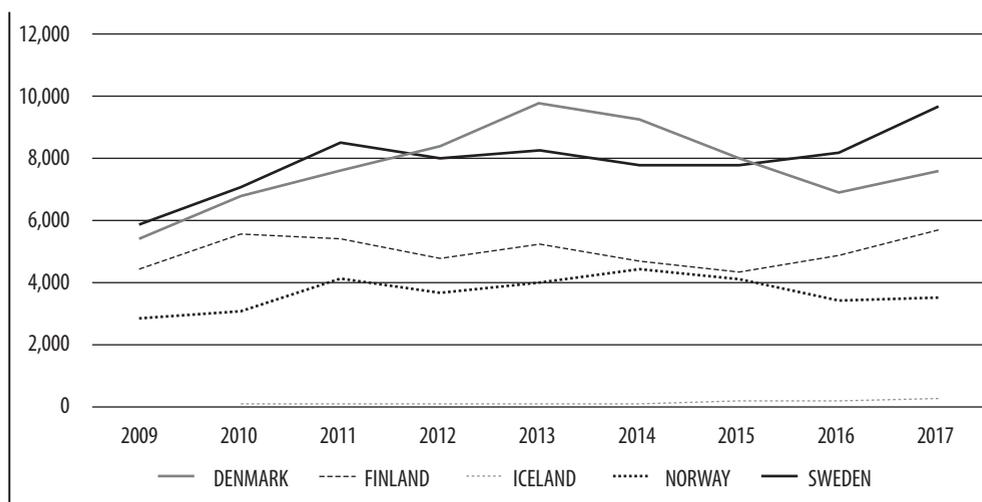
* Andreas Bøje Forsby is a postdoctoral researcher at the Nordic Institute of Asian Studies (NIAS), University of Copenhagen.

Figure A: Nordic imports of goods and services from China incl. Hong Kong (million USD)



by the wide range of Memorandums of Understanding adopted between Beijing and each of the Nordic countries over the past decade or so (see Table E below). Providing an initial overview of economic relations between the Nordic countries and China, Figures A and B depict the level of bilateral trade over the past decade (for data sources, see the Appendix).

Figure B: Nordic exports of goods and services to China incl. Hong Kong (million USD)



All the Nordic countries have witnessed growth in their trade relations with the PRC since 2009, both in terms of imports and exports. Whereas Denmark, Finland and Sweden currently have a relatively balanced trade relationship with China, both Iceland and Norway have run substantial trade deficits throughout the period (see Appendix). The significance of China-related trade for the Nordic countries can also be illustrated by listing their respective imports from and exports to China as a share (percentage) of their total imports and exports (see Tables A and B). With the single exception of Finnish imports from China, all the Nordic countries have seen China become a larger trade partner over the past decade.³ Indeed, for all the Nordic countries, China has become the second-largest non-European trading partner, second only to the United States (or Russia in the case of Finland).⁴

Table A: Nordic imports from China incl. Hong Kong (million USD)

DENMARK	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total imports	135839	138175	158587	153245	161309	163799	143537	144635	154371
From China + HK	7526	8813	9302	9041	9397	9816	8829	8906	9375
Percentage of total	5.5	6.4	5.9	5.9	5.8	6.0	6.2	6.2	6.1
FINLAND	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total imports	88966	96310	113727	107585	109681	107799	89010	90241	101153
From China + HK	6142	6283	8083	7399	6148	6358	5839	5781	6355
Percentage of total	6.9	6.5	7.1	6.9	5.6	5.9	6.6	6.4	6.3
ICELAND	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total imports		5771	7126	7254	7342	8076	7772	8545	10282
From China + HK		259	332	375	436	430	445	468	530
Percentage of total		4.5	4.7	5.2	5.9	5.3	5.7	5.5	5.2
NORWAY	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total imports	105693	120241	137961	135847	146157	146995	124462	121159	135581
From China + HK	5784	7200	8972	8718	8983	9233	8784	8783	9313
Percentage of total	5.5	6.0	6.5	6.4	6.1	6.3	7.1	7.2	6.9
SWEDEN	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total imports	168033	199490	235835	223202	224711	231818	200016	203058	224377
From China + HK	7249	9241	10720	10284	10226	11003	10312	9928	10269
Percentage of total	4.3	4.6	4.5	4.6	4.6	4.7	5.2	4.9	4.6

Table B: Nordic exports to China incl. Hong Kong (million USD)

DENMARK	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total exports	149336	158185	180540	173621	181972	184133	159108	157560	168539
To China + HK	5401	6797	7561	8358	9765	9286	8013	6848	7572
Percentage of total	3.6	4.3	4.2	4.8	5.4	5.0	5.0	4.3	4.5
FINLAND	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total exports	82734	90909	102991	97549	100753	100456	85306	84208	97142
To China + HK	4500	5595	5455	4762	5230	4686	4358	4816	5682
Percentage of total	5.4	6.2	5.3	4.9	5.2	4.7	5.1	5.7	5.8
ICELAND	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total exports		7125	8293	8103	8573	9150	9013	9833	11297
To China + HK		57	71	100	103	95	155	205	234
Percentage of total		0.8	0.9	1.2	1.2	1.0	1.7	2.1	2.1
NORWAY	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total exports	153122	170378	202666	203856	203982	193981	146447	131094	142861
To China + HK	2814	3035	4147	3615	3955	4434	4101	3386	3474
Percentage of total	1.8	1.8	2.0	1.8	1.9	2.3	2.8	2.6	2.4
SWEDEN	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total exports	181336	212334	252226	237554	241729	241908	212692	212375	227505
To China + HK	5851	7102	8537	7959	8247	7797	7770	8191	9679
Percentage of total	3.2	3.3	3.4	3.4	3.4	3.2	3.7	3.9	4.3

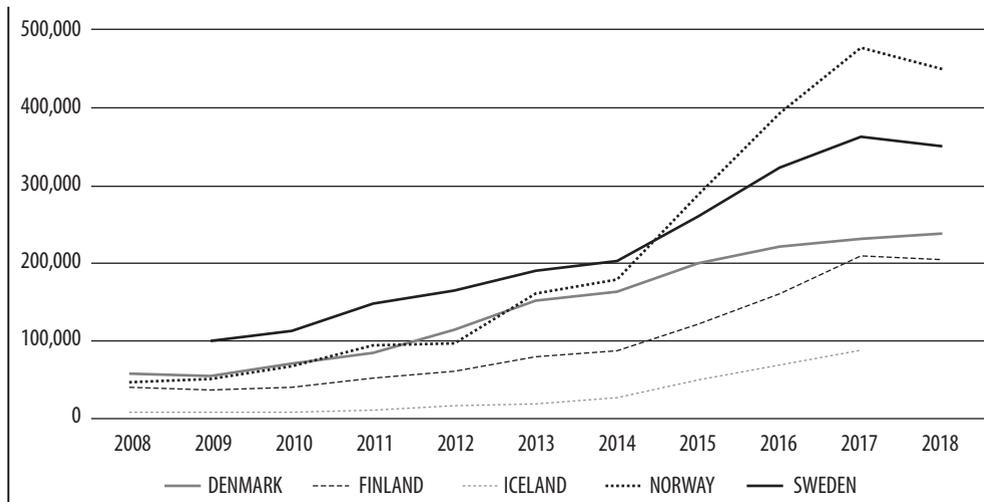
With respect to foreign direct investments (FDI), the overall picture is more mixed. The Nordic region has attracted relatively few Chinese investments, notably with Denmark and Iceland as a destination, and Chinese FDI continues to trail far behind American investments into the Nordic region.⁵ Moreover, recent initiatives from both the EU and individual Nordic countries, to systematically screen inbound FDI in order to protect critical sectors from foreign take-over, may have a dampening effect on the scale of future Chinese investment in the Nordic region, inasmuch as these screening mechanisms have been proposed in the context of wider debates about China's growing influence in Europe.⁶ However, when it comes to China-bound investments, Nordic companies such as Ikea and H&M from Sweden, Novo Nordisk and Carlsberg from Denmark, Nokia and Wärtsilä from Finland have been quite active in establishing a range of subsidiaries, often

in partnership with local companies, to gain access to the Chinese market. Danish and Swedish companies are especially well represented in China, numbering in the neighborhood of 500 and 600, respectively, and employing several hundred thousand local employees.⁷

At the intersection of economic and cultural relations, tourism offers another useful example of the present state of Sino–Nordic interconnectedness. A major source of local income as well as cultural exchange and people-to-people relations, tourism has been on the rise over the past decade, notably from China to the Nordic region (see Figure C and Appendix). This is the result not only of rising Chinese income levels, but also tourism promotion initiatives and Nordic branding campaigns specifically targeted at the Chinese population.⁸

Yet another indicator of Sino–Nordic engagement is the exchange of university students. A two-way avenue for inter-cultural meetings, knowledge dissemi-

Figure C: Total nights spent by Chinese visitors in the Nordic countries



Note: Numbers for Iceland are based on Chinese entries into Iceland not including transfers.

nation and not least social networking, the exchange of students is important for creating new ties between China and the Nordic region. Although the total number of Chinese exchange students in the Nordic region has been rather stable in recent years (see Table C and Appendix) and, moreover, only represent around 1 per cent of all Chinese exchange students studying abroad (i.e., 600,000), it should be noted that the Chinese constitute one of the largest groups of exchange students in

Table C: Number of Chinese exchange students in Nordic countries

	2014	2015	2016	2017	2018
Denmark	1036	1178	1295	1261	1386
Iceland	<50	<50	<50	<50	<50
Finland	1963	1806	1788	1609	1644
Norway	1198	1200	1079	1107	1212
Sweden	1398	1560	1603	1614	N/A

every Nordic country.⁹ Moreover, as the Nordic universities, over the past decade, have established joint degree programs in China – 21 programs in total, managed in partnership with local Chinese universities – the exposure of Chinese students to Nordic ideas, values and culture certainly exceeds the numbers of exchange students listed below.¹⁰ Even more ambitiously, Denmark and Finland have set up Sino–Danish and Sino–Finnish centres (respectively in Beijing and Shanghai) in order to strengthen collaboration between Danish/Finnish and Chinese learning environments as well as to increase mobility of students and also researchers between the partner countries. In addition to having enrolled a large number of Master’s as well as PhD students (150 and 30 respectively), the Sino–Danish Center hosts a number of collaborative projects between Danish and Chinese researchers, resulting in 121 joint publications in 2018.¹¹

Apart from these ‘educational outposts’ set up by individual Nordic countries, the Nordic Center at Fudan University in Shanghai – representing 27 Nordic universities – serves, among other things, as a joint Nordic teaching institution for Chinese students and scholars who study the Nordic countries as well as a platform for the dissemination of Nordic culture.¹² Furthermore, since 1995 the Nordic Center has played an instrumental role in assisting and promoting the exchange of Nordic students to China and vice versa.

In the Nordic countries, students are being introduced to Chinese language and culture by a Confucius Institutes and Classrooms, which have been set up since 2005 in partnership with local universities and high schools. Table D presents an overview of the prevalence of Confucius Institutes and Classrooms in the Nordic countries.¹³ In addition to its teaching programs, the Confucius Institutes arrange a number of courses, exhibitions and other activities as part of their cultural outreach to the general public. Among the Nordic countries, only Denmark has been able to establish a cultural centre in China.¹⁴

Table D: Overview of Confucius Institutes and Classrooms in the Nordic countries

	Confucius Institute	Confucius Classroom
Denmark	Music Confucius Institute at the Royal Danish Academy of Music, Copenhagen IBA Confucius Institute at International Business Academy in Kolding	Niels Brock Handelsgymnasium Næstved Gymnasium Tietgens Handesgymnasium Stenhus Gymnasium Støvring Gymnasium
Finland	Confucius Institute at the University of Helsinki	Tampere (online classroom)
Iceland	Northern Light Confucius Institute, Reykjavik	None
Norway	Bergen Konfutse Institutt at University of Bergen and Western Norway University of Applied Sciences	None
Sweden	Luleå Konfuciusinstitutet at Luleå Technical University (LTU)	Borlänge Kommun Falkenberg Gymnasieskola

Growing interconnectedness also extends into research communities where several Sino–Nordic collaborative platforms have been established in recent years. One of the best examples is the China–Nordic Arctic Research Center (CNARC) from 2013, a Shanghai-based institution that facilitates academic cooperation, knowledge sharing and exchange visits between Nordic and Chinese scholars working on Arctic-related research, for instance, by hosting annual ‘Arctic Symposia’ (the 7th symposium took place in May 2019).¹⁵ Another good example is the Sino–Nordic Gender Studies Network, which since 2002 – under the auspices of the Nordic Institute for Asian Studies – has been organizing a range of joint Sino–Nordic research activities, including the recently held workshop on Gendered Dimensions of Welfare in China and the Nordic Region.¹⁶ A third example is the Sino–Nordic Welfare Research Network (SNoW). In operation since 2010, SNoW has become a useful platform for joint research activities between Nordic and Chinese scholars, including conferences, workshops, PhD courses and also joint publications.¹⁷

Apart from these joint Sino–Nordic activities, there is a wide range of research collaboration between China and individual Nordic countries taking place in areas such as education and learning, life science, nanoscience, sustainable energy, and water and environment.¹⁸ In general, this collaboration has originated within research areas characterized by a high level of expertise among Nordic researchers. However, scientific collaboration is gradually becoming more balanced and mutually beneficial as the PRC continues to invest heavily in research and development (R&D) across a wide range of areas (boasting the second largest R&D expenditure level worldwide in 2019).¹⁹

Win–win cooperation: Making sense of trite sloganeering

While existing patterns of interconnectedness have already created significant bonds of cooperation between China and the Nordic region, both sides have expressed a desire to give existing relationships a boost. In a joint press release from May 2017, the Chinese vice Minister of Foreign Affairs and the Secretary General of the Nordic Council of Ministers ‘spoke highly of the significant progress of Sino–Nordic cooperation. They are of the view that such cooperation is important and has huge potential for growth’, adding that ‘to further expand and deepen cooperation is in line with the development strategies and needs of both sides and serves their mutual interests.’²⁰

Although the envisioned development of relations between China and the Nordic region could face several obstacles (more on this below), there does seem to be a number of good reasons for both sides to pursue a stronger relationship. From a Nordic perspective, the massive scale of the Chinese market, the growing purchasing power of the Chinese population and an increasing Chinese demand for Nordic expertise, to help achieve China’s overall development goals, all make it highly attractive for Nordic companies to operate in China.²¹ And while some level of intra-Nordic business competition does exist, Nordic business communities may, on the other hand, exploit several potential synergies by drawing on shared expertise and resources.²²

Furthermore, the Nordic states share a number of desirable defining characteristics, having been able to strike a balance between raw capitalist market forces and communitarian ideals about welfare egalitarianism. This so-called Nordic model – also associated with administrative transparency, non-corruption, corporate social responsibility, gender equality and sustainable development²³ – offers a strong platform for closer government-to-government collaboration as the PRC is struggling with its comprehensive modernization processes and how best to achieve its two centennial development goals.²⁴ A source of soft power in a wider sense, the Nordic model also entails a strong branding potential centred on Nordic values, culture, design and high-quality products that all seem to resonate well with the Chinese population.²⁵ Existing initiatives such as Nordic Design Week, Nordic pavilions at Chinese business expos and the Nordic ‘Chinavia’ tourism campaign have already demonstrated the business-related potential of the Nordic brand.²⁶

From a Chinese perspective, the Nordic region may not figure prominently in the trade statistics, being ranked collectively as only the 18th largest trade partner of the PRC in 2017 (i.e., with a combined Sino–Nordic trade volume of 43,7 billion USD).²⁷ However, what the Nordic countries lack in economic volume, they make up for in terms of their entrepreneurship and innovation skills, as recurrently

demonstrated in the annual rankings of the world's most entrepreneurial and innovative countries (with all five Nordic countries being top-20 countries and most in the top-10).²⁸ In particular, the Chinese government has had its eyes fixed on the highly specialized Nordic expertise and knowhow in such areas of sustainable development as renewable energy sources, water cleaning, energy efficiency systems, waste management and urban planning. At the opening of the Nordic China Smart City Conference in Stockholm in March 2019, the Chinese ambassador to Sweden pointed out that 'The fact that there is enormous potential for China and Nordic countries to further expand cooperation is because of the high compatibility of our development philosophies.' The ambassador also stressed that the 'Nordic countries lead the world in technologies of environmental protection, smart cities, new energy, bio-medicine and high-end manufacturing.'²⁹

China's interest in the Nordic model has also been translated into a number of practice-oriented, knowledge-sharing collaborative projects with individual Nordic countries focusing on, among others, the rule of law (Finland) as well as efficient and transparent public administration (Denmark).³⁰ Moreover, Beijing views the Nordic region as an important strategic gateway to the Arctic region, finding the Nordic states to be more sympathetic to Chinese interests and agenda in the Arctic region than some of the other Arctic states. For instance, the Nordic countries played a key role in supporting China's bid for a permanent observer status to the Arctic Council in 2013, and they have also welcomed China's participation in joint research projects and activities within the framework of the China–Nordic Arctic Research Center.³¹

Finally, given the volatile current international situation (see below), China and the Nordic countries share a strong interest in upholding the multilateral institutional framework that has formed the backbone of international order in the post-Cold War era. As small states relying on an open, rules-based international order, the Nordic countries have been staunch supporters of the United Nations, the World Trade Organization and other multilateral institutions that have also served the PRC well. Unable individually to tackle a range of transnational challenges – like climate change, biodiversity loss, trafficking of drugs, pandemics and the proliferation of weapons of mass destruction – China and the Nordic states have good reasons to work together to shore up the existing institutional order, together with other multilateral-minded countries.

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Overview of the report

Against this backdrop of existing interconnectivities and mutual interests, there is a need to take a closer look at Sino–Nordic relations in order to identify the opportunities as well as constraints for advancing the relationship further. The present report contributes by exploring the range of specific collaborative initiatives and activities as well as the main drivers and challenges within five designated issue areas that seem particularly fruitful to Sino–Nordic cooperation: *Entrepreneurship and business*, *Sustainable development*, *Research and education*, *Welfare solutions*, and *People-to-people exchanges*. Each chapter in the first part adopts a specific thematic perspective (‘Research and Education’ is divided into two chapters), while chapters in the second part employ country-specific perspectives from each of the five Nordic countries, plus China. All these chapters are written by external scholars and specialists with extensive knowledge and professional experience with Sino–Nordic relations. The concluding chapter begins with a summary of Sino–Nordic relations as they stand today, focusing primarily on the five key areas of collaboration, and ends with a set of recommendations for how to deal with current opportunities and constraints in order to expand and deepen the relationship.

The remainder of this introduction takes stock of the main challenges and specific obstacles that may prevent China and the Nordic countries from strengthening their relationship. In fact, there are disturbing signs on the horizon, all of which could affect the underlying dynamics of Sino–Nordic relations. Growing US–China great power rivalry and deteriorating bilateral conditions between individual Nordic countries and the PRC could undermine Sino–Nordic collaborative practices, even in the short run. However, the changing (geo)political environment could also open up some new opportunities, as will be discussed in the recommendations part of the concluding chapter. One final topic, brought up towards the end of the Introduction, is the 5+1 collaborative framework and the question of how to organize and manage Sino–Nordic relations.

Spillover effects of great power rivalry: Huawei, BRI and the Arctic

A US–China great power rivalry may not be preordained, but relations between Washington and Beijing have become plagued by mutual strategic distrust to such a degree that we are unlikely to witness a normalization of the relationship even if the Trump administration is voted out of office in 2020. While trade has been the main pillar of US–China relations, the trade war is already taking its toll on economic transactions. Further, prominent American policymakers are actively pursuing

a decoupling of the world's two largest economies, notably within the high-tech sector and other areas of strategic importance.³² Moreover, in what appears to be a precursor to a Cold War-style strategic rivalry, the Trump administration has applied pressure, even publicly, on its allies and partners to side with Washington in areas of strategic importance.³³ As the number and severity of contentious issues and clashing interests grows – including but not limited to trade tariffs, currency rates, Huawei, the Made in China 2025 Plan, the Belt and Road Initiative, Taiwan, Hong Kong, the Xinjiang Province, the South China Sea and even the Arctic region – there is a risk that Nordic countries will be forced to choose sides in the unfolding great power struggle.

From a Nordic perspective, the deepening strategic rivalry between Beijing and Washington raises the question of how to deal with the spillover effects. The region's three NATO member states (Denmark, Iceland and Norway) are particularly susceptible to US pressure on security-related matters, and with security concerns being more frequently and broadly invoked by the Trump administration, the Nordic states will have to navigate more cautiously. Meanwhile, with the EU having recently adopted a somewhat tougher stance vis-à-vis China, categorizing the PRC as 'a systemic rival, promoting alternative models of governance',³⁴ the Nordic EU-member states (i.e., Denmark, Finland and Sweden) should also expect tighter regulation measures from Brussels in questions related to China such as inbound foreign direct investments.³⁵ By the same token, Brussels would be opposed to any sort of 5+1 collaborative platform between the Nordic countries and China along the same lines as the 17+1 framework (between China and the Central and East European countries) which is frequently portrayed as an example of China's 'divide-and-rule' strategy in Europe.³⁶

Nevertheless, fallout from the US–China rivalry should be of most immediate concern for the Nordic countries. The first time they found themselves caught in the middle of the emerging great power rivalry was in 2015, when all Nordic countries joined the Chinese-initiated Asian Infrastructure Investment Bank (AIIB) as founding members despite opposition from the Obama administration which regarded the AIIB as a harbinger of Beijing's aspirations to challenge a US-centred international order.³⁷ Under the Trump administration, the US has significantly stepped up its public pressure on partners and allies to distance themselves from China and Chinese companies in areas that are deemed strategically important to Washington. The comprehensive US government campaign against Chinese high-tech company Huawei is a case in point, with several Nordic police/defence intelligence agencies and ministers having echoed US concerns about the potential security risks posed by using Huawei technology in their critical IT infrastruc-

tures.³⁸ In Sweden, for instance, the director of the Swedish Security Service and the Minister for Digitalization have publicly conveyed such concerns, while both the Norwegian Intelligence Service and the Police Security Service have issued public statements along the same lines. In Denmark, the leading private mobile network operator, TDC, has recently terminated its seemingly productive partnership with Huawei following critical remarks in the media from both the director of the Danish Defence Intelligence Service and the Minister of Defence.

Another strategic arena that has come under US diplomatic fire is China's Belt & Road Initiative (BRI). Whether the result of US officials' public calls on its European partners and allies to steer clear of the BRI³⁹ or rather an unintended consequence of the absence of a specific Nordic branch of the BRI network, the Nordic countries have so far been relatively detached from China's strategic connectivity project. That is, they have welcomed the BRI, but signed no Memorandums of Understanding on it, nor sent any high-level delegations to attend the most recent Second BRI Forum in April 2019.⁴⁰ The launch in early 2018 of the 'Polar Silk Road', extending the BRI into the Arctic region where it might be linked to a projected Arctic Corridor from Kirkenes in Norway to Rovaniemi in Finland, could generate renewed interest for the BRI among some of the Nordic countries.⁴¹ Especially Finland is favorably

located as a connectivity hub for the BRI into Northern Europe – both in terms of railway and airline capacity – and Chinese investments in the prospective undersea rail tunnel between Helsinki and Tallinn would effectively draw Finland closer to

The launch in early 2018 of the 'Polar Silk Road' ... could generate renewed interest for the BRI among some of the Nordic countries.

the BRI. Even so, American opposition to the BRI, in combination with negative coverage in the local media – on full display in the now-abandoned Lysekil deep harbor BRI project in Sweden⁴² – seems to place significant constraints on the feasibility of BRI-related activities and investments in the Nordic countries. That the PRC would be allowed to establish, operate and control a satellite ground station, like the one launched in Northern Sweden in 2016,⁴³ appears highly unlikely, given the current political climate.

A third arena that has recently been drawn into the burgeoning US–China strategic rivalry is the Arctic region. Long perceived as exempt from geopolitical great power competition, the Arctic region was deliberately securitized ahead of an Arctic Council Ministerial Meeting in May 2019, when US Secretary of State Mike Pompeo denounced Beijing's influence activities in the region, stating that 'China's pattern of aggressive behavior elsewhere will inform how it treats the Arctic'.⁴⁴ It is against the same backdrop of growing strategic rivalry that recent Chinese invest-

ment plans and entrepreneurial projects in Greenland have been thwarted by the Danish government, following both covert (reliably reported⁴⁵) and overt pressure from Washington.⁴⁶ In the most recent case, the Danish government preempted Chinese involvement in building new airport infrastructure in Greenland, with the Danish defence minister conveying the message that Washington, out of security concerns, would not approve of such Chinese activities.⁴⁷

Leveraging its traditionally strong security, economic, political and cultural bonds to the Nordic region, the United States could make it increasingly difficult for the Nordic countries to enjoy close relations with Beijing. However, if the US continues down the road of 'America First' unilateralism and protectionism, Washington is very likely to lose some of its leverage in the Nordic region. Furthermore, harking back to US–China relations during the Cold War, the Nordic countries have a long tradition of trying to stay aloof of great power rivalry, being not only among the first Western countries to establish diplomatic relations with the People's Republic of China, but also assisting the PRC in its struggle to gain a seat in the UN – despite American opposition.

Political differences and public perceptions

The main obstacles to Sino–Nordic cooperation are not only of an external and geopolitical nature. Differences of political values – setting the PRC's autocratic governance system far apart from the Nordic liberal-democratic – also constitute a major challenge to Sino–Nordic relations, insofar as such differences are politicized. Referring to its longstanding principle of non-intervention into the internal affairs of other countries, the PRC has largely sought to depoliticize its relations with the Nordic countries unless the latter are seen to infringe on Chinese core interests, notably the sovereignty and territorial integrity of the PRC and the undisputed leadership position of China's Communist Party.⁴⁸ The Nordic countries, on the other hand, share a tradition of supporting liberal-democratic values on the international arena, including a concern for liberal human rights in their relations with China. While Sweden tends to be the most active, and Denmark and Norway are somewhat more discreet in their moral activism, Finland and Iceland have adopted a relatively pragmatic position vis-à-vis Beijing on these issues.⁴⁹

However, over the past two decades, as their economic relations with the PRC have deepened, all the Nordic countries have generally become more pragmatic in how they address differences of political values and human rights issues with Beijing. That is, the Nordic governments have generally refrained from criticizing China publicly for its human rights violations or other sensitive political issues, pre-

ferring instead to handle such issues during closed-doors bilateral meetings or – in the case of Denmark, Finland and Sweden – to ‘outsource’ them to Brussels as part of the recurring EU-wide human rights dialogue with the PRC.⁵⁰ Nevertheless, clashing political values have occasionally prompted a breakdown of relations between the PRC and individual Nordic countries. Particularly severe was the six-year crisis in Chinese–Norwegian relations (2010–16) following the award of the Nobel Peace Prize to Liu Xiaobo, a political dissident and human rights activist.⁵¹ And back in 2009, Denmark was subjected to a half-year freeze of political relations when then-Prime Minister Lars Løkke Rasmussen received the Dalai Lama under semi-official conditions.⁵² In both cases, the crisis was only resolved after Denmark and Norway officially pledged to respect Chinese core interests.⁵³

the campaign also seems to suggest that differences of political values will continue to constitute a major strain on Sino–Nordic relations for years to come.

The recently witnessed souring of Swedish–Chinese relations also revolves around differences of political values. Taking its point of departure in the Gui Minhai case – involving a Chinese-born

Swedish citizen detained by the Chinese authorities on contentious legal grounds – the ongoing diplomatic row between Beijing and Stockholm has been accompanied by a rather comprehensive and strongly-worded Chinese public diplomacy campaign against Sweden centred, among other things, on the alleged mistreatment by the Swedish police of a family of Chinese tourists and a satirical Swedish TV program making an inappropriate skit on the incident.⁵⁴ The unprecedented assertiveness of the Chinese campaign has caused widespread consternation across the Nordic capitals; beyond this, the campaign also seems to suggest that differences of political values will continue to constitute a major strain on Sino–Nordic relations for years to come.

Differences of political values also seem to be a main source of the relatively negative public views of China that are found in the Nordic countries. Although far from systematically measured over the years, existing data clearly demonstrates that public opinions of China in the Nordic countries are predominantly negative, with negative views in both Denmark and Sweden approximately twice as prevalent as positive ones.⁵⁵ The media in the Nordic countries no doubt plays a key role in shaping public perceptions of China, and the bulk of news stories, commentaries and other media coverage of China pursues a critical or outright negative perspective.⁵⁶ That is, the media mostly focus on the Chinese government’s repression of liberal human rights, its more self-assertive behavior on the international stage or domestic Chinese problems stemming from pollution, corruption or internal

power struggles in the communist party. Again, underlying differences of political values seem to inform the editorial line of the Nordic media.

As seen from a Chinese perspective, the Nordic media are biased against China, and the Swedish media in particular has been subjected to criticism by the Chinese ambassador in Stockholm.⁵⁷ Having long worried about its public image in the Nordic countries (and in the West more broadly), the Chinese government has undertaken a range of initiatives to strengthen China's soft power. One of the most specific manifestations of this strategy in the Nordic countries has been the establishment of a number of Confucius Institutes and Classrooms to disseminate knowledge of Chinese culture and language as well as to promote understanding of Chinese politics and society (see above Table D). After a successful start, however, the Confucius Institutes have found it increasingly difficult to attract local partners, especially in Sweden and Denmark, following growing media scrutiny of the extent to which the Chinese authorities in Beijing are screening institute-related activities.⁵⁸

In a broader sense, given the centrality of political values in exercising soft power, the PRC is unlikely to attract the Nordic countries as closely aligned partners on the international stage as long as China retains its illiberal governance system. However, enhanced Sino–Nordic collaboration may simply be guided by a more pragmatic Nordic agenda that is predicated on a number of shared interests, as accounted for above. Indeed, this has been a successful template for Sino–Nordic relations over the past two decades, insofar as both sides have agreed to 'properly handle [their] differences in the spirit of finding common ground.'⁵⁹

5+1: A Sino–Nordic platform for collaboration?

Bilateral relations are still the main driver of cooperative engagements between China and the Nordic countries. Interestingly, each Nordic country has opted for a different government-to-government model for its relationship with the PRC. The most extensive and formalized partnership model has been pursued by Denmark, whose Comprehensive Strategic Partnership agreement (from 2008) presently covers almost 60 Memorandums of Understanding, many of which pertain to economically related issue areas.⁶⁰ Finland has recently adopted a so-called 'future-oriented new-type cooperative partnership', deliberately designed as a pragmatic platform for 'results-oriented and effective cooperation'.⁶¹ Showing little interest in China's partnership nomenclature, Iceland's relationship with

each Nordic country has opted for a different government-to-government model for its relationship with the PRC.

the PRC is instead largely based on its 2013 Free Trade Agreement with Beijing, the first of its kind in Europe.⁶² Meanwhile, Norway remains keen to negotiate a free-trade agreement with the PRC, but it has yet to establish a solid, formalized framework of cooperation in the aftermath of a six-year political freeze.⁶³ Finally, Sweden finds itself in the process of revising its overall strategy towards the PRC, having so far developed a rather wide-ranging relationship, yet without entering into any formalized partnership agreement with Beijing.⁶⁴

Addressing a question about the format of Sino–Nordic relations during their Nordic Council meeting in February 2016, the ministers of Nordic Cooperation stressed ‘that cooperation between China and the Nordic Council of Ministers will not replace the bilateral relations of the individual countries with China, or the EU’s relationship with China, but will complement and bolster them’.⁶⁵ Taking this as a point of departure, there are several good reasons to pursue a joint Nordic approach to China. First, despite their different types of bilateral relationships with the PRC,

Table E. Nordic bilateral relationships with China *

	DENMARK	FINLAND	ICELAND	NORWAY	SWEDEN
Formalized partnership	Comprehensive Strategic Partnership (2008)	Future-oriented new-type of cooperative partnership (2017)	No (free-trade agreement from 2013)	No	No
Number of active government-level MoUs†	58	35	28	17	27
Average number of annual high-level visits to China‡	8–9	7–8	3	6–7	7
Total no. of staff at Beijing embassy in 2019§	67 (35)	53 (23)	7 (4)	38 (19)	60 (31)

* All data in the table are based on interviews with Nordic MFA staff.

† This is an approximate number that includes government-to-government Memorandums of Understanding, but not so-called ‘action plans’ or non-governmental bilateral agreements between Chinese and Nordic institutions. The number from Norway is from May 2018.

‡ The average number of high-level visits to China covers ministerial-level visits from the Nordic countries to China over the past decade (in the case of Norway, the number is based on the 2016-19 period).

§ The total number of personnel includes locally hired embassy staff but excludes ‘external’ service personnel like drivers, security staff, and so on. The figures in parentheses are the number of posted personnel (i.e. Nordic diplomats/attachés).

the Nordic countries all share a pragmatic interest in expanding Sino–Nordic cooperation across a range of areas (see above). Second, as observed by most of the external contributors to this report, a number of benefits are likely to accrue from pursuing a ‘Nordic approach’ in their relations with China, including the pooling of resources, the harnessing of the Nordic brand, the mustering of increased diplomatic clout vis-à-vis Beijing and the initiation of collaborative Sino–Nordic projects that are less vulnerable to the ups and downs of bilateral relations (for a more detailed account, see Conclusions and Recommendations). Third, Beijing itself has previously expressed an interest in engaging the Nordic countries jointly, potentially based on some sort of 5+1 framework for cooperation. And even if the notion of a 5+1 framework may carry some negative connotations – given the criticism leveled at its 17+1 counterpart – the underlying idea of coordinating the Nordic countries’ relations to China within selected areas of mutual interest should not be readily dismissed.

a number of benefits are likely to accrue from pursuing a ‘Nordic approach’ in their relations with China

With their intertwined histories, cultural similarities and shared political values, the Nordic countries constitute more than merely a geographically defined regional community. Already, the Nordic countries work closely together in selected areas, and their joint ministerial declaration from 19 August 2019 calls for making ‘the Nordic region a global leader in combating climate change and achieving a more sustainable society as well as becoming an even more integrated region.’¹⁶⁶ Moreover, the declaration envisions joint initiatives on innovation, education and research that draw on the entrepreneurial spirit and technological capacities of the private sector. As the Nordic countries seem poised to expand their intra-regional collaborative efforts within these areas, new opportunities to strengthen Sino–Nordic cooperation should also emerge. Over the next twelve chapters, the report offers a number of perspectives on what such collaborative efforts may look like.

Notes

1. For an introduction to relations between the Nordic countries and China, see Bjørnar Sverdrup-Thygeson, Wrenn Yennie Lindgren and Marc Lanteigne, eds. *China and Nordic Diplomacy*. Routledge, 2017; ‘Sino-Nordic Relations: Opportunities and the Way Ahead’, *Institute for Security and Development Policy*. Stockholm, 2016; Jerker Hellström. *China’s Political Priorities in the Nordic Countries*. Totalförsvarets forskningsinstitut (FOI), 2014.
2. Cf. interviews with civil servants from the five Nordic ministries of foreign affairs. In the case of Finland, their embassies in Washington, Beijing and Moscow are approximately of similar size in terms of the number of personnel.

3. To be more specific, Finland's imports from China have grown during the listed period, but not as a fraction of its total imports.
4. Based on data from Appendix A + and Trading Economics: <https://tradingeconomics.com/>.
5. See <https://www.merics.org/en/papers-on-china/chinese-fdi-in-europe-2018>; see also Icelandic and Norwegian country chapters in this report.
6. See <https://www.merics.org/en/papers-on-china/chinese-fdi-in-europe-2018>.
7. For Denmark, see: <https://um.dk/~media/UM/Danish-site/Documents/Udenrigspolitik/Udenrigsoekonomi/Trendanalyse%20om%20dansk%20eksport%20til%20Kina%20END%2023%20april%202015.pdf?la=da>; for Sweden, see: <https://www.regeringen.se/4a779a/contentassets/8a6d4e54b01d48ed9c196a252d09aff4/arbetet-i-fragor-som-ror-kina-skr-2019-20-18.pdf>.
8. See <https://gbtimes.com/nordic-countries-see-huge-increase-in-chinese-tourists>; see also <https://www.visitcopenhagen.com/chinavia>.
9. See e.g. Finland: https://www.oph.fi/sites/default/files/documents/166911_factsexpress8b-2018.pdf; Norge: <https://diku.no/rapporter/diku-rapportserie-05-2019-tilstandsrapport-for-hoeyere-utdanning-2019>.
10. See chapter in this report by Freya Gao below.
11. Sino–Danish Center: <http://sdc.university/about/about-sdc/> and https://sdc.university/files/SDC_Annual_Report_2019.pdf. Sino–Finnish Center: <http://www.groupxaalto.fi/tag/sino-finnish-centre/>.
12. See <http://www.nordiccentre.net/about>.
13. The list of Confucius Institutes and Classrooms is based on various sources search queries.
14. See <https://china.danishculture.com/about-us/>.
15. See chapter in this report by Egill Thor Nielsson.
16. See <http://www.nias.ku.dk/fudan/sino-nordic-gender-studies-network> and <https://zenodo.org/record/3228016#.XYji5kYzaUl>.
17. See chapter in this report by Stein Kuhnle.
18. See country-specific chapters in this report.
19. See <https://www.statista.com/statistics/732247/worldwide-research-and-development-gross-expenditure-top-countries/>.
20. See <https://www.fmprc.gov.cn/ce/cedk/eng/zdgx/t1465357.htm>.
21. See especially chapters by Heggelund and Kuhnle below.
22. See chapter in this report by Jorem below.
23. On the Nordic model, see especially chapters in this report by Kuhnle, Vargö and Østergaard.

24. See chapter in this report by Liu Chunrong.
25. See chapter in this report by Lin Engdahl below.
26. For Nordic Design Week, see <https://scandasia.com/nordic-design-and-innovation-week-2015-held-in-shanghai/>; for Nordic Pavillions at Expo, see <https://www.nordicinnovation.org/news/strong-nordic-effort-ie-expo-shanghai>; for Nordic tourism campaigns, see <https://www.visitcopenhagen.com/chinavia>.
27. Based on Appendix A and export/import data from *China Statistical Yearbook*: <http://www.stats.gov.cn/tjsj/ndsj/2018/indexeh.htm>.
28. On entrepreneurship, see: <https://thegedi.org/global-entrepreneurship-and-development-index/>; on innovation, see https://www.wipo.int/pressroom/en/articles/2019/article_0008.html.
29. Remarks by Ambassador Gui Congyou at the Nordic China Smart City Conference, March 26, 2019: <http://www.chinaembassy.se/eng/sgxx/dsjh/t1649084.htm>.
30. See country-specific chapters in this report.
31. See e.g. <https://www.fni.no/news/china-nordic-cooperation-on-arctic-research-article1759-330.html>; see also Lev Lunde (2014): <https://www.nbr.org/publication/the-nordic-embrace-why-the-nordic-countries-welcome-asia-to-the-arctic-table/>.
32. See e.g. <https://foreignpolicy.com/2019/08/23/trumps-economic-iron-curtain-against-china-hawk-peter-navarro-american-factory-obama/>.
33. See country chapters in forthcoming report: 'The strategic triangle between the US, China and the EU', 5th ETNC report.
34. See <https://ec.europa.eu/commission/sites/beta-political/files/communication-eu-china-a-strategic-outlook.pdf>.
35. On the new screening mechanism, see: https://europa.eu/rapid/press-release_IP-19-1532_en.htm.
36. For the EU's official position in this regard, see <https://oeil.secure.europarl.europa.eu/oeil/popups/summary.do?id=1552113&t=d&l=en>.
37. See Introduction in Bjørnar Sverdrup-Thygeson, Wrenn Yennie Lindgren and Marc Lanteigne, eds. *China and Nordic Diplomacy*. Routledge, 2017.
38. See especially the Danish, Norwegian and Swedish country chapters (respectively by Andreas Forsby, Hans Jørgen Gåsemøyhr and Björn Jerdén) in the forthcoming 5th ETNC report on 'Europe's position in the US-China strategic rivalry'.
39. Ibid. (above).
40. See Jørgen Delman, 'Belt and Road Initiative from a Nordic Perspective', PP slides from lecture at Fudan University, 2 July 2019.
41. See http://english.www.gov.cn/archive/white_paper/2018/01/26/content_281476026660336.htm.

42. See <https://gbtimes.com/chinese-investors-cancel-plans-for-massive-deep-water-port-in-sweden>.
43. See <https://www.scmp.com/news/china/policies-politics/article/2055224/china-launches-its-first-fully-owned-overseas-satellite>.
44. See <https://www.arctictoday.com/pompeo-russia-is-aggressive-in-arctic-chinas-work-there-also-needs-watching/>.
45. See <https://www.reuters.com/article/us-denmark-china-greenland-base/denmark-spurned-chinese-offer-for-greenland-base-over-security-sources-idUSKBN1782EE>.
46. AB Forsby, 'America First: Denmark's strategic navigation in the era of US-China rivalry', in John Seaman, Miguel Otero and Plamen Tonchev (eds), 'The strategic triangle between the US, China and the EU', *5th ETNC report* (forthcoming, 2019).
47. See <https://www.dr.dk/nyheder/politik/usa-advarer-claus-hjort-om-kinesisk-entreprenor-pa-gronland>.
48. For an authoritative source on China's core interests, see: <https://china.usc.edu/dai-bingguo-%E2%80%9Cadhere-path-peaceful-development%E2%80%9D-dec-6-2010>.
49. See ETNC report from 2018 on the role played by political values in relations between European countries and China: https://www.merics.org/sites/default/files/2019-01/190108_ETNC_report_2018_updated_2019.pdf.
50. Ibid. (above).
51. See chapter in this report by Gåsemyhr.
52. See Forsby (2018): <https://www.europenowjournal.org/2018/06/04/a-critical-dialogue-taking-stock-of-europes-human-rights-dialogue-with-china/>.
53. See Denmark: <http://www.ft.dk/samling/20091/almdel/upn/bilag/24/772818/index.htm>; and Norway: https://www.regjeringen.no/globalassets/departementene/ud/vedlegg/statement_kina.pdf.
54. See <https://www.ui.se/globalassets/ui.se-eng/publications/ui-publications/2019/ui-brief-no.-4-2019.pdf>.
55. See e.g. <http://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/SPECIAL/surveyKy/2179>; see also <https://www.pewresearch.org/fact-tank/2019/09/30/people-around-the-globe-are-divided-in-their-opinions-of-china/>.
56. This assessment of the media coverage of China in the Nordic countries is based on interviews with Nordic research colleagues.
57. See e.g. <http://www.chinaembassy.se/eng/sgxw/t1690040.htm>.
58. The Confucius Institutes at Stockholm University, Karlstad University and Blekinge Technical Högskola in Sweden have all been closed, while the same is true of the Confucius Institutes at Copenhagen Business School and Aalborg University in Denmark. See e.g. in Denmark: <https://www.berlingske.dk/samfund/kina-i-gymnasiet-og-paa->

universitetet-man-lukker-en-diktaturstat-ind-i; in Sweden: <https://www.svt.se/nyheter/lokalt/norrbottnen/luleas-samarbete-med-kina-vacker-kritik>; in Finland: <https://www.hs.fi/kotimaa/art-200006218878.html>; and in Norway: <https://pahoyden.no/kina-konfutse-konfutse-institutt/rapporter-mener-konfutse-instituttene-truer-den-akademiske-friheten/265456>.

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Thematic perspectives on Nordic– Chinese relations





Nordic China Tech summit, Oslo, 24 September 2019, part of Nordic Tech week

Business and entrepreneurship

Magnus Jorem*

Key takeaways:

While Nordic business chambers in China and other key institutions already work together on events, these collaborations can be deepened, for instance with cross-chamber working groups.

The vast size of the Chinese market diminishes the significance of inter-Nordic 'national competition', and few business issues in China are specific to one Nordic country.

Nordic collaboration can make especially good sense in business areas where the 'Nordic brand' resonates with Chinese consumers – for example in the food, design, travel and lifestyle sectors – but further study of the Nordic brand in China is needed.

Nordic business relations with China

CHINA IS OF GROWING IMPORTANCE to the business communities of all five Nordic countries – in many ways. The Nordic countries are all small, open economies, and thus dependent on trade and business cooperation with global growth engines like China. Primary areas include manufacturing, outbound and inbound investments, sales of B2B solutions and, increasingly, sales to Chinese consumers. Beyond the prospect of direct economic gains, deeper penetration into the Chinese market is crucial to scaling up the usage of the sustainable innovations that are a hallmark of the Nordic brand.

Some key trends include:

- **Localization.** The number of Nordic expats stationed in China has drastically decreased in recent years, a trend that is consistent with the general experi-

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ence of foreign companies in China and is mostly due to a much higher rate of business staff localization. As a result, most Nordic companies in China now typically retain only a few Nordic staff in key management roles.

- **Outbound Chinese investments.** While the Chinese government in recent years has put in place new restrictions on outbound investments and capital outflows,¹ China will continue to be an important source of potential investments.²

Despite initial concerns ... the landmark case of Volvo's acquisition by Geely established that Chinese investments can save or create jobs in the Nordic region.

Despite initial concerns, particularly from labour unions, the landmark case of Volvo's acquisition by Geely established that Chinese investments can save or create jobs in the Nordic region.

- **Frontier technologies.** China – which outspends the EU on R&D³ – is rapidly advancing its high-tech capabilities in areas that increasingly will become important for Nordic companies to understand, whether as competitors or collaborators. These include artificial intelligence, big data, genomic sequencing and the Internet of Things.
- **Intellectual property rights.** Intellectual property issues continue to be a central concern for foreign companies operating in China, and the efficacy and impact of new Chinese legislation to combat violations remain ambiguous.⁴ Also, the number of European companies that report unfair technology transfer as a prerequisite for market access continues to be high.⁵ The Made in China 2025 plan has raised further concerns about technology transfer.⁶
- **Rise of the Chinese middle-class consumer.** The spending power of Chinese consumers continues to increase rapidly,⁷ and spending growth is concentrated in e-commerce and tourism. It is crucial that foreign B2C firms stay on top of new Chinese legislation on advertising and e-commerce.⁸

Deepening collaboration between Nordic chambers/business associations

A number of institutions to facilitate business collaboration between specific Nordic countries and China already exist. A non-exhaustive list includes:

- **Investment and trade promotion agencies.** Business Sweden, Business Finland, The Danish Trade Council/Invest in Denmark (governmental), Innovation Centre Denmark (gov.), Innovation Norway (gov.), Invest in Norway (gov.), Promote Iceland.

- **Chambers and business associations.**⁹ Swedish Chamber of Commerce in China,¹⁰ Danish Chamber of Commerce in China,¹¹ Norwegian Business Association China, Finnish Business Council Shanghai, Finnish Business Council Beijing, Promote Iceland.¹² In addition, several associations facilitate networking and collaboration in the Nordic region itself.¹³
- **Free Trade Agreements.** Iceland is the only Nordic country to have a free trade agreement with China, but China is in negotiations with fellow non-EU-member Norway to reach one.¹⁴

The business associations listed above already collaborate, albeit mostly on an event basis. Deepening the institutional teamwork could be imagined for many reasons, not least the regulatory similarities between the Nordic countries. Seeing the region as a whole is already logical from a Chinese perspective.¹⁵

- **Multi-country chamber merger.** Perhaps following the model offered by the BeNeLux countries in China (BenCham), combining national resources could provide a number of benefits, including: greater efficiency;¹⁶ increasing the network's members, both overall but also within specific industries and business areas; and reaching a critical mass whereby the organization has greater influence in China. However, such a merger may be difficult to achieve, due to the institutional configurations required to prevent 'country bias' and the complexity of accommodating the interests of a broader array of corporate stakeholders.
- **Institutionalized collaboration across organizations.** Rather than a merger, Nordic chambers and business associations might consider institutionalizing their collaborations on activities and projects that single chambers would have difficulty accomplishing alone. One such initiative might involve the production of comprehensive, analytical reports on the Chinese business environment and industry-specific innovations that go beyond business confidence surveys or bilateral business overviews.¹⁷ Other collaborations among governmental and private agencies that share the mission of supporting Nordic companies – especially SMEs and startups – might take advantage of existing synergies as they seek to understand and respond to the rapidly developing Chinese business environment.
- **Cross-chamber working groups.** Due to the localization trend, chambers and business associations are transforming themselves into vehicles for engagement between Chinese (and Nordic) managers within such specific issue areas as intellectual property rights, online marketing and supply-chain best practices;

their traditional mission of serving as platforms for networking with fellow expat nationals is becoming less important.¹⁸ Since most of the challenges facing Nordic businesses are not country-specific, such working groups could operate across chambers as they mobilize the issue-specific competencies of a broader array of professionals.

- **Government-initiated Nordic projects.** Another option is for governments and the Nordic Council of Ministers to help launch larger-scale Sino–Nordic initiatives.¹⁹ Along these lines, the Nordic Sustainable Cities Project is already well underway and has been warmly welcomed by participating local Chinese governments.

Nordic competition: an obstacle?

While there will always be competition between individual companies working in the same industry, there is little reason to believe that competition between the ‘national’ business environments would preclude Nordic collaboration on the

The sheer size of the Chinese market makes the notion of inter-Nordic competition there a moot point.

Chinese market. The sheer size of the Chinese market makes the notion of inter-Nordic competition there a moot point.²⁰ Even when it comes to attracting regional headquarters from Chinese

companies, there seems to be relatively little ‘inter-Nordic’ competition. Only a handful of Chinese companies have actually chosen the Nordic region for ‘Northern Europe’ headquarters, a contest that places Nordic options not only in competition with each other, but also with options in Germany and the UK.²¹

The Nordic ‘brand’ in China

Another opportunity is regional branding, rather than national. The Nordic Region (Chinese: 北欧, *Běi Ōu*) is associated with a number of qualities²² that can have an impact on certain sectors in China. Tourism²³ and design²⁴ were the first to seize upon Nordic branding, and a more comprehensive study of Chinese interpretations of the ‘Nordic brand’ could help to identify additional sectors that could benefit from brand-based promotions.

It should be noted that ‘Nordic branding’ can also happen on the single-company level, and does not necessarily entail regional collaboration. For example, the Danish-owned restaurant BOR in Shanghai has deliberately chosen a Nordic word (‘inhabits’) for its name; the Norwegian furniture company Flokk uses ‘Nordic’ to describe its products in China; and Chinese-owned furniture shops sometimes de-

scribe their style as 'Nordic.' Meanwhile, few consumers in China realize that H&M and Jack&Jones are Swedish and Danish, respectively.

Notes

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10. SwedCham has chapters in Beijing and Shanghai. <https://www.swedcham.cn/>.
11. DCCC has three regional chapters: Beijing, Shanghai and South China. <http://dccc.com.cn/>.
12. Promote Iceland is a public-private partnership that promotes trade and competitiveness of Icelandic businesses in foreign markets. <https://www.islandsstofa.is/en/about>.

13. For example, the Danish–Chinese Business Forum. www.dcbf.dk.
14. The actual utility of such FTAs can vary considerably, depending on how they are implemented. See 'Leveraging Sino-Swiss FTA experience and frameworks' in Norway–China Business Report 2018. <http://www.norbachina.com/wp-content/uploads/2018/02/Norway-China%20Business%20Report%202018.pdf>.
15. 'I only see win-win in more Nordic collaboration. It is important to point out that the regulatory environments in the Nordic countries are relatively similar, seen from a Chinese perspective. Also, on a more practical level, we should have more pan-Nordic events and seminars as a means to mobilize even wider participation', said Christian James Olsen, Chairman of Norwegian Business Association China, in a June 2019 phone interview.
16. Chambers can have high fixed costs – e.g., for hiring a General Manager and renting office space – but fluctuating incomes due to variations in numbers of member companies and event attendees.
17. 'Nordic organizations should strive to work together with the European Chamber of Commerce in China on policy lobbying work, while strengthening the Nordic group at the same time. There are those who believe that a combined Nordic chamber would be the answer to this. Another way, however would be to have an organization focused on analysis and coordination in between the embassies, trade councils and chambers, working as an advisory body for and between the Nordic actors', said Mads Vesterager Nielsen, General Manager of the Danish Chamber of Commerce in China's Beijing office, in a June 2019 interview.
18. 'Finnish Business Council Shanghai has localized its activities considerably, as a way to engage Chinese managers. Many of our working group meetings are conducted in Chinese' said Mikko Salmilahti, Chairman of Finnish Business Council Shanghai, in a June 2019 interview.
19. 'At present, sustainability and green energy have been the central focus of joint Nordic promotion in China', writes Karl Guðmundsson, Director, Trade and Export, Promote Iceland, in a July 2019 email.
20. 'Given the differences in scale of opportunities, there really is no major Nordic competition. [...] We are in a 1.4-billion-person market. Sometimes people based in the Nordic region see it differently. They don't always have that perspective. But the longer time you spend in China, the more you realize there is not Nordic competition, but opportunity', said Jaani Heinonen, Director, Invest Advisory Asia Pacific, at Business Sweden, in a June 2019 phone interview.
21. See <https://www.investstockholm.com/globalassets/documents/report---global-companies-with-offices-in-the-nordic-region.pdf>.
22. No proper study of this has been conducted, but in street interviews, people tend to speak of the beautiful scenery, high quality of life, Nordic design, and good welfare

system. See Chinavia's <https://www.youtube.com/watch?v=zX2q1cgHCKw> or Nordic Centre's <https://www.youtube.com/watch?v=ryDQY3v-jHU>.

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Artist's impression of a massive 'forest city' that China is building

Sustainable development

Gørild Heggelund*

Background/introduction

SINCE THE LAUNCH OF CHINA'S REFORM and opening-up policy in the late 1970s and the subsequent introduction of a market economy, China's main priorities have been economic development, poverty alleviation and social stability. The resulting rapid economic growth has lifted 800 million out of poverty¹ and improved nearly every citizen's standard of living. China is now the world's second-largest economy, and the country's emerging political and economic strengths make it a key partner in solving global environmental challenges.

The United Nations' Agenda 2030 and its associated Sustainable Development Goals (SDGs) constitute a global framework for addressing these issues, and China has incorporated the goals of the Agenda 2030 into its 13th Five Year Plan (FYP), 2016–2020. In recent years, China's leadership has stated with increasing clarity that the country's rapid economic growth is not sustainable, as it has brought about serious environmental degradation and increasing emissions of hazardous pollutants. This leadership has declared 'war on environmental pollution'.² More recently, President Xi Jinping announced that 'ecological civilization and beautiful China' would be the overarching framework for China's development.³ Importantly China is signalling that policies intended to address air pollution, climate change, environmental pollution and biodiversity loss are conceived domestically and reflect China's own interests. On this basis, and not in response to external pressure, sustainable development has been lifted to the top of China's political agenda. In 2018, the National People's Congress (NPC) decided to strengthen the environmental ministry, saw its mandate widened and its name changed to Ministry of Ecological Environment (MEE).⁴ MEE took over responsibilities from other governmental entities, such as the climate change portfolio that has been under

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the National Development and Reform Commission (NDRC), including the carbon market (ETS).⁵ Furthermore, China’s support of the Paris Agreement and its role as host of the Convention of Biological Diversity COP15 in Kunming next year illustrate the country’s growing role in global environmental governance.

Existing initiatives and cooperation

Nordic countries and China share an interest in addressing global sustainable development challenges and have long cooperated on different aspects of sustainable development issues. Selected examples of areas of cooperation between the Nordic countries and China are introduced below.

Sustainable development policies development is one area of collaboration. Sweden and Norway, for instance, work together (with a number of other countries) through the China Council for International Cooperation on Environment and Development (CCICED), founded in 1992 as a high-level international advisory body on sustainable development, chaired by the Chinese Vice Premier and with China’s environmental minister serving as Executive Vice-chair. CCICED task forces consisting of international and Chinese experts carry out policy research, and the Council provides recommendations on several sustainable development areas – directly to Chinese policymakers at the highest level.

Energy and climate change. China, the largest global emitter of greenhouse gases, is addressing its carbon emissions to reach its political objectives. The country initiated an energy revolution in 2014 that focuses on increasing the share of non-fossil energy (including renewables) and reducing coal consumption. Air pollution and energy security are important drivers for the transition to cleaner energy, and Nor-

Air pollution and energy security are important drivers for the transition to cleaner energy, and Nordic countries have developed considerable expertise in these areas.

dic countries have developed considerable expertise in these areas. Denmark is working with China on advancing renewable energy and providing support and capacity-building to the China National Renewable Energy Centre (CNREC) in

the Energy Research Institute (ERI) in NDRC. Finland has initiated cooperation with China on pilot projects that focus on clean energy supply, and district heating and cooling solutions, as well as smart and flexible energy solutions and renewable energy solutions. Sweden’s cooperation with China contributes to the phasing out of fluorocarbons and other powerful greenhouse gases through the development of centralized energy systems and other innovations that boost energy efficiency. Norway has worked with China for several years on the development of a national carbon market; this market’s two-year trial period was officially launched Decem-

Figure D: Fluctuations in PM2.5 pollution over China

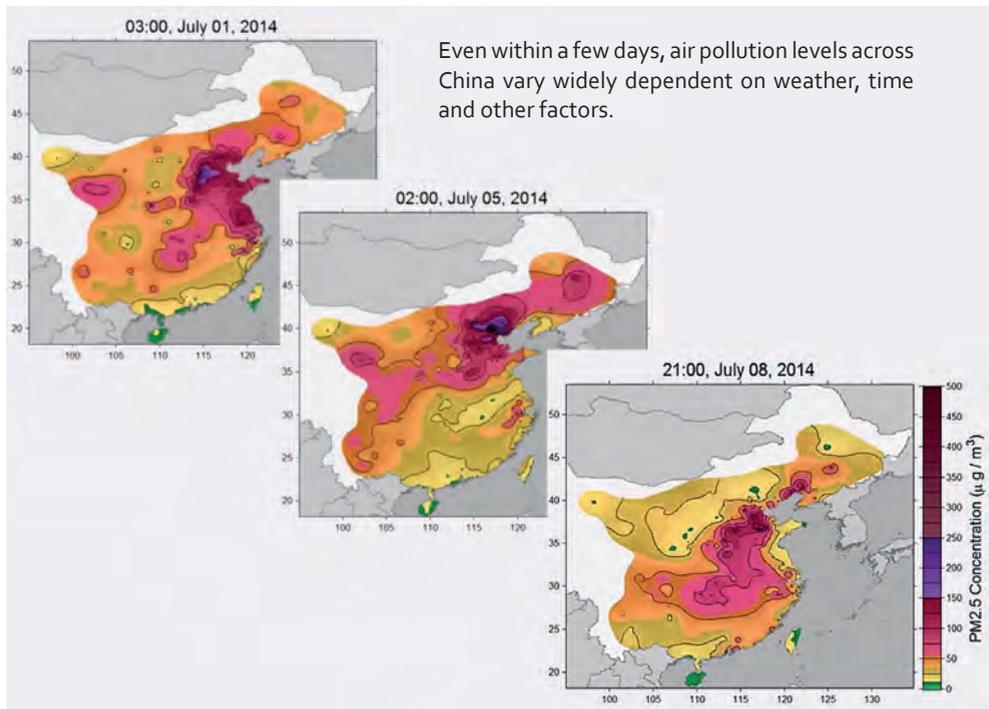


Photo stills from a dynamic map of Chinese pollution levels in April–August 2014, courtesy of Wikipedia

ber 2017, and a trial market for emissions released by power producers is expected to be launched in late 2020.

Chemical pollution. China accounts for 30–40 per cent of global mercury emissions. In 2006, Norway began to support a 10-year project to address mercury pollution. During this period, China’s position on dealing with mercury as an environmental problem underwent a major shift. Not only is the issue placed high on its domestic agenda, but China also became an active player in the negotiations leading to the international Minamata Convention. China also continues to be an active supporter of the Stockholm Convention on persistent organic pollutants, and Sweden has worked with China on the control of chemicals, including the link between chemicals and global sustainability goals.

The Arctic is an increasingly important area of cooperation with China for the Nordic countries. China has in recent years shown growing interest in the Arctic region and launched its Arctic policy in 2018. Research shows that Arctic warming is linked with extreme weather events in China as well as changing precipitation patterns and temperature rise. Platforms of cooperation with Nordic countries

include: Iceland’s annual Arctic Circle conference,⁶ which provides a network of international dialogue and cooperation on the future of the Arctic; Arctic Frontiers in Tromsø, which links policy, business and science for responsible and sustainable

Arctic warming is linked with extreme weather events in China as well as changing precipitation patterns and temperature rise.

development of the Arctic and Chinese official representatives, media/journalists, scholars take part with speeches and presentations; the China–Nordic Arctic Research Cooperation (CNARC) was es-

tablished in 2013 in Shanghai by research institutions in China and the five Nordic countries to strengthen Arctic-related research collaboration between China and Nordic researchers; and the Arctic Council, which admitted China as an observer state in 2013 and functions as a high-level intergovernmental forum for promoting cooperation, coordination and interaction among the Arctic States.

Prospects for enhanced cooperation

The Nordic countries and China share several key perceptions of global development and sustainability, and this is a good foundation for further cooperation. Good bilateral relations with individual countries exist, and China perceives Nordic countries as ‘friendly’ nations and has expressed interest in deepening forms of collaboration.

- **Climate change and biodiversity.** Recent reports on global challenges make cooperation with China even more relevant due to the country’s growing role in and impact on climate change and biodiversity (e.g., the 2018 IPCC Special Report on impacts of global warming, and the 2019 report from the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) on the loss of species and plants). The recently launched Programme for Nordic Co-operation on the Environment and Climate 2019–2024 provides a platform for collaborating with China on international negotiations and follow-up related to international environmental and climate agreements. Nordic countries could engage in initiatives that support China’s carbon mitigation efforts to meet its commitments under the Paris Agreement, such as low-carbon energy development, work towards an ambitious agreement at COP15 of the Convention on Biodiversity in 2020, and identify concrete collaborative initiatives in the years to follow.
- **Climate change and sustainable development.** Despite growing attention to sustainable development, energy continues to be fossil-based, leading to the expected domestic pollution and global emissions consequences. Continuing and

strengthening cooperation in the energy area by the Nordic countries would benefit both the global and Chinese national environments. One key area is the challenging and ongoing power market reforms; the success of the carbon market depends upon the success of reforms in the electricity market. Policy implementation in China is sometimes complicated by the large size of the country, uneven development across provinces, and competing interests and priorities. Thus, to be effective in achieving stated objectives, Nordic collaborative efforts should begin with a deepened understanding of constraints on China's policymaking procedures and institutional system.

- **Arctic collaboration.** With Nordic support, China has expanded its capacity and expertise in mercury research in the past decade, especially as relates to mercury emissions. China's expertise could be relevant for addressing mercury in the Arctic and, in this context, CNARC could be a relevant platform for joint research and the Arctic Council could be a relevant platform for dialogue. Nordic countries could look into the possibility of synergies between the domestic work on mercury in China and mercury challenges in the Arctic.
- **Biodiversity.** As in other countries, biodiversity decline is severe in China, as growth tends to trump conservation concerns. Collaboration on a global deal at the Convention on Biological Diversity COP15, to take place in China in 2020, would be significant. China is also a signatory to the call for action from the 2019 Trondheim Conference on biodiversity. China's Vice Minister of Ecology and Environment (MEE) attended the conference and stated the need to work together to make a 'positive contribution to global biodiversity protection'.

The Nordic countries and China have built a good foundation for work on sustainable issues, which is important because the SDGs cannot be reached without international cooperation. While a major contributor to global environmental challenges, China's potential to help resolve them is also growing. The broader policy and policymaking context in China must be understood as the backdrop for sustainability activities in China.

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Celebrating a 15-year Sino–Nordic partnership at Fudan University

Research and education

Freya Gao*

Background: Sino–Nordic Partnerships in Higher Education

WHILE SINO–NORDIC COLLABORATION takes many forms, the term Sino–Nordic higher-educational partnerships (SNHEP) is used here to address a particular kind of educational partnership. Instead of attracting Chinese students to Nordic universities, SNHEPs are characterized by the Nordic educational providers' movement into China, where they pair up with Chinese universities to establish Sino–Nordic educational programmes or institutions.

After China joined the WTO in 2001, it stated its commitment to the General Agreement on Trade in Services (GATS) and opened its educational market to the world, but foreign institutions may only enter China through forming partnerships and establishing joint programmes or institutions with Chinese institutions. The five Nordic countries have invested differently in the SNHEP over the years. The following table briefly describes the SNHEPs that have been established in China so far.

Table F: Active SNHEPs in China, 2019

Country	Joint Degree Programmes	Joint Institution
Denmark	5	1
Finland	7	1
Iceland	0	0
Norway	1	0
Sweden	8	0

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In addition to 21 degree programmes jointly organized by Chinese and Nordic universities, Denmark has established the Sino–Danish Center (SDC) in Beijing and Finland the Sino–Finnish Center in Shanghai (SFC). These centres not only host

They are ... pivotal hubs that bring universities, industries and government agencies together to create innovative Sino–Nordic projects.

educational programmes and research activities, but also act as diplomatic platforms for the presentation of Danish and Finnish national cultures and national industries to the Chinese public. They are

thus pivotal hubs that bring universities, industries and government agencies together to create innovative Sino–Nordic projects. They are also useful instruments for developing the soft power of Denmark and Finland in China.

The evolution of SNHEPs

Since their establishment a decade ago, both the SDC and the SFC have focused on developing Sino–Danish/Sino–Finnish degree programmes and research collaborations among their partner universities. In contrast, the Nordic Centre in Shanghai was established much earlier (in 1995) and represents a different organizational form and collaborative logic between Nordic and Chinese universities. A brief comparison between the NC and the SDC/SFC shows why and how SNHEPs have evolved in the way they have.

Nordic Centre

The Nordic Centre supports its 26 Nordic member universities/institutions in organizing various activities in China, mostly together with its single Chinese member: Fudan University in Shanghai. It was born in the 1990s, on the initiative of 14 Nordic Universities that wished to deepen their contact, communication and collaboration with Chinese universities. Over the years, both its membership and influence have spread, and it now promotes Nordic countries and universities to China through a variety of courses, conferences, exhibitions, exchange programmes, funding and cultural events.

Interactions between China and the Nordic societies have grown tremendously over the past two decades and the services Nordic Centre provides has also expanded in both range and scale. Ultimately, it provides solutions and seeks to meet every need expressed by its member universities or Nordic government agencies in China. These range from seeking local government approval to host a Nordic Prime Minister’s speech to helping a Nordic student find a Chinese language partner. It operates as a facilitator of Sino–Nordic communication and collaboration, and nothing is too big or too trivial for the NC to deal with.

Sino–Danish Center and Sino–Finnish Centre

As China continued its rise as an economic power and a knowledge producer in the global knowledge economy, it seemed rewarding and even urgent for some Nordic universities and their national governments to develop more direct, intimate and systematic collaborations with China in education and research. As a result, Sino–Nordic collaboration in this area moved from sporadic to frequent contacts, eventually became institutionalized in the forms of the SDC and the SFC. These centres are institutional manifestations of Denmark’s and Finland’s interest in deepening their collaborations with China, not only through the creation of joint educational/research projects, but also through a visual presentation of their national image in the specific, tangible physical space that a joint campus provides in the form of architecture, interior design, and so on.

Nordic outposts

Due to the accumulation of networks between the Nordic and Chinese universities, more and more Nordic universities now interact directly with Chinese universities without using the NC for assistance. Many Nordic universities that have not yet built joint degree programmes or institutions in China have nonetheless set up their own outposts on the campuses of their closest Chinese partner universities. Therefore, the NC’s role as ‘matchmaker’ and ‘introducer’ has diminished. These SNHEPs have been developed within national frameworks and typically do not acknowledge the whole ‘Nordic’ brand. Thus, along with its formerly exclusive ability to serve as ‘matchmaker’ and ‘introducer’, the valuable Nordic brand-projection role once played by the NC has diminished in recent years.

Challenges: volatile environment and weak coordination

Many challenges might restrict further SNHEP development or even pose risks to the continued presence of SNHEPs as they exist today:

- Competition from other western countries is fierce: UK, U.S. and Australian universities have enjoyed a high reputation and great brand effects in China. The market and the Chinese universities favour them, and huge profits have motivated them to expand quickly. For example, the UK has so far established 264 joint programmes and 20 joint institutions in China, and Nordic Universities have difficulty competing with them. Nordic universities offer high-quality education and research, but they are less well known in China.
- Changes in China’s Ministry of Education’s (MOE) policies towards Sino–foreign partnerships are hard to predict, and continuous investment in SNHEPs

carries risks. The MOE has shifted its policies and imposed more and more controls over Sino–foreign partnerships. An increasing proportion of proposals for new joint programmes are not approved, and the MOE is becoming even more demanding as to what kind of foreign education resources they would allow to enter China. And getting approval in setting up joint institutions is almost impossible. It is getting more selective in approving new joint programmes and new restrictions might even turn into an existential crisis for an SNHEP.

- Nordic countries have differed in their vision, strategies and pace of developing collaborations, which has complicated Nordic coordination for optimal Nordic results. To achieve multi-dimensional synergies among the Nordic universities, industries and government agencies in their collaborations with China, the bottom-up activities initiated by random universities working on their own are not adequate.

Recommendations: Strategic Design of SNHEPs for Multi-dimensional Synergy

When compared with other Sino–foreign higher education partnerships, the greatest advantages of the SDC, SFC and Nordic Centre are their motives and organizational forms. They exist because the Nordic countries see great potential in allying with China in the knowledge economy and they sincerely aim to boost Sino–Nordic communication and collaboration in education and research. In contrast, most partnerships set by other countries seek primarily to extract profit from the Chinese education market. The foreign programmes they establish are favoured by the market, but they have the side effect of marginalizing Chinese partners and dodging the task of developing real communication between Chinese and foreign educational ideals and practices. This approach is logical for running a business, but it meshes uncomfortably with the MOE’s plan to mobilize Sino–foreign higher education partnerships that localize and integrate advanced foreign knowledge, pedagogy, and disciplines into the Chinese system.

SNHEPs feature a more equal presence and contribution of partner universities from both sides and aim to achieve integration of the partners as well as innovation in disciplines, curricula and pedagogy. This is possible because Nordic universities have a long tradition of providing education as a free, public good. Therefore, profit-seeking is far from the main of Nordic universities that build SNHEPs. Instead of fully exporting their educational programmes to China for profit, Nordic universities are more inclined to seek the integration of the educational

programmes into the local system, and mobilize the local resources as well. They give their Chinese partners more space to contribute, not only as the local hosts that provide logistic and administrative assistance (as in most Sino-foreign partnerships), but as genuine partners that contribute to the content of the research and education.

In summary, SNHEPs could focus on strengthening the advantages they have over their competitors, which include their aptitude for integration of the high-quality educational resources from both China and Nordic countries in forming knowledge alliances, and the Nordic universities' innovation in developing transnational curricula, pedagogies as well as designing the administrative structures of SNHEPs. This not only leads the MOE to prefer SNHEPs to other Sino-foreign educational partnerships, but it also creates a niche market that might appeal to Chinese students.

What's more, to further enhance the competitive edge of the SNHEPs over other Sino-foreign partnerships, a pan-Nordic mechanism should be established to coordinate all levels of Nordic institutions in and out of China to achieve scale effects and integrated communication. If different Nordic universities and SNHEPs work on their own rather than together, this will increase the competition among themselves and reduce the joint brand effects that could have made the Nordic universities stand out from the whole group of western providers of educational and research resources. Pooling resources such as Nordic teachers, campus facilities, networks or funding would greatly boost the SNHEPs' emphasis on integration and innovation. Institutions like the Nordic Centre should be used not just to push people and institutions into networks and collaborations, but also to achieve multi-dimensional synergy by pulling them towards developmental paths designed together by all the Nordic countries.

If different Nordic universities and SNHEPs work on their own rather than together, this will ... reduce the joint brand effects that could have made the Nordic universities stand out



WeChat uses this image to attract customers

People-to-people relations

Lin Engdahl*

Introduction

THIS CHAPTER GIVES A BRIEF OVERVIEW of how the Chinese public relates to the Nordic countries, with a main focus on lifestyle, culture, tourism and education. It identifies existing and potential interests, collaborative groups and channels that support communication and people-to-people exchanges between the Nordic countries and China.

Nordic Lifestyle: A way of personal expression among Chinese young adults

According to education management professional Lai Xin, a graduate of Finland's Tampere University, 'Nordic lifestyle' today signals 'good and exclusive taste' in cities like Beijing, Shanghai and Chengdu. Young adults who have studied overseas embrace concepts like 'fika' and 'hygge', wear fashion items from Acne and Marimekko, and decorate their apartments with IKEA and Hay. Ms. Lai describes Nordic products as 'a form of personal expression' among young adults.

A student of Icelandic language at Beijing Foreign Studies University (BFSU) describes the interest in Nordic lifestyle as a 'need to see an example of desirable middle-class reality, which the Nordic countries embody.' Interest in Nordic 'reality' also can be seen in a *Xinhua* article on travel trends, which opens with a quote by 25-year old Long Zhijiao: 'My parents are not very much into shopping, so we chose northern Europe instead of popular cities. The Arctic landscape, as well as the local culture and customs, fascinated us.' According to *Xinhua*, the new generation of travellers focuses on cultural experiences, history, 'exotic views' and scenery.¹ Along similar lines, a 2018 report jointly produced by China's largest travel site, *Ctrip.com*, and the China Outbound Tourism Research Institute describes

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Finland, Iceland and the other Nordic countries as main destinations for ‘customized honeymoon tours’. When going to the Nordic Countries, activities such as chasing Northern lights, going to hot springs, skiing and staying at unique places like Finland’s Santa Claus Village are popular among Chinese travellers.

LGBTQ role models in Nordic popular culture

In general, young Chinese associate Nordic societies with openness, gender equality and strong LGBTQ rights. At Fudan University in Shanghai, the student group *Zhiheshe* (知和社), which seeks to provide a safe space for engaging in issues

In general, young Chinese associate Nordic societies with openness, gender equality and strong LGBTQ rights.

related to gender and LGBTQ rights in China, chose the Nordic Centre (NC) for its weekly meetings and activities. Magnus Jorem, the NC program manager, says that ‘Chinese students who take our

Nordic Studies course frequently cite gender equality as the main reason for their interest. Also, cultural exports have led the young generation to associate the Nordics with a liberal approach to sexuality.’²

The Norwegian TV series *Skam* has gained a huge popular following among Chinese teenagers and young adults. The third season, which depicts the relationship between the characters Isaac and Even, has received particularly great attention. In an interview with *Verdens Gang*, 19-year old Ni Tianjing says, ‘*Skam* was much more than just the love between Even and Isaac. The series teaches us about Norway, which Chinese people barely know about. Before, Norway was just mystical to me. Now I feel much closer to the country.’³ That an estimated six million Chinese people have watched *Skam* could be interpreted as a sign of young Chinese adults’ desire to see depictions of gay love and relationships.⁴ Another example is the online social platform *Wanwan* (弯弯字幕组), where a group of students works voluntarily in a ‘subtitle group’, translating Swedish and Norwegian series and films depicting sexual minorities, to make them meaningful to a wider audience and to promote LGBTQ rights in China.

Nordic culture in relation to China

The image of Nordic societies as open and equal may be explained by several authors who were translated into Chinese during the May Fourth movement and feminist debate in 1919. During this time and inspired by Ellen Key, among others, Chinese intellectuals began to argue for marriage based on free will and free love. Henrik Ibsen’s Nora character was also a great source of inspiration during the pe-

riod.⁵ Other well-known Nordic authors in China today are H.C. Andersen, Selma Lagerlöf, and Tove Jansson.

Today, Nordic-related culture and news that gains popularity or goes viral tends to have a quite-strong Chinese connection. From time to time, Nordic artists and independent musicians come to China and receive attention on Weibo and WeChat; other times, Chinese celebrities introduce the Nordic countries to a wider audience.⁶ Early in 2019, actor Liu Haoran posted a video on Weibo of his visit to Iceland and, in response, many fans changed their location information to 'Iceland'. Today, the video has more than 11.9 million views.⁷

Nordic Language and Culture Studies in China

Two universities, BFSU and Hebei Foreign Studies University, offer undergraduate studies in all five Nordic languages: Danish, Finnish, Icelandic, Norwegian and Swedish. Numerous other universities provide minor studies one or a few Nordic languages. Fudan University, for example, has offered Swedish courses for more than ten years. Ai Jing, vice director of Fudan's Multi-Lingual Learning Centre, says that while the courses were set up mainly because Swedish language study was popular among students, the centre's establishment was also motivated by the existence of the NC and the school's Nordic literature research centre. Mastering additional languages could help studies and research, as well as strengthen the cooperation and exchange with Danish universities. In 2015, the university began to offer elective courses in the Danish language.

According to Shen Yunlu, Swedish teacher at Shanghai International Studies University (SISU), the university has already made efforts to expand their course program to include Danish and Norwegian.⁸ The main obstacle is the difficulty of recruiting qualified teachers. There is a shortage of local teachers with knowledge of these languages and literatures, and the university also requires language programs to have at least one native speaking teacher. Teacher salaries in China are very low in relation to wages in the Nordic countries, so SISU and other institutions are dependent on scholarships or other types of financial assistance to recruit foreign teachers.⁹

Forces driving the study of Nordic languages

In China, there is a great focus on the educational institution *per se*; often, *where* students receive their degree from is more important than *what* they study. Based on their university entrance exam scores, many students strategically select undergraduate programs that give them access to the most highly ranked university

possible. In practice, this means that some students enter their studies with limited knowledge of and even interest in the Nordic countries. As one student puts it, when picking a major, 'there was no foresight, I had literally no idea about Iceland and the Nordic countries.' For some students, a Nordic language major is chosen for strategic reasons. Undergraduate programs usually enrol 10–15 students, every fourth year. This means less competition for scholarships, exchanges, jobs, and so on.

Today, many students who have studied in the Nordic countries gather in alumni groups like Noralumni in the cities or on platforms such as WeChat to exchange experiences and receive tips about further studies, work opportunities, and Nordic events in China. Some of these groups are also active in planning and carrying out activities, such as exhibitions and lectures, related to the Nordic countries. These groups can be particularly valuable in conveying a genuine picture of the Nordic countries and a greater public interest.

Conclusions and suggestions

There is already a strong, positive interest in Nordic lifestyle among the middle class in China's big cities. Based on this, there are good opportunities to build in-depth people-to-people exchanges, by:

- Increasing the Nordic presence on Chinese social media platforms, with a focus on topics that specifically connect China with the Nordic region.
- Further supporting collaborations with cultural practitioners in China.
- Increasing the presence of existing Nordic popular culture that explores marginalized topics of interest to young Chinese people by subsidising translations and boosting online presence.
- Raising young people's awareness of the Nordic countries in order to encourage students actively to seek out education programs in Nordic languages at universities.
- Facilitating the recruitment of qualified teachers in Nordic languages, by exchanges or financial contributions to bolster the otherwise unacceptable low wage level available to teachers in China.
- Creating a clearer image of which education opportunities and alumni groups actually exist today, and bringing together teachers and students from different institutions and subjects.¹⁰

Notes

1. Xinhua (2019): 'Across China: A new year for Chinese travelers'. See: Ctrip Customized Travel & COTRI (2018): 'Customized Travels of Chinese Visitors to Europe'.
2. The interest in subjects related to LGBTQ rights and gender equality is also reflected in language classrooms, where students often raise questions about paternal leave, cohabitation arrangements and same-sex marriage.
3. Hilde Sandvær & Bjørn Haugan (2017): 'Skam' tar av i Kina', *Verdens Gang*.
4. Same-sex relations are not illegal in China, but homosexuality is a semi-sensitive subject. It is rarely discussed in public and invisible in popular culture.
5. See Amy D. Dooling (2005): *Women's Literary Feminism in Twentieth-Century China*, Palgrave Macmillan.
6. Due to the Great Firewall of China, local variations apply to Facebook, Instagram, Youtube and Twitter. Today, Weibo, and WeChat are the main platforms in acquisition of news, recommendations and information about local events.
7. The visit was to shoot a commercial for the skincare brand Kiehl's.
8. The strong interest in studies in Nordic languages is also found at basic levels. For example, at Yangjing Shiyuan Xiaoxue, a low and middle school in Shanghai, 30 students study Swedish language.
9. The problem of finding qualified teachers sometimes also forces institutions to shut down courses and programs. Between 2008 and 2012, the Communication University of China in Beijing offered a Swedish major. However, the program was shut down mainly because of the problem of recruiting qualified teachers.
10. Students who have come into contact with an individual Nordic language and culture usually have an interest in learning more about the region as such.



From a promotion for Danish Deacon Homes

Welfare solutions

Stein Kuhnle*

Introduction

THE NORDIC EXPERIENCE OF SOCIAL POLICY DEVELOPMENT has attracted substantial international interest in recent years. The catchword 'The Nordic Model' is widely understood and Nordic welfare solutions have contributed to high scores on a number of global comparisons concerning well-being, quality of life, poverty reduction, distributions of income and economic development. However, challenges to Chinese incorporation of elements of the model abound. Developing a **Nordic-Chinese Social Policy Dialogue** between the Nordic countries and China can *in general* be of mutual benefit and can *specifically* help address opportunities and challenges in China in its current phase of development. The dialogue should involve scholars, PhD students, policymakers and policy-implementers.

Background: Globalizing welfare

More and more states are introducing different kinds of social security, social protection and welfare policies. Some emerging economies have initiated social policy innovations during the last 20 years, such as conditional cash transfer programs that spread from Brazil and Mexico to other Latin American countries, and from there to the continents of Africa and Asia. In line with its historically unprecedented period of rapid and strong economic growth since 1980, China has accelerated the development of social policies for both urban and rural areas and is continuously looking for ways to further develop its social policies and social governance.

For historical political, economic and cultural reasons, different kinds of welfare states or 'welfare regimes' exist in the world (Castles et al., eds, 2010). There are many roads to welfare. Welfare states come in different shapes and sizes. Many scholars, politicians, media and international organizations, have long regarded the Nordic countries as sharing one specific type of welfare state, but

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under varying labels: the Scandinavian model, the social-democratic model and the Nordic (welfare) model. Let us use ‘the Nordic model’ for short. This ‘model’ is by many observers regarded as relatively successful if important goals include e.g., income equality, poverty reduction, a well-functioning economy, high living standards, mechanisms for peaceful conflict resolution, and social and political stability (World Economic Forum, 2011; *The Economist*, 2013). The Nordic welfare experience may thus be of interest to the rest of the world, and especially to countries in which governments and people tend to share these goals.

Nordic welfare solutions

According to Pedersen & Kuhnle (2017), key characteristics of the Nordic model are:

- the active, *core role of the state and local government* for the provision of both cash benefits and benefits in-kind. The role of the contemporary local government and central state manifests itself in extensive public services and public employment, largely financed through general taxes.
- the *principle of universal social rights* guarantees the whole population or entire relevant categories of the population access and entitlement to benefits of various kinds.
- the *value of equality*. Redistribution by the state results, among other things, in comparatively equal distribution of income and little poverty, however measured.

All of these characteristics represent principles and institutions of social policies which, although they have developed over a century or more, can serve as examples for other nations and in this sense – independently of how they developed historically – can be ‘transferable’. A further characteristic of the Nordic model can be identified, namely the form of political governance, which may also have

Nordic welfare solutions can clearly be of relevance beyond the rather unique Nordic form of political governance.

shaped the evolution of the first three mentioned characteristics. The political systems of the Nordic countries are characterized by both formal procedures for decision-making through competitive elections, multi-party contests, parliamentary representation and government, and ‘informal’ involvement, which since WWII has become institutionalized in the form of trade unions and employers’ associations in a triangular relationship with the government.

The egalitarian nature of modern Nordic societies, with low wage dispersion and universal social policies, can be understood as a consequence of what we can

call '*consensual governance*'. This system of governance has probably also been important for the political legitimacy of social policies and reforms, and for overall political and social stability, which can generally be considered a widely supported political aim. Nordic *welfare solutions* can clearly be of relevance beyond the rather unique Nordic form of political governance. Social policy objectives of the Nordic countries can serve as an inspiration for other countries, and most probably also be achieved through alternative forms of social and political governance. Several lessons from the relatively successful Nordic welfare development experience have already attracted attention in China.

Common welfare challenges

Dynamic social, economic, political and technological developments in the world represent challenges for all kinds of welfare states and 'models'. Both the 'Nordic model' and 'socialism with Chinese characteristics' may have been given new meanings by 2030 or 2050. Many of today's welfare solutions may be reformed, modified or discarded, and the need for welfare policy innovations may move upwards on the political agenda. Challenges pertain to changes in the labour market, family structures, demographic trends, work–life balance, technology, migration patterns, economic and political globalization, climate conditions, and the basis for financing welfare.

Current initiatives/mechanisms of collaboration

The past five years have seen a blossoming of Nordic-funded research initiatives, projects and Sino–Nordic welfare networks, including completed as well as still active projects and still-developing networks (Wang, 2019). Topics covered include values and attitudes, poverty policies, policies related to demographic changes (ageing; increasing sex ratio), gender relations, labour standards, social security, public health issues, and welfare issues broadly understood. However, few of these initiatives focus specifically on the institutional level, and this perspective might be strengthened through a Nordic–Chinese Social Policy Dialogue.

Proposals for future cooperation

We thus propose the establishment of a program for a **Nordic–Chinese Social Policy Dialogue** as a tool for policy evaluation and mutual learning. The Nordic countries and China, although on different bases, face a number of similar challenges of social protection/security/welfare related to demographic change, migration, changing labour markets, changing family structures and patterns, improvement of work–

life balance, gender (in)equality, social inequality, and social consequences of technological change. The dialogue should involve established scholars, PhD students and practitioners such as policymakers and policy-implementers. Dialogue aimed at bridging theory and practice can take several forms, e.g., workshops, educational courses, conferences, site visits, exchange of experts, and more. NordForsk and/or the Nordic Council of Ministers might fund a program where scholars and institutions from the Nordic countries and China are invited to propose a 3- or 5-year Nordic–Chinese Social Policy Dialogue project. One or several ‘dialogues’ can be imagined for either general or specific ‘welfare topics’. Proposals must involve at least three Chinese institutions and institutions from at least three Nordic countries. Depending upon resources available, the program could support joint research activities, PhD courses and workshops, and mobility of researchers, experts and practitioners.

It could be noted that the Danish–Chinese University Center in Beijing¹ offers a platform for developing collaboration with its program for public management and social development. The Nordic Centre at Fudan University² might also serve as a platform, as it has extensive experience as an organizational hub for many initiatives of Sino–Nordic cooperation and networking, including a crucial and successful role for activities of the Sino–Nordic Welfare Research Network (SNoW, see below). SNoW has a track record, is well known in the Chinese social policy community and holds the expertise on welfare and social policy topics on both the Nordic and Chinese side. The Institute of Sociology, Chinese Academy of Social Sciences,³ is one of several Chinese institutions that has expressed interest in working with SNoW, has already co-organized several activities (conferences, workshops, publications), and could potentially become a partner for developing an institutionalized social policy dialogue. One could also imagine a coordinating role for NIAS, perhaps in collaboration with the Nordic Centre.

Appendix: Short project description of the Sino–Nordic Welfare Research Network (SNoW)

SNoW’s institutional predecessors were the Nordic Centre of Excellence and the Nordic Welfare State – Historical Foundations and Future Challenges (NordWel).⁴ SNoW itself was established under the NordWel umbrella in 2010 and received funding from NordForsk⁵ during 2011–2013 and from the Nordic Council of Ministers⁶ for the years 2013–2015 as one of six thematically different research networks to strengthen Sino–Nordic research collaboration and competence-building, and the Nordic Centre at Fudan University, Shanghai. In 2016 the University of Bergen provided basic funding for administrative services at the Nordic Centre at Fudan.

Based on Nordic and Chinese networking, collaboration was originally initiated to compile the book *The Nordic Welfare State*, edited by Stein Kuhnle (University of Bergen), Chen Yinzhong (Fudan University), Klaus Petersen (University of Southern Denmark) and Pauli Kettunen (University of Helsinki), and published in Chinese by Fudan University Press in 2010. (A slightly modified Japanese edition was published in Tokyo in 2017). Another 'SNoW'-book was published in 2014, in English and Chinese: *Reshaping welfare institutions in China and the Nordic countries*, edited by Pauli Kettunen, Stein Kuhnle and Yuan Ren. SNoW-activities have included publications, PhD-courses, workshops, conferences, newsletter, and also joint activities with the Chinese Academy of Social Sciences, Beijing. Scholars and PhD students from more than 30 institutions in the Nordic countries and China (and some other countries) have participated in various activities. SNoW is still active, with scholars from a number of Nordic and Chinese universities/research institutions as member of steering groups, but funding of current network activities relies on ad-hoc sources; see: <https://www.uib.no/en/snow>.

Notes

1. See <http://sdc.university/>.
2. See <http://www.nordiccentre.net/>.
3. See <http://www.cs-en.cass.cn/>.
4. This SNoW precursor was financed by NordForsk for the period 2007–2013, and directed by Pauli Kettunen, University of Helsinki, and Klaus Petersen, University of Southern Denmark. <http://blogs.helsinki.fi/nord-wel/>.
5. NordForsk <https://www.nordforsk.org/en>.
6. Nordic Council of Ministers <https://www.norden.org/en>.

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Until recently, Xuelong was the only Chinese icebreaking research ship in service

China Nordic Arctic Research Center

Egill Þór Niélsson*

Introduction

THE CHINA–NORDIC ARCTIC RESEARCH CENTER (CNARC) was established in Shanghai on 10 December 2013 by four Chinese and six Nordic member institutes. What began in 2011 as a bilateral China–Icelandic Arctic Science Seminar was soon transformed into a broader Sino–Nordic collaborative platform on the basis of a Memorandum of Understanding on Chinese–Icelandic Research Cooperation on Arctic Issues between the Polar Research Institute of China and The Icelandic Centre for Research signed in August 2012. Today, CNARC is an international consortium of 18 members – eight Chinese and ten Nordic – with four more pending applications from Nordic member institutes and the Arctic Research Centre at Umeå University (Arcum) participating actively since 2016, first on behalf of the Swedish Polar Research Secretariat (see Table G). The CNARC secretariat is hosted at the Polar Research Institute of China (PRIC) in Shanghai. CNARC’s stated purpose is to provide a platform for academic cooperation to increase awareness, understanding and knowledge of the Arctic and its global impact, as well as to promote cooperation for the sustainable development of the Nordic Arctic¹ and coherent development of China in a global context.²

The operation of CNARC

The main activities of the China–Nordic Arctic Research Center (CNARC) include:

- China–Nordic Arctic Cooperation Symposium
- CNARC Fellowship / Internship Program
- Information sharing and cultural exchange in the Arctic context
- Joint research projects

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Arctic Symposia

The first CNARC Cooperation Symposium, in Shanghai in June 2013, was held by PRIC in cooperation with Rannís under the theme of ‘China–Nordic Cooperation for Sustainable Development in the Arctic: Human Activity and Environmental Change’. Since then, this annual symposium has rotated between a Chinese and a Nordic host. Each of the seven symposia to date has attracted around 100 researchers, policymakers, NGOs and stakeholders from indigenous communities, industry and civil society. The concluding part of each symposium is a roundtable on Nordic–China economic and cultural cooperation; past themes have included Arctic shipping and tourism. The Cooperation Symposium has been hosted in Shanghai (three times), Dalian, Akureyri, Iceland, Roavaniemi, Finland, and Tromsø, Norway under a diverse set of themes that have in common the focus of sustainability in the Arctic region.³

The outcomes of these meetings and the two China–Iceland Arctic Science Symposia that preceded them, in 2011 and 2012, are significant. They are a testbed for new ideas, as proposals first introduced at the symposia have created spinoffs

Table G: China–Nordic Arctic Research Center member institutes

NORDIC†	CHINESE†
Icelandic Centre for Research (PRIC, co-initiator of CNARC)	Polar Research Institute of China (host of secretariat and initiator of CNARC)
Norwegian Polar Institute (NPI)	Shanghai Institutes for International Studies (SIIS)
Fridtjof Nansen Institute (FNI–Norway)	Tongji University
Arctic Centre, University of Lapland (Finland)	Ocean University of China
Nordic Institute of Asian Studies (NIAS)	Shanghai Jiao Tong University (2014)
Swedish Polar Research Secretariat (SPRS)	Dalian Maritime University (2016)
Arctic University of Norway, UiT (Norway –2016)	Shanghai Ocean University (2018)
University of Akureyri (Iceland – 2017)	South China Business College (2018)
Umeå University - Arcum (Sweden, represented SPRS at CNARC since 2016)	
Nord University (Norway – 2018)	
<i>Four pending Nordic applicants (status in December 2019)</i>	
Aarhus University	
University of Copenhagen	
The University of Iceland	
Helsinki University	

† Founding member, unless year of admission is stated.

such as the CIAO. And, beyond scientific impact, these spinoffs will also have a socio-economic impact. The dialogue between participants has led to an increased understanding of different political and economic cultures and an awareness of a fluid and reconstructed Arctic identity.

Fellowship / Internship Program

CNARC has sponsored 21 fellowships for Nordic and Chinese scholars to conduct research at leading Nordic and Chinese research institutes. The CNARC secretariat has also hosted four international interns to date. The fellowship programme has assisted in building up contacts between Nordic and Chinese research through people-to-people exchanges that have strengthened research projects and partnerships among CNARC members. The programme also has the intended benefit of facilitating original research that supports CNARC's research themes: Arctic climate change and its impacts; Arctic resources, shipping and economic cooperation; and Arctic policy and legal studies.

Information sharing and cultural exchange / Joint Research Projects

CNARC has facilitated information sharing and cultural exchange between Chinese and Nordic partners, including Shanghai-based Arctic diplomat meetings, fostering partnerships between institutes within CNARC and assisting with other Arctic-related seminars and visits to Shanghai by, for example, ministers from Nordic countries to China. CNARC's first book, *Sino-Nordic Arctic Cooperation: Objectives and Approaches*, was published in December 2018 and launched at CNARC's five-year anniversary in Shanghai. The book was published in Chinese with a target audience of Chinese researchers, policymakers, businesspeople and members of the general public that have an interest in the Nordic countries, Arctic affairs and their relevance to China, filling a literature gap in Chinese on the Nordic Arctic. An English-language version of the book is underway. The CNARC Roundtable is another example of CNARC's role in outreach and dissemination to increase awareness of Arctic affairs with Chinese stakeholders and to generate connections with potential Nordic partners (see Table H).

The broader context of CNARC

CNARC builds on the tradition of Arctic cooperation, bringing knowledge to action and bridging cutting-edge scientific research with high-level policymakers and industry leaders for empirical and fact-based decision making for mutual benefit. CNARC aims to provide an ideal venue for this positive Arctic tradition, generating innovative policy advice for improved governance that benefits Arctic inhabitants

Table H: CNARC Roundtable themes

1	June 2013	Shanghai, China	Establishing CNARC
2	June 2014	Reykjavik, Iceland	China–Iceland Arctic Economic Roundtable
3	May 2015	Shanghai, China	Cooperation Towards Operational Use of the Arctic Sea Routes
4	June 2016	Rovaniemi, Finland	Arctic Sustainable Tourism
5	May 2017	Dalian, China	Arctic Shipping and Port Cities
6	May 2018	Tromsø, Norway	Arctic Fisheries – from the Ocean to the Market
7	May 2018	Shanghai, China	The CNARC Roundtable 2019 was incorporated into the Arctic Circle China Forum, which was held back-to-back with the CNARC Symposium

and, as Arctic issues that were once considered local in nature are understood as affecting human lives around the world. Building on CNARC’s goals, an important milestone was reached in May 2017 when CNARC was mentioned in the ‘Joint Press Release Strengthening Sino–Nordic Cooperation’ between the PRC Ministry of Foreign Affairs and the Nordic Council of Ministers: ‘... The two sides will leverage existing cooperation and platforms such as the Sino–Nordic Arctic Cooperation Symposium, and further explore possibilities for exchanges.’⁴ Further progress was made in 2018, as CNARC was included in the Nordic Council of Ministers Arctic Cooperation Program 2018–2021,⁵ and supported as a platform for promoting international exchange and cooperation in China’s Arctic Policy White Paper.⁶

Lessons learned

Starting a new international and cross-cultural initiative such as the CNARC comes with complexities and, as the first China-based Arctic initiative of its kind, there are many lessons to be learned. Through cooperation between all parties, challenges have been overcome and produced a valuable new platform for academic exchange, information sharing and dialogue with policymakers and businesspeople where relevant issues are discussed openly. Specific lessons learnt include:

- Cooperation through the CNARC proved to be a valuable way to build up a ‘track 2’ mechanism, in addition to the more immediate goals of establishing trust and mutual understanding on Arctic affairs by advancing both social and natural science research.
- The CNARC secretariat – hosted by the Polar Research Institute of China and in close cooperation with other Chinese member institutes, including the Shanghai Institutes for International Studies – has been highly useful for implementing projects and supporting initiatives that have been of regional

Nordic relevance without interfering with national priorities of each Nordic nation and its specific relations with Chinese counter partners on Arctic issues.

- The CNARC model of joint Nordic collaboration has proved to be effective at focusing the attention of leading Chinese actors.
- In order for this joint research collaboration initiative to work, CNARC has had to identify where it can add value and thereby play a role as a complementary aspect to many ongoing bilateral collaborations.
- The largely informal setting and knowledge-based approach of CNARC to Arctic affairs have been assets in building a valuable China–Nordic Arctic network that still remains largely decentralized and is mainly a platform.
- Scientific findings that require a great deal of competence to generate have been shown to have great value for policymakers and businesspeople.
- Arctic affairs require long-term commitments and vision in order to enhance mutual understanding of a topic of global significance that is moving towards sustainable and peaceful practices. Similarly, an initiative such as the CNARC needs time, patience and effort from all parties in order to establish a foundation for work that can be of value to all stakeholders.

From a Nordic perspective, the biggest contribution of the CNARC to date is arguably China's increased understanding of Nordic Arctic issues, as reflected by their accommodation within China's Arctic Policy White Paper.

Notes

1. A term used to cover the whole Nordic region as Arctic actors, i.e., the five Nordic Countries and the three autonomous territories of Greenland, the Faroe Islands, and Åland.
2. For further information on the aims of CNARC, see: <https://cnarc.info/images/documents/terms-of-reference/cnarc.info-organization-CNARC-Terms-of-Reference-2016-version.pdf>.
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Country-specific perspectives on Nordic–Chinese relations





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Pudong district, Shanghai, where several Nordic companies have their Chinese headquarters

A Chinese perspective

Chunrong Liu*

Introduction

IN NOVEMBER 2015, A GROUP of young entrepreneurs, scholars and business representatives from China and the Nordic countries gathered in Yiwu, Zhejiang province, for the Sino–Nordic Young Champions Forum. The forum, with a focus on innovation and entrepreneurship, is the first of its kind. Following the conference, a ‘Sino–Nordic Friendship Tree’ was planted to symbolize the relationship between the two regions.

While China and the five Nordic countries are enjoying an enduring diplomatic and trade partnership, the forum and the planted tree invite a new imagination of China–Nordic cooperation. Increasingly, China views regional multilateralism as a dimension of its Nordic engagement.

President Xi Jinping’s opened up a new avenue during his visit to Finland in April 2017, as he maintained that ‘sub-regional cooperation is a useful complement to China–Europe relations’, and ‘the close ties between China and Nordic countries will be a contributing factor to European prosperity and China–Europe relations.’¹

On 25 May 2017, China’s Ministry of Foreign Affairs (MFA) and the Nordic Council of Ministers (NCM) agreed to strengthen their partnership by developing new initiatives that will advance cooperation in five carefully planned thematic areas: business and entrepreneurship, sustainable development, science, research and education, people-to-people exchanges and welfare solutions.

China’s deepening and long-term interest in the Nordic can also be felt in the contents of its first Arctic policy white paper, released in January 2018. The Arctic is a region where Europe, Asia and North America meet and where climate

Increasingly, China views regional multilateralism as a dimension of its Nordic engagement.

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change is occurring at an accelerating pace. China claims legitimate interests and rights to engage in arctic research, navigation, and economic activities, due to its status, size and proximity to the Arctic. As an observer of the Arctic Council since 2013, China has been increasingly active in its multilateral engagement with the region. China’s vision to boost connectivity, sustainable economic development and meaningful social development in the Arctic region is likely to generate new dynamics to China–Nordic cooperation.

What then are the drivers of China’s Nordic policy orientation? How can new Sino–Nordic cooperation take shape? In this brief, I analyse the international and

China’s aspiration [for Sino–Nordic cooperation] is a response to the increasing global relevance of the Nordic region and the evolving political realities of the EU.

domestic contexts of China’s emerging approach of Nordic engagement. I contend that China’s aspiration is a response to the increasing global relevance of the Nordic region and the evolving political realities of the EU. The initiative is also

pragmatically informed by its domestic development agenda and is expected to enrich bilateral partnerships with the Nordic countries. As these partnerships are already well-established, the new Nordic cooperation can be viewed as an ‘icing on the cake’ project. Given the overlapping economic interests, different geopolitical positions and web of international institutional affiliations among the five Nordic partners, one may expect the cooperation to be co-created at the local and regional level and thoughtfully organized in a bottom-up, issue-based approach. In this process, Nordic regional institutions should be able to facilitate a positive spillover effect.

Contextualizing China’s Nordic Aspirations

The geographical position of the Nordic region has historically made it a ground of political games. However, the five Nordic countries have a lot more to offer. This unusual European region is characterized by shared value and norms, strong economic competitiveness, unique social contract, high level of human development and extensive regional cooperation. Since the global financial crisis in 2008, the world is increasingly turning to the Nordics as ‘the next supermodel’ due to its remarkable social and economic resilience.² In recent years, through the Nordic cooperation bodies, systematic branding efforts have been introduced to promote the Nordic solutions to global challenges, leading to a phenomenal ‘Nordic Renaissance’.³

A dynamic and globalized Nordic region is open to this kind of renewed interest in ‘group treatment’. In May 2016, President Obama hosted a U.S.–Nordic

Leaders' Summit in Washington. With three of the five Nordic nations as NATO members and Sweden and Finland as close alliance partners of the US, the summit exhibited the special geopolitical importance of the region to the US. It also recognized the leading influence of Nordic countries in civil rights, humanitarian issues and sustainability solutions.⁴ In April 2018, an Indian–Nordic summit was held in Stockholm. In addition to the discussion of global security issues, the five Nordic Prime Ministers joined the Prime Minister of India Narendra Modi and envisioned 'a strong partnership' to 'spur innovations, economic growth, sustainable solutions and mutually beneficial trade and investments.'⁵

In the wake of the Eurozone crisis and the 'Brexit' challenge, while China has reaffirmed its strategic partnership with the EU, its recent diplomatic and economic initiatives have been increasingly decentralized and diverse. In this context, many China analysts envision a nuanced China–Europe relationship that is promoted simultaneously along three dimensions: member state, sub-region and Union.⁶ This is probably best manifested in the '17+1' mechanism (formerly '16+1'), a sub-regional platform that explicitly targets 17 Central and Eastern European Countries (CEEC) including both EU members and non-EU states.⁷ A cluster of bilateral and multilateral initiatives have been taken in the '17+1' context, notably in trade, investment, transportation networks and industry capacity.

China's new Nordic cooperation is further informed by its experiences with Asian regionalism and community-building since the early 1990s. The Greater Mekong Sub-Region Economic Cooperation Program (GMS-ECP) is one of the earliest and most effective sub-regional cooperation programs that China has been involved in. On 12 November 2015, China initiated the Lancang-Mekong Cooperation (LMC) as another flagship program. These sub-regional engagements enrich larger-scale cooperative arrangements like the ASEAN–China Free Trade Area. Similar mechanisms have been established with other regional institutions, including the African Union and the Community of Latin American and Caribbean States (CELAC). From a Chinese perspective, sub-regional cooperation has proven to be an effective approach both to building trust and confidence from below and to narrowing the developing gap.

The agenda of China's sub-regional cooperation in the Nordic region, however, would be very different from the 17+1 mechanism or China's other sub-regional collaborative arrangements. The Nordic region is highly developed and has much to offer China, including green growth technologies, environmental knowhow and welfare solutions. The cooperation agenda can thus be mapped in terms of Nordic advantage and China's needs. China sees the Nordic region as a global partner, a sounding board and a gateway to technology and knowhow. As such, it provides

China with an opportunity to reconfirm its core interests and improve perceptions of China on the global stage.⁸

Domestic factors matter as well. China is at a critical juncture in its quest to achieve a moderately prosperous society in all aspects. Its massive urbanization and the aging of its population during the transition to high-quality growth have combined to generate enormous governance challenges as well as opportunities for international cooperation. The five designated thematic areas in the MFA–

NCM proposal for Sino–Nordic cooperation clearly demonstrate that both sides understand each other’s priorities. Enhanced partnership in business innovation, social protection, green technology and sustainability will help China to

The five designated thematic areas in the MFA–NCM proposal for Sino–Nordic cooperation clearly demonstrate that both sides understand each other’s priorities.

develop more balanced economies and more inclusive, harmonious societies.

China’s new Nordic engagement, which is characterized by multilateralism and practical common interests, arguably goes beyond traditional ‘balance of power’ logic. It exhibits what Brantly Womack has called ‘logic of relationship’, which differs greatly from the ‘logic of appropriateness’ with reference to the EU’s normative power. In the logic of relationship, reciprocity matters: both sides feel that they are better off if the relationship is reinforced and continues to grow. This makes the minimum meaning of ‘mutual benefit’.⁹

From Small Steps to Big Gains

How can the potential embedded in the MFA–NCM agreement be tapped? To what extent can China’s new Nordic engagement be organically organized in the regional context?

Despite robust regional integration, the Nordic region is not homogenous. Differences in geopolitical position and international affiliations are significant. Nordic countries are also competitors in the international market and are generally comfortable with nationalist sentiment. More often than not, they believe that individual countries can better promote national interests through bilateral ties. Furthermore, the region’s EU members, Denmark, Sweden and Finland, must also take their EU commitments into account when developing new forms of cooperation with China. Indeed, China’s regional clustering initiatives in Central and Eastern Europe have already aroused a ‘divide-and-conquer’ suspicion in Brussels.

In addition, there are profound cultural and normative differences between China and the Nordic countries. The Nordic countries value participatory democ-

racy, gender equality, efficiency, transparency and good governance, broadly defined. Similar values and norms have been claimed and practised by China, but through culturally and institutionally different articulations and practices. These practices are frequently misrepresented and misunderstood by the media, which exacerbates China's challenge of communicating its intentions.

All these factors would have to be carefully weighed in order to get the road-map right. To begin with, while top-down policy planning matters, so do small steps on the ground. Essentially, promoting collective partnership on issues such as welfare and sustainability solutions invites multiple actors to engage proactively with one another to create new, local opportunities to cooperate in a bottom-up and issue-based manner.

A good example is the Nordic edge China project. In 2019, more than one hundred politicians, Smart City professionals and representatives from private businesses in Norway, Sweden, Denmark, Finland and Iceland travelled

Essentially, promoting collective partnership on issues such as welfare and sustainability solutions invites multiple actors to engage proactively with one another

to Beijing to exchange Smart City perspectives and experiences with Chinese authorities and private companies.¹⁰ The project boasts an ambitious international Smart City knowledge exchange between two distinct regions.

Equally inspiring experiences can be found in the area of research and education. As a case in point, the Fudan Nordic Centre was initiated in 1995 as a joint project between Fudan University and 14 universities from Denmark, Finland, Norway and Sweden. Over time, it has grown into an established, 26-university platform that seeks to develop research and educational activities of mutual interest to Nordic and Chinese scholars.¹¹ The China–Nordic Arctic Research Center (CNARC) offers an additional case of a developing China–Nordic knowledge platform (see page 59). Pioneering Nordic synergies in international Arctic cooperation, CNARC has become highly visible in recent years, including conferences that have attracted intensive media and scholarly interest.¹²

The 2017 NCM–MFA agreement has outlined a visionary framework to encourage practical, thematic cooperation. As China claims that its regional cooperation initiative seeks to enrich China's strategic partnership with the EU, the new pan-Nordic engagement is essentially an added-value project that is intended to complement the bilateral relationships between China and the Nordic countries, instead of replacing or undermining them. This engagement is expected to increase trade flows, green partnerships, knowledge exchange and people-to-people relationships, and to benefit all the stakeholders in both regions.

Looking ahead, practical cooperation that is already underway is expected to open up the possibility for Nordic actors to reconceptualize their multilateral relations with China – a set of relationships that are transactional, but also cultural and political. In the long run, decentralized, pragmatic cooperation can pave ways for strategic dialogue among policymakers. This would help stimulate Nordic regional integration, which in turn would enable the NCM to play a bigger role in coordinating high-level policy dialogues with China. In other words, China–Nordic cooperation needs to be depoliticized in this early stage, so as to accommodate bottom-up initiatives, but a political dimension and associated institution-building would eventually become a functional necessity. This is the way to accumulate small steps into big gains, and to make cooperation more nuanced and sustainable.

Notes

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11. The platform features two affiliated members, including NIAS - Nordic Institute of Asian Studies. See <http://www.nordiccentre.net/members>.
12. See for example the 2018 Arctic Circle Assembly in Reykjavik <https://www.uarctic.org/calendar/2018-arctic-circle-assembly/> and the 2019 Arctic Frontiers Conference in Tromsø <https://www.arcticfrontiers.com/>.



credit: Jens Schott Knudsen

Dannebrog over Tiananmen Square

A Danish perspective

Clemens Stubbe Østergaard*

Overview of bilateral relations

IN SPITE OF THEIR COMMON EXPERIENCES and geopolitical position, the perspectives and national priorities of Nordic countries differ in some ways. Danish perspectives towards China–Nordic cooperation could perhaps be summarized as follows.

Denmark has had a more ambitious China policy than other Nordic and EU states, and has closer ties to China than all other Nordic countries. Building on a long and reasonably stable relationship, we have tried to maintain its importance to both sides. This relationship took a major step forward with a comprehensive partnership agreement in 2008. More recently, the Joint Work Programme 2017–2020 covers a wealth of items in 58 concrete joint cooperation areas involving 80 Chinese and Danish state institutions.

We tend to stress such Danish business strengths as green technology, energy efficiency, health care, pharmaceutical drugs, food and agricultural products, design and logistical services. We also stress scientific cooperation and student exchanges, as well as cooperation around sports, vocational education, culture, arts and tourism. Sustainability and quality of life are key concepts, leading to cooperation in the field of environment and climate protection, and in the regulation of quality in food and health and workplace safety. Cooperation around welfare and health systems is also stressed.

Bilateral trade has been on the rise, and we welcome Chinese investments in Denmark and a further opening of China's service sector to Nordic capital, for instance in finance, education and elder-care. But we also take part in coordinating activities related to the Belt and Road

Denmark is a very globalized country. It has a strong interest in maritime security and remains a strong supporter of multilateralism China shares this focus.

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Initiative's infrastructure plans, including being a founder member of the Asian Infrastructure Investment Bank. Denmark is a very globalized country. It has a strong interest in maritime security and remains a strong supporter of multilateralism, including the maintenance and upgrading of the United Nations and other Bretton Woods institutions. China shares this focus.

China is an important political contact and dialogue partner for Denmark, because it is such a central actor in global institutional frameworks. Both countries share a concern for global governance, including conflict-avoidance and con-

Denmark may well also be able to serve as a neutral third party in the growing Sino–US split.

flict-reduction, as well as the defence of free trade and the WTO. Denmark may well also be able to serve as a neutral third party in the growing Sino–US split.

In terms of development cooperation, we have a common interest in Africa's future; perhaps there is an unexplored synergy in combining Danish expertise and capacity-building projects in Africa with China's ready capital for infrastructure building.

The view from Denmark is that '5+1' cooperation must be viewed as supplemental to strong bilateral and EU–China relations. There are also unresolved questions regarding cooperation around the Arctic and Greenland. Denmark ought to be very interested in promoting Chinese investments in Greenland – the Greenlandic authorities certainly are – but the Danish government is held back by considerations of growing US feelings of insecurity.

Nordic values as a common denominator

While the Nordic countries to a certain degree have different perspectives and priorities, a bundle of unifying factors could perhaps be subsumed under the rubric of Nordic values.

The countries agree on the importance of the rule of law, fairness, justice and equality – including equality among nations, big or small. The right to education, social and economic rights, and freedom of expression are core concerns, as is an enlightened view of gender relations. This leads to a stress on human security and social welfare policies, where the broader shoulders are supposed to carry the greater weight, thus emphasizing a progressive taxation system. Transparency is important both in government and in business, and so is fighting corruption, for instance through an ombudsman institution.

Regarding political systems, there is perhaps a growing awareness that elections are not the be-all and end-all of democracy, but that active political partici-

pation – of many kinds and at many levels – is important. So is a functioning civil society.

Towards nature, there is a high consciousness of the circular economy and the importance of efficient resource utilization, with a view to non-wasteful and sustainable living. This involves a new type of urbanization and green, smart cities. Attitudes toward climate change are generally closely linked to the need for action. There is also a stress on keeping access to nature open to all, i.e., beaches, forests and other commons, as well as upholding standards of treatment of animals.

In international politics, the Nordic countries generally stress dialogue, compromise and diplomatic conflict resolution, rather than resorting to armed might. Free trade and globalization are worth defending, and this demands redistributive policies as domestic effects of global forces become more apparent. Globalization has been helpful to many emergent economies, but produces losers at the national level. Also, it has not been sufficiently inclusive, for instance leaving out many of the world's landlocked economies. Nordic values are generally inclusive, leading for instance to a positive attitude towards Chinese and Asian involvement in the polar regions.

Drivers of Sino–Nordic cooperation

As with all international cooperation, Sino–Nordic sub-regional contacts must find the necessary drivers for take-off. These driving forces can be of many kinds. (There may actually be a general trend towards (sub)regionalism, in which case it will become important to have platforms for cooperation between the larger regions.)

'FOMO' – fear of missing out – should be an important driver on the Nordic side, since the world's centre of economic gravity is moving closer and closer to China, as described particularly well by *The Economist* (27 October 2018). China accounts for 45% of global GDP growth since 2008. Its Belt and Road Initiative is also an important driver, and making sure that it connects up with the Nordic countries is not a trivial issue. We are at its margins. The Arctic route is relevant in this connection, and Finland and Iceland could be important.

China's size also means that it makes sense for the Nordic countries to pool their efforts, for instance in public diplomacy, in order to gain sufficient visibility and impact. This goes both ways: on the Chinese side, one driver is undoubtedly

China's size also means that it makes sense for the Nordic countries to pool their efforts ... in order to gain sufficient visibility and impact.

the need for simplification. Talking to five somewhat similar countries as one saves bureaucratic and leadership effort at a time when relations with 70+ BRI countries are taxing the capacity of China's Ministry of Foreign Affairs and its summitry. This means that sub-regional cooperation is a way to get more attention from Beijing; see e.g., the experience of the Visegrad countries since 2012.

Research communities on both sides are eager to cooperate, because each has areas of state-of-the-art research, close to the frontiers of science. Nordic innovation in a broad sense is very interesting to China, including the head start we have in sustainability and smart cities. But we can also begin to learn from China, in a reciprocal manner, in the many areas of science where they are now leading. Cultural fields are driven by an interest in learning from the other side's unique strengths, whether Nordic design or Chinese film, literature or music.

At the people-to-people level, individuals are pursuing their interests via mass tourism, which can also benefit from sub-regional cooperation. Regional governments and cities find it easy to relate and work together at sub-national levels and this could well benefit from cooperation on the Nordic side, given that Chinese sub-national units are often very large.

There is a clear Chinese interest in Nordic experiences in governance, including transparency and anti-corruption, but also in specific Nordic solutions to salient policy issues. For the Nordic countries, China can be an ally in defending multilateralism as the primary way to resolve global problems, including UN peacekeeping. Fairness and justice in global governance are mutual goals and thus drivers for cooperation, and this means *inter alia* updating multilateral institutions to better reflect the growing weight of emerging economies, which now account for 60 per cent of global GDP.

Challenges to Sino–Nordic cooperation

It is evident that 5+1 cooperation faces challenges. There are intra-Nordic differences in attitudes to China, with Sweden and Denmark as outliers. The understanding of China by Nordic populations is generally poor: too few young Nordics are studying Chinese, too few people are engaged in research on contemporary China, and negative perceptions of China are on the rise, made worse by the effects on public opinion of reduced liberalism and hardening of human rights policies in China. Can all the countries muster sufficient political trust to be seen as a political unit?

The US would like to see less cooperation of any kind between European countries and China. There is a new political reality in Europe and, noticing China's new interest in sub-regional cooperation with Europe's periphery, the EU in Brus-

sels may also be suspicious about descriptions of the 5+1 as Europe's 'Northern Anchor'. The challenge will be to see this cooperation as a pushing forward of an emerging and comprehensive China–EU strategic partnership.

There are also practical challenges. National foreign ministries may regard increased Sino–Nordic cooperation as competition or circumvention, and the Nordic Council of Ministers has a challenge in building up institutional capacity for external cooperation, finding funds and staff for a secretariat and so on. Can the national governments be convinced, and can large business corporations in the Nordic countries be sufficiently interested to provide vital support?

Challenges can be overcome, and it is to be hoped that they will be in this case. The task of building a viable platform for Nordic–China cooperation is extremely important, and those charged with it must closely consider all the positive and negative factors, going ahead. They must also find creative ways to handle the obstacles in the way of success.



Lumi, a giant panda at Ähtäri Zoo, central Finland

A Finnish perspective

Riitta Kosonen*

Sino–Finnish cooperation: the big picture

THE HISTORY OF SINO–FINNISH RELATIONS dates back to the year 1950, when Finland established diplomatic relations with the People’s Republic of China alongside Denmark and Sweden.¹ These relations are actively maintained by frequent high-level visits between the two countries. For example, the President of Finland, Mr. Sauli Niinistö, was the first Western head of state to meet Xi Jinping after his ascension as President of the People’s Republic of China in 2013.²

The government-to-government agreements that form the backbone of Sino–Finnish relations have generally been driven by China’s interest in Finnish knowhow and Finnish companies’ interest in the potential of the Chinese market. An important example of a long-standing Sino–Finnish cooperation project derived from Finnish knowhow is in the field of the rule of law, which has helped inspire the Chinese side for the past 20 years.³ Another example of cooperation based on the strengths of Finnish society is the Sino–Finnish Learning Garden, an educational platform for cooperation initiated by the Finnish and Chinese ministries of education in 2015. The platform aims to promote synergies among various projects and actors involved in Sino–Finland educational cooperation.⁴ Additional recent fields of cooperation include winter sports and the film industry. The former is motivated by the fact that China will host the 2022 Winter Olympics in Beijing, and the latter by the huge potential of the Chinese film market.⁵

Another important area of Sino–Finnish cooperation concerns Finnish know-how on sustainable energy production, intellectual and flexible energy solutions, and use of renewable energy. Four Finnish–Chinese pilot projects were launched in these fields during the official visit of the President of Finland to China in January 2019. In addition to boosting Finnish exports within these green tech areas, Fin-

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land is actively attracting Chinese investments to Finland in fields of new innovative production, including biofuel production from timber in Kemi and textile fibre production from pulp. The increasing importance of Finland as a trade partner was celebrated with 'panda diplomacy' in 2018, when China rented two pandas to a Finnish zoo.

In the field of business cooperation, a Committee for Innovative Business was established in Spring 2018, on the initiative of President Xi. Finnish and Chinese enterprises are committee members, and the first working group is focusing on

In addition to the inter-governmental level, Finnish and Chinese cities and provinces also cooperate actively.

new clean and renewable energy solutions. Working groups in maritime logistics, clean tech, industrial innovation and forestry are planned.⁶

In addition to the inter-governmental level, Finnish and Chinese cities and provinces also cooperate actively. Most cooperation takes place in the fields of business and industry, education and culture. Focus areas of business and industrial cooperation include environment, biotech, energy, clean tech, information and communication tech (ICT), and tourism.⁷ In August 2018, a network comprising Finland's 21 largest cities established a working group for China cooperation. The first areas to be promoted include tourism, winter sports and sustainable development.⁸

Zooming in: Sino–Finnish cooperation in research and education

The primary area of Sino–Finnish collaboration concerns research and education. Most Finnish universities and research institutes have at least some research on China and Chinese affairs, as well as China-related courses in their educational programs. Finnish universities have established Sino–Finnish research and education centres in both countries. In Finland, the University of Helsinki, in collaboration with Renmin University since 2007, hosts a Confucius Institute that promotes Chinese language learning and knowledge of Chinese culture.⁹ A decade later, the University of Vaasa and the CAS Institute of Science and Development established a joint Sino–Finnish Institute that aims to become a Nordic node in the fields of research, education and policy advice related to innovation and entrepreneurship policies, technology and innovation strategy, as well as smart and sustainable energy transition.¹⁰ As to Finnish universities' research and education networks in China, a well-established example is the Finnish–China Law Center, a research institute that coordinates and develops research and education on Chinese law and legal culture. The Center's membership includes nine leading Finnish universities and the University of Helsinki hosts its secretariat.¹¹

In China in 2009, the Sino–Finnish Environmental Research Centre at Nanjing University became the first distance campus of a Finnish university. The aim of the Centre is to combine research, education and enterprise cooperation in the fields of forestry, energy and the environment.¹² One year later, Aalto University established an innovation platform called the Tongji-Aalto Design Factory, later the Tongji University Sino–Finnish Centre, at Shanghai’s Tongji University. In 2012, cooperation with Tongji University was extended with the establishment of the College of Design and Innovation.¹³ And in 2016, the University of Eastern Finland and Fudan University established a joint centre that focuses on interdisciplinary research and education on child welfare and child protection.¹⁴

The Sino–Finnish Learning Innovation Joint Institute (JoLii), established in 2015, is a key component and operational body of the government-level agreement Sino–Finnish Learning Garden. Comprising nine Finnish universities and several Chinese universities and coordinated by Beijing Normal University and University of Helsinki, JoLii’s six centres focus on various dimensions of learning, including education research, education ICT and teacher training.¹⁵

On the Nordic level, the University of Lapland’s Arctic Centre is a member of the China–Nordic Research Center, established in Shanghai in 2013. Also, the Nordic Centre at Fudan University, founded in 1995, currently has six member universities from Finland.¹⁶

Education on China is also provided by the Finnish University Network for Asian Studies, which was established in 1996 and has provided e-learning courses on Asia since 1999. The Network’s goal is to complement and strengthen teaching, doctoral education and expert activities on Asia at the Network’s member universities.¹⁷

Finally, Sino–Finnish research-related cooperation also extends into the funding arena. Hence, the Finnish national research funding agency, the Academy of Finland, bilateral cooperation agreements with three research funding agencies in China. It has organized several thematic joint calls with these partners in research fields such as computational science, law, environmental issues and medical research.¹⁸

Potential challenges to Sino–Finnish relations

The Arctic and other geopolitical questions pose challenges to Finnish–Chinese relations. While China’s geopolitical interests as a ‘Near Arctic State’ are not clear, there is no doubt that China is diversifying its economic activity in Finland in order to be more strongly present in fora with Arctic agendas. Planned Arctic transport corridors in particular have been met with opposition and regional unrest among

Finnish stakeholders. China's geopolitical interests are seen to be linked not with military issues, but rather with geo-economic interests related to its B&R Initiative. For example, the planned railroad connection from Finland to the Arctic Sea via Lapland has evoked opposition among the Finnish Sami people, as the route would cross traditional reindeer herding areas. The Arctic railroad project is linked with the tunnel project between Helsinki and Tallin, and these two new infrastructural links would transform Finland into a North–South corridor from the Arctic Sea to Central Europe. Chinese investors have shown great interest in financing the tunnel project.

The number of Chinese tourists to Finland has grown three-fold over the past ten years, and they are among the biggest-spending tourist groups. This has resulted in new Chinese investments in the Finnish tourism business and infrastructure, which in turn has caused speculation on the use of Huawei equipment for the purposes of Chinese national intelligence.

More generally, shifting geopolitical dynamics may make cooperation in certain fields more difficult. The main example so far is Arctic cooperation, given the great interest of all major players, including China, in its resources and its potential as a transportation route.

Strengths and opportunities

The areas chosen for Sino–Finnish cooperation reflect Nordic values and Finnish national priorities in many ways. There is great interest and need in China for knowhow and expertise gained during the building and maintaining of Nordic societal and welfare systems, as is reflected in both well-established and recently established cooperation projects related to the rule of law and education, as well as child protection and winter sports. On the other hand, current Sino–Finnish cooperation also illustrates the need to solve global societal challenges, including environmental issues such as clean energy transition.

The different layers of Sino–Finnish cooperation – from national governments, to provinces and cities, to organizations – are mutually supportive, as demonstrated for example by the importance of the rule of law in Sino–Finnish governmental cooperation and the research emphasis in Finnish universities on Chinese law. Similarly, the Sino–Finnish Learning Garden education cooperation platform and its operationalization into concrete projects is an example of effective coordination of cooperative endeavours.

Another of Finland's key strengths in cooperating with China has been in Helsinki's politically neutral position, which has enabled continuing cooperation on

sensitive topics such as the rule of law, which some have suggested China gives more attention to in theory than in practice.

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Thousands of Chinese tourists come to view the Northern Lights every year

An Icelandic perspective

Þorsteinn Gunnarsson and Egill Þór Níelsson*

Introduction

ICELAND AND CHINA HAVE STRENGTHENED their cooperation in recent years, as Iceland became the first European country to sign a Free Trade Agreement (FTA) with China in 2013. Iceland was furthermore the first Nordic country to sign a Framework Agreement with China on Arctic Cooperation in 2012. Based on the Framework Agreement, Iceland–China cooperation has in some respects led to a unique development in Arctic science cooperation between an Arctic State and a non-Arctic State.

Iceland's national priorities

Iceland places great emphasis on increased international collaboration in science, innovation and education, increased mobility of researchers, and effective international cooperation around research infrastructures.¹ As one example of the implementation of these priorities, the Icelandic Centre for Research (Rannís) has hosted the Secretariat of the International Arctic Science Committee (IASC) in Akureyri since 2017.

Within the Arctic region, Iceland has welcomed the involvement of non-Arctic countries that have the capacity to contribute to Arctic cooperation. Thus, Iceland supported China's admission as an observer to the Arctic Council at the Kiruna Ministerial Meeting in May 2013.²

On the occasion of signing the FTA in April 2013, the 'Joint Statement between the Government of the People's Republic of China and the Government of Iceland on Comprehensively Deepening Bilateral Cooperation' reviewed the 'development of their friendly relations and cooperation in the political, economic, cultural,

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education, science, technology, marine, tourism and other fields.³ The two sides agreed to further enhance exchanges and practical co-operation on 'Arctic, marine, geothermal, geo-scientific, environment protection, climate change and other issues', with a special focus on two fields that have been central to Iceland–China relations – Arctic and geothermal cooperation – based on previous agreements and Memorandums of Understanding (MoU). The latter mentioned pillar, geothermal cooperation, has led to reduction of over 5 million tons of CO₂ emissions in Chinese cities with 328 heat centrals across 40 cities/counties in China and over 500 wells drilled.⁴ Furthermore, the joint statement between the two governments proposed to 'expand co-operation on labour issues, and in culture, education, tourism and other fields, and facilitate people-to-people contacts and exchanges'.⁵

Driving forces for research cooperation

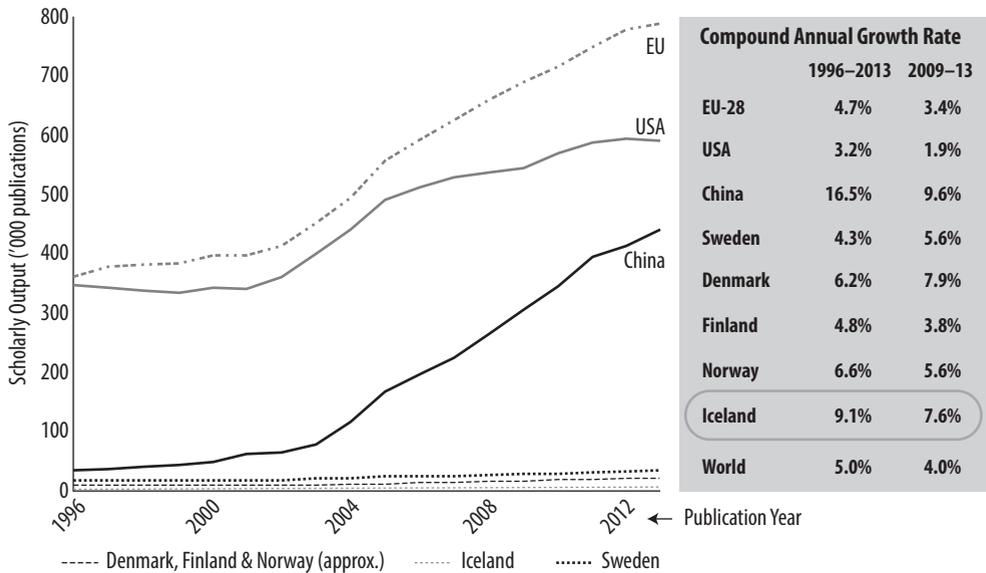
For a small state such as Iceland, international cooperation in research is of vital importance. This cooperation is instrumental in providing access to new knowledge and research infrastructure, and in presenting learning/training opportunities. Similar principles apply to Iceland's economy, as it is very much reliant on open international markets and the rule of law.

Both Icelandic and Chinese scientists have seen a steep increase of international publications since the turn of the millennia, with Iceland taking the lead in international scientific co-publications per capita amongst the Nordic countries.⁶ Chinese scientists are steadily increasing their share of publications in international science, with a growth rate of 16.5% from 1996–2013 (see Figure E), and China is becoming an increasingly important partner in international scientific cooperation.

These developments also apply to Arctic science cooperation, where China and Iceland have seen a steep increase in international cooperation during the past decade. In August 2011, a Chinese Scientific Delegation from State Oceanic Administration (SOA) and the Polar Research Institute of China (PRIC) visited Iceland to promote cooperation in the field of Arctic science. On this occasion, the first China–Iceland workshop on Arctic research cooperation was held in Reykjavik. In this workshop, various ideas for future cooperation were discussed such as cooperation in the field of Aurora research, social sciences and the continuation of joint scientific symposia.

The Framework Agreement on Arctic Cooperation was signed by the two governments in April 2012 during an official visit by the former Premier of China, Wen Jiabao, to Iceland. An MoU in the field of marine and polar science and technology between the Icelandic Ministry for Foreign Affairs and SOA, signed on the same occasion (Embassy of the People's Republic of China in the Republic of Iceland,

Figure E: Scientific publication trends



2012), led to the visit of China’s icebreaker, *R/V Xuelong* (aka *Snow Dragon*), to Iceland in August 2012 at the invitation of the Government of Iceland.⁷

This was *Xuelong’s* first official visit to an Arctic state and the first time a Chinese-flagged vessel crossed the Arctic Ocean, arriving via the North East Passage and returning via the Transpolar Passage (TPP). *Xuelong’s* expedition showcased to some extent the TPP’s future viability as the shortest shipping route between East Asia and North Europe. Two Icelandic scientists participated in the *Xuelong* expedition.

On the occasion of *Xuelong’s* visit, during the second China–Iceland Arctic Symposium, two MoU were signed, on (1) Scientific Cooperation on a Joint China–Iceland Aurora Observatory between Science Institute, University of Iceland and PRIC; and on (2) Chinese–Icelandic Research Cooperation on Arctic Issues between PRIC and Rannís.

China–Iceland Arctic Science Observatory

The original arrangement for a joint China–Iceland Aurora Observatory has been expanded into a broader concept of the China–Iceland Arctic Science Observatory (CIAO), which is a cooperative scientific effort between Icelandic and Chinese research institutions. This cooperation aims first to further the scientific understanding

of solar–terrestrial interaction and space weather through polar upper atmosphere observations, such as auroras, geomagnetic field variations, and second to present these findings to the public. However, there are also plans to expand into Arctic meteorology, oceanography, ecology, climate science, and more. All observation data will be made available and open to the international scientific community.

The land of Kárhóll, where CIAO is based in the Northeast of Iceland, is owned by a local non-profit organization named Aurora Observatory, which provides necessary land, facilities and operational services for CIAO. PRIC leases the land and housing facilities for the operations of CIAO. The official opening of CIAO took place in October 2018, while scientific observations had started two years earlier. There are further plans to establish a guest centre at CIAO for educational purposes, scientific outreach and tourism.

Economic Cooperation

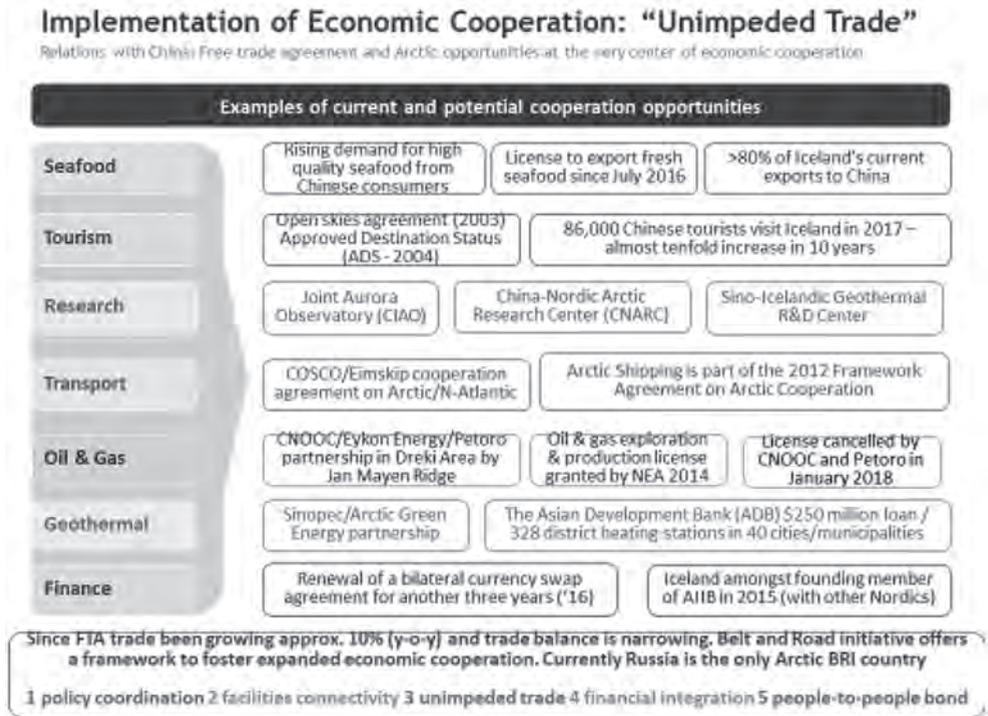
A Free Trade Agreement between the two countries was signed in 2013 and entered into force on 1 July 2014.⁸ Bilateral trade has risen in recent years, approximately doubling in size from 2010 to 2015, and China is now Iceland's largest Asian trading partner, overtaking even Japan as Iceland's largest Asian export market in 2017.⁹ Since the ratification of a Free Trade Agreement in 2014, bilateral trade has seen an average annual growth of 20.64%, increasing from \$401 million in 2014 to \$712 million in 2018. Meanwhile, investments have not seen compatible growth, with only one Chinese foreign direct investment currently active in Iceland.¹⁰

According to Figure F, current and potential opportunities for economic cooperation include fisheries, tourism, transport, geothermal energy and finance, as well as research. The figure shows that 86,000 Chinese tourists visited Iceland in 2017, which is an almost ten-fold increase in 10 years.¹¹ Furthermore, Iceland's Minister for Foreign Affairs underlined that Iceland is following closely and with an open mind the development of the China-led Belt and Road Initiative, focusing on the 'Polar Silk Road'.¹² However, the Icelandic government has so far not made a decision on whether to sign an MoU on the Belt and Road Initiative, as proposed by China.¹³ Yet, China's Ambassador to Iceland has been a strong proponent for expanding Iceland–China relations under the Belt and Road Initiative within six major fields: 'connectivity, business and trade, green development, innovation industries, third-party market and people-to-people exchanges'.¹⁴

Conclusions

China–Iceland relations have increased steadily in the past few years, especially in terms of trade of goods, tourism visits and scientific cooperation. In China–Ice-

Figure F: Economic cooperation



Source: Níelsson 2018b.

landic research cooperation, many challenges have been acknowledged and most have been overcome. The main challenges are related to cultural differences and language barriers. Some practical challenges are linked to the different organization of political systems, financial systems, and currency fluctuations, and so on. For the cooperating partners, the transformation of these challenges into opportunities has been most gratifying. Overall, cooperation has benefited from merging the strengths of each partner into mutually beneficial projects that allow all participants to gain further understanding of each other and build up international competencies within fields such as Arctic affairs and geothermal energy utilization.

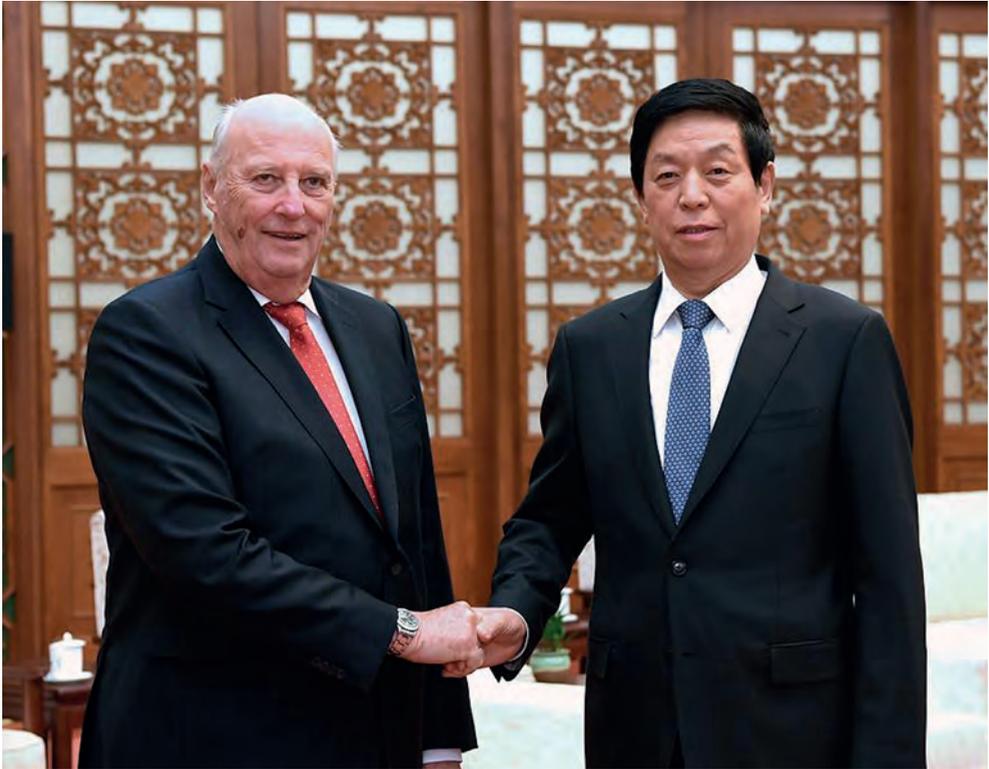
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King Harald V of Norway greeted by Parliamentary President Li Zhanshu at the Great Hall of the People, Beijing, 2018

A Norwegian perspective

Hans Jørgen Gåsemyr*

NORWAY–CHINA RELATIONS RETURNED to a steady track in late 2016, after the end of a six-year political freeze that followed the awarding of the 2010 Nobel Peace Prize to a Chinese dissident. With its open and trade-oriented economy, NATO membership, non-membership of the EU, and status as an Arctic power, and with national borders touching Sweden, Finland and Russia, Norway provides an interesting window into evolving relations between China and the Nordic region. To offer perspective, this brief starts by outlining Norway–China relations before discussing Nordic–China cooperation.

Norway–China Relations

Norway was among the first Western countries to recognize the People's Republic of China, formalizing diplomatic relations in 1954. Since China's opening up and economic reforms in the late 1970s, Norway–China relations have expanded and remained focused on economic opportunities, cultural exchanges and cooperation in education and research.

Two considerable bumps have interrupted an otherwise steady evolution of ties. One was in 1989, when the Norwegian Nobel Committee awarded the Peace Prize to the Dalai Lama. The second bump, also Nobel Peace Prize-related, appeared when Liu Xiaobo was selected as the 2010 laureate. China has never been willing to see the Norwegian Nobel Committee as wholly separate from Norwegian politics or governmental affairs. It was six long years before Norway and China were able to reach an agreement on normalizing political relations, which involved the formulation of a joint statement in which Norway expressed understanding of Chinese concerns and interests.¹

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Today, the bilateral relationship is back on a positive track, which in Norway's case means steady and constructive relations, but does not resemble the 'strategic partnership' China has established with Denmark, nor necessarily entail the same 'new-type cooperative partnership' China has developed with Finland. That said, Norway–China ties are evolving and expanding, and economics remains the foremost focal point.

Norway has a trade deficit with China, but the overall import–export dynamic is relatively complementary. Norway is also among the European countries that have attracted substantial Chinese investments.² The Chinese telecom company Huawei delivered a substantial proportion Norway's 4G network, but the extent to which Huawei may be able to deliver services for a 5G network – an issue that cannot be seen in isolation from broader European and American considerations – is currently unclear. Both the Norwegian Police Security Service and the Norwegian Intelligence Service have called for more precautions in regard to China-related actors and activities.³ Nonetheless, overall attitudes concerning Norway–China economic interactions are quite positive. Norway has shown tempered interest in the Belt and Road Initiative (BRI), welcoming Chinese contributions in regional and international development and encouraging Norwegian companies to consider relevant opportunities, but the Norwegian government has not signed any formal memorandums nor joined the BRI-related green development coalition.⁴

Politically, both countries have worked actively to rebuild and energize relations during the period following normalization. Norway arranged a state visit to China, led by the King of Norway, in Autumn 2018, and Li Zhanshu, head of the Chinese National People's Congress (and among the top seven leaders in the Communist Party) visited Norway in Spring 2019. Besides economic issues, there have been particularly active political exchanges in relation to environmental and energy issues, winter sports, global and developmental issues, the Arctic, and research and education. The most formal arena for government-level discussions is the political consultation mechanism, established following normalization, while the earlier human rights dialogue was terminated in 2010.

Bilateral activity within research and education is dynamic, with significant resources invested over the last couple of years. Ministry-level agreements, signed in 2017 and 2018, list a number of prioritized areas within the natural sciences and technology, such as climate change, polar and maritime research, and digitalization, some of which are being further specified and resourced in joint funding calls.⁵ Climate change, some of which relates closely to Arctic and polar issues, is a particularly active field, and the Nansen-Zhu International Research Centre, involving several Norwegian and Chinese institutions, is a prominent example of

a sizeable, longer-term collaboration. Academic exchanges around welfare and social security research are also frequent and regular. Both the University of Oslo, with its Centre for Human Rights, and the University of Bergen collaborate with Chinese counterparts within human rights and legal education. Norway has one Confucius Institute, operating in agreement with the University of Bergen and the Western Norway University of Applied Sciences. Overall, China-related research within Norwegian institutions is growing. In the cultural field, winter sports are garnering more Norway–China cooperation, which is set to increase leading up to Beijing hosting the 2022 Winter Olympics.

Considering Nordic–China Cooperation

Norway is an active participant in Nordic networks and collaborations. Norway promotes the strengthening of these ties,⁶ and, in the period of the Norway–China political freeze, these ties were particularly valuable for sharing views on China-related developments. A strong feature of Nordic relations has always been its informal and typically bottom-up interaction.⁷ Moreover, being a NATO member yet standing outside of the EU, Norway both adds insights to and gains diplomatic resources from the close relations among the five Nordic countries. Moreover, Norway participated in the joint visit arranged for several Nordic and Baltic parliament leaders to China in early 2018. However, seen from the outside, it is easy to overstate the political significance of intra-Nordic ties, particularly when it comes to foreign policy. This is also true of Nordic interests in joint China-related activities.

Although a '5+1' collaborative platform between China and the Nordic states has never been formally proposed, the Chinese have clearly been 'feeling the stones' in hopes of streamlining its diplomacy related to this region. Nordic responses have been moderate, but some forms of Nordic–China collaboration are regarded – and also seen from Norway – as having both merit and potential, and have been discussed at political levels. China-related cooperation was on the agenda when the Nordic prime ministers met in Bergen in Spring 2017 against the backdrop of a related Nordic Council of Ministers' study.⁸

It is within research and education that joint Nordic–China cooperation is currently the most dynamic. This is no coincidence. The Nordic Centre at Fudan University was founded already back in 1995, at a time when overall academic ties between Europe and China were limited. In pragmatic terms, the Nordic countries share commonalities that are attractive to China. For one, all the Nordic states are Arctic powers, with strong competencies in technology and resource management that cater to the northern climate. The establishment of the China–Nordic

Arctic Research Centre in 2013, with regular conferences arranged since, illustrates mutual interests. Four of the centre’s ten Nordic members are Norwegian.⁹ Furthermore, Norway expressed early support for China’s observer status in the Arctic Council, as did the other Nordics.

Another Nordic commonality is the countries’ extensive welfare state systems, which, though different, are often collectively referred to as ‘the Nordic model.’ Nordic and Chinese social security scholars have collaborated for years, and many have been active in the Sino–Nordic Welfare Research Network, established in 2010 and coordinated from the University of Bergen.¹⁰ A third example of lasting Nordic–China collaborative dynamics in research environments is the Sino–Nordic ThinkTank Roundtable forum, an annual gathering of international affairs experts, most recently in Chengdu, China.

There are additional examples of joint Nordic–China activities supported by Norwegian actors, both governmental and non-governmental. In business, the recently established Nordic Innovation House in Hong Kong also serves interests related to southern China.¹¹ The Nordic Business Forum Shanghai was arranged in 2016, in which the BI Norwegian Business School played a lead role.¹² Lastly, a Nordic Design and Innovation Week has been arranged several times in Shanghai, in association with Nordic consulates in the city.

Based on the examples outlined above and considering general Norwegian foreign policy and the strong Nordic non-governmental interaction, there is both experience to draw upon and documented interest in exploring new avenues for joint Nordic activity in, with and towards China. However, there are also very clear limitations.¹³

there is no interest, from a Norwegian perspective, in replacing or substituting activities or institutions that are currently national and bilateral in nature with something jointly Nordic.

Firstly, there is no interest, from a Norwegian perspective, in replacing or substituting activities or institutions that are currently national and bilateral in nature with something jointly Nordic. Second and relatedly, joint activity must

have clear added value for the interests and institutions involved. Finally, joint Nordic–China activities have the most potential to bloom and grow outside the directly political arena.

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11. Info about their services available here: <https://www.nordicinnovationhouse.com/hongkong>.
12. Info about the forum available here: <https://www.bi.edu/about-bi/news/2016/09/nordic-business-forum-shanghai/>.
13. For more elaborate discussion of some possibilities and limitations, see Bjørnar Sverdrup-Thygeson and Jerker Hellstöm (2017): 'Introduction: Quintet Out of Tune? China's Bilateral Relations with the Nordic States' and Ulf Sverdrup and Marc Lanteigne (2017) 'Conclusion: Sino-Nordic Sub-Regional Diplomacy and the '5+1' Model', both in Bjørnar Sverdrup-Thygeson, Wrenn Yennie Lindgren and Marc Lanteigne (eds.), *China and Nordic Diplomacy*, Abingdon: Routledge.



courtesy China Out 2019

Volvo, a very successful case of cooperation that benefits both sides

A Swedish perspective

Lars Vargö*

The history of Swedish–Chinese relations

IN 1732, THE SWEDISH EAST ASIA COMPANY (Ostindiska Compagniet) was founded and was very active in trading with China until the early nineteenth century. The company was careful to follow Chinese laws and regulations, and it never engaged in the destructive opium trade. During its most active period, the company completed 129 trade expeditions to China, one of which famously ended in a catastrophe. The ship 'Götheborg', first launched in 1738, sank in 1745 just a few miles outside the Swedish port city of Gothenburg, with a full shipment of attractive merchandise from Guangzhou. In 2006, the Swedish king accompanied a replica of this ship on an official visit to Guangzhou, thus underscoring the long and mostly successful history of bilateral relations that Sweden and China have enjoyed.

Sweden and China first established diplomatic relations in 1907, when the Swedish diplomatic envoy in Japan, Gustaf Oscar Wallenberg, was accredited to Beijing. In 1920, a permanent representative was appointed head of the Swedish diplomatic mission, first in Beijing but moved to Shanghai in 1933 due to political conditions. After the People's Republic of China was established on 1 October 1949, Sweden moved quickly to recognize the new government, already in January 1950, together with Denmark, Norway and Finland. On 9 May 1950, Sweden and China agreed to exchange permanent ambassadors, making Sweden the first country in the West to also establish formal diplomatic relations. Denmark followed just a few days later, and Finland after a few months.

In the early 20th century, China's rich history and culture attracted interest not only among the Swedish people, but also among prominent Swedish scholars. Archaeologist Johan Gunnar Andersson (1874–1960) periodically worked for the Chinese government as a geologist and was instrumental in finding large deposits

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of iron ore, but became more known for his discovery of the five thousand-year-old Yangshao culture in Henan province. The explorer Sven Hedin (1865–1952) helped China map large areas of Tibet, and also managed to solve the so-called Lop Nor mystery. Well-known linguist Bernhard Karlgren (1889–1978) managed to use modern linguistic methods to describe several Chinese dialects and also reconstructed the way Chinese characters were pronounced during the Tang dynasty.

Swedish industry also developed an early interest in China. Ericsson had already established a foothold by the latter half of the 19th century, and SKF has been active on the Chinese market since the 1920s. A number of other companies and financial institutions established themselves early in Shanghai, but Swedish companies began to invest seriously in operations in China after the initiation of the modern Chinese reform process, and specifically after 1992. In 1980, the Sweden–China Trade Council (SCTC) was formed to serve as a network for the growing number of enterprises trying to benefit from the opportunities on the Chinese market. In 1994, the Swedish Export Council, later renamed 'Business Sweden', opened offices in Beijing, Shanghai and Guangzhou. China is now Sweden's largest Asian export market.

Current Swedish–Chinese relations

A survey by the organization Business Sweden and the Swedish bank SEB found that, on average, a new Swedish company enters the Chinese market almost every day. On top of that, several thousands of companies do business through various agents. The largest Swedish companies, like SKF, Ericsson and Volvo AB, have several production facilities in China and have also created many job opportunities. Together, IKEA and H&M employ more than 150,000 people in China. Most Swedish establishments are found along China's east coast, but this pattern is gradually changing. Sometimes, Swedish businessmen complain about impediments and non-tariff barriers on the Chinese market, but in general, the establishments and their engagement are the result of a long-term view of the benefits of being close to their customers. A growing number of Swedish companies are now employing Chinese persons in leading managerial positions.

A relatively new dimension in Swedish–Chinese relations is vast Chinese investment in Sweden. In 2002 Huawei established research operations in the high-tech city of Kista, close to Stockholm, and was quickly followed by ZTE. Since then there has been a steady stream of incoming investments, not least a bio-energy facility in the Härjedalen region. Perhaps the most visible investment has been Geely's acquisition of Volvo Cars, a very successful case of cooperation that benefits both sides. Swedish and Chinese business cultures are different, but so far, the

investments in Sweden have been welcomed and there has been very little friction with labour unions, local authorities or other important partners, although concern regarding Chinese ownership of strategic resources and facilities have been raised. In principle, Chinese investments are still welcomed in the same way other foreign investments are, but Sweden is not averse to raising issues of concern if the patterns of behaviour are perceived as a threat to our stability, or national and European interest and values. The condition, of course, is that they follow Swedish legislation and laws concerning employment protection, environmental concerns, and so on. The opposite is true in China.

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China has shown great interest in Swedish experience and knowhow relevant to China's reform process, and many high-level officials have visited Sweden to study Swedish policies concerning, for instance, environmental protection, research and development policies, traffic safety and corporate social responsibility. In 2003 the Chinese prime minister, Wen Jiabao, visited Sweden with the express purpose of studying 'the Swedish secret', namely how Sweden has managed to combine 'efficiency and justice for all'; or at least so it was reported in the Swedish media. The 'Swedish secret' is in fact a 'Nordic secret': all Nordic countries have shown that economic growth, corporate social responsibility, a functioning welfare system and environmental considerations can be combined.

From the Swedish side, bilateral cooperation with China in the fields of climate change, energy and environment, telecommunication, public health and biotechnology are examples of high-priority areas. There is also a marked interest in cooperative research in social policies and welfare institutions. Furthermore, Sweden welcomes Chinese students and researchers to Swedish universities, and Swedish universities and research organizations now have a great number of cooperation agreements with Chinese counterparts. A leading university in science and technology, KTH, has at least forty agreements with various Chinese universities and research institutions.

Five plus one, eight plus one and seventeen plus one

In regard to cooperation with China, Sweden is not in favour of a '5+1' format, meaning a formalized relationship between China and the five Nordic countries, or a '5+8' that also includes the three Baltic countries and would resemble the '17+1' arrangement China has already established with the Central and East European

countries. The simple reason is that both options run counter to Sweden's obligations as a responsible EU member state. Nordic cooperation in itself is possible because the Nordic countries take such obligations into consideration and respect the EU decision-making process. The EU takes precedence when a common foreign and security policy is on the table, and the same goes for trade arrangements. Common values are an important cornerstone for both Nordic cooperation and cooperation within the EU framework. Sweden and the Nordic countries share many values with China, although we also differ on some accounts, but the important thing for Sweden is that our well-established and institutionalized networks in Europe will not be challenged by new arrangements that risk driving wedges into the existing ones.

Therefore, for Nordic–Chinese cooperation to be successful, it must be based on the values that we share, while recognizing the limits that sometimes can be drawn by existing Nordic and EU agreements. For instance, when EU countries decide on a specific trade or investment policy, which always is the outcome of

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much discussion and compromise, it is not possible for the three EU members among the Nordic countries to act in ways that contradict that policy. This does not mean that differences which exist today will close the door to deepened future

cooperation between the Nordics and China, it means only that the avenue chosen has to be based on a realistic insight of what is possible and what is not. And there are plenty of areas where such cooperation is both desirable and possible.

What we have in common

Like the Nordic countries, China views building a welfare society as a desired and prioritized objective. This would be a society where citizens are provided with good health care, education and job opportunities; where the workers are protected against exploitation and abuse; where gender issues are taken seriously; where child care is provided to those who need it; where the older generations can enjoy a good life after retirement and the young generations will feel that the future consists of hope and opportunities, rather than despair and hopelessness. All of this is something that we can agree upon and work together to realize. China and the Nordic countries can also cooperate in areas that pose dangers and challenges to humankind, such as global warming, dangerous diseases, economic protectionism and organized crime. Additional cooperation might help to make the UN organiza-

tion more effective, relevant and free from corruption. We can cooperate in higher education and advanced research, and we can make sure that our trade in goods and services is complementary and fair.

For cooperation to be fruitful, it is also necessary to increase people-to-people contacts and academic exchanges. Prejudices and wrongly based perceptions are best eliminated by direct experiences of each other's societies and cultural traditions. Tourism, therefore, plays an important role and should be encouraged and welcomed. Cultural exchanges in themselves will also help in this respect. Our cultures are old and rich, and it is only natural that we take an interest in each other.

There is no single formula for mutually beneficial cooperation. Several aspects must be taken into active consideration at the same time, while a guiding principle should be mutual respect for political realities, as well as peculiarities and centuries-old traditions. The only real challenge we have is that we must make sure that our actions are not based on a lack of knowledge of each other's intentions.

Conclusions and Recommendations





Conclusions

WHERE DO RELATIONS BETWEEN CHINA and the Nordic region currently stand? From one perspective, Sino–Nordic relations have progressed significantly over the past couple of decades, driven primarily by shared economic interests and growing interdependence in a globalized world where China has risen to become a central actor, while the Nordic states count themselves among the most highly developed countries. As such, the two sides have plenty of reasons to cooperate and should therefore work actively on enhancing their relationship. From another perspective, the burgeoning US–China strategic rivalry and the existence of fundamental differences of political values between China and the Nordic countries have a constraining effect on collaborative efforts between the two sides, especially as bilateral relations are becoming more vulnerable to politicization or even securitization. Whatever the specific perspective adopted, there are plenty of reasons for the Nordic countries to reflect upon their current approach(es) towards China as well as alternative ones (see Recommendations).

Sino–Nordic relations have progressed significantly over the past couple of decades, driven primarily by shared economic interests and growing interdependence in a globalized world

This report has mapped existing interconnectivities between the Nordic region and China, most of which are generated by extensive trade and commercial relations. The Nordic region may not be among China’s largest overall trade partners, but the Nordic countries are well known for their entrepreneurship and innovation skills, especially concerning green technologies and sustainable development solutions that are critical to China’s overall modernization objectives. Accordingly, Nordic expertise, knowhow and competencies are in high demand in China, and the Nordic countries have been eager to seize upon the opportunities presented by the rapidly growing purchasing power of the Chinese market. Existing interconnectivities are largely the result of underlying market logics accompanied by targeted government-to-government initiatives to promote bilateral cooperation in specific issue areas. However, there are good reasons to believe that pursuing a

joint *Nordic* approach could be helpful in further advancing relations between the Nordic countries and China in a complementary fashion.

Firstly, a joint Nordic approach would not only bring along a number of potential synergies like the pooling of resources and the harnessing of the ‘Nordics’ brand in China, but also enable the Nordic countries to speak with a stronger voice to the Chinese government. Second, inasmuch as bilateral relations are increasingly at risk of being politicized, a joint Nordic approach could become an attractive, complementary platform for depoliticized engagement with China centred on a range of functional collaborative projects. Third, taking its point of departure in various China-interested non-state actors like research communities, business forums, friendship cities and universities, a joint Nordic framework could serve as a bottom-up approach to Sino–Nordic cooperation.

Furthermore, as stressed by the Nordic Council of Ministers itself – and echoed in the country-specific chapters of this report (Part III) – such a joint Nordic approach should neither seek to replace individual bilateral relationships nor compete with Brussels as a sub-regional platform for engaging Beijing. The Nordic capitals will continue to pursue their national interests on an individual basis vis-à-vis Beijing, penning Memorandums of Understanding to facilitate bilateral cooperation. At the same time, the EU has become an important platform for some of the Nordic countries, apparently providing a more effective means of regulating economic relations with China and ensuring a level playing field for their companies on the

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Chinese market. Brussels is also being invoked more frequently by Nordic ministers as the best platform for jointly addressing and handling sensitive differences of political values in relations with China. Hence, a Nordic approach should instead focus on how to jointly promote

the Nordic region to the Chinese and how to develop a joint bottom up-oriented agenda for enhanced Sino–Nordic cooperation (see recommendations).

Against this backdrop, the report has directed attention to several aspects of Sino–Nordic relations that are currently in good shape, or at least characterized by shared interests. Apart from taking stock of this cooperation from the perspectives of each country – China, Denmark, Finland, Iceland, Norway and Sweden – the report has zoomed in on five issue areas that appear particularly interesting from a joint Nordic perspective: Entrepreneurship and business; sustainable development; research and education; people-to-people exchanges; and welfare solutions. The main findings from ongoing collaboration efforts within these issue

areas will be summarized below, punctuated by brief assessments of a joint Nordic dimension to these activities.

Entrepreneurship and business

With economic exchanges and interconnectivities still the mainstay of relations between China and the Nordic countries, entrepreneurship and business is a central field of bilateral collaboration. From an overall perspective, trade relations between China and the Nordic region have been deepening over the past decade, turning China into the second-largest non-European trade partner of all five Nordic countries. Meanwhile, whereas Chinese investments in the Nordic countries have been relatively moderate (especially when set against American and European inbound FDI), the Nordic companies are very active on the Chinese market, having established a range of local subsidiaries to bolster their commercial activities. From a Nordic perspective, there are in particular five concluding points to bear in mind:

1. China is of critical importance to many branches of the Nordic business sector not only because of the massive scale and growing purchasing power of the Chinese market, but also because the transition of the Chinese economy towards green technologies and sustainability solutions offers great opportunities for Nordic companies to establish themselves as frontrunners within their respective fields.
2. Even if the Nordic countries may appear quite alike from a Chinese perspective – as small, highly developed and innovative free-trade economies with a strong focus on green growth – the business sector profiles of the five countries are sufficiently diverse and complementary, and the Chinese market sufficiently vast, that the notion of intra-Nordic rivalry or goodwill competition for Chinese market access should not be overestimated.
3. Resonating well with the Chinese, being associated with high quality, reliability and innovation, the Nordic brand could generate considerable marketing synergies that can be exploited jointly by the Nordic countries in China.
4. As the Chinese government has rapidly increased its expenditure on research and development (R&D) to become by far the second-largest R&D spender (almost on a par with the US), China is increasingly becoming a source of entrepreneurship and innovation within areas like 5G IT infrastructure, electric vehicles and quantum computing, thereby also defining new technological platforms and industrial standards that will become more relevant to Nordic companies.

5. While the ease of doing business in China has generally improved in recent years, Nordic companies operating on the Chinese market continue to face challenges that include intellectual property rights encroachments, lack of regulatory transparency and uncertainty about the impact of domestic Chinese laws related to corporate social responsibility and internet security.

Overall assessment of a specifically Nordic collaborative dimension:

The Nordic countries are accustomed to handling their economic relations with the PRC on a bilateral (and in some respects EU) basis, and this perspective also informs their approach to business and entrepreneurship. That is, the promotion of corporate interests is orchestrated from each of the Nordic capitals (e.g., as national business delegations accompanying high-level bilateral visits) or organized as national chambers of commerce in China. A couple of joint Nordic government initiatives have targeted the Chinese market, including a Nordic design week, a Nordic tourism promotion campaign and a Nordic pavilion at IE expos, and some private stakeholders – for example the organizers of the ‘Nordic China Smart City Conference’ – have also pursued a Nordic approach. However, the potential of a joint Nordic brand in China remains largely untapped.

Sustainable development

Sustainable development is becoming a central area of Sino-Nordic cooperation as both sides have supported the UN Sustainable Development Goals and the Paris Agreement on climate change. Crucially, the Chinese government’s efforts to address climate change, air pollution, biodiversity loss and other types of environmental degradations reflect domestic Chinese priorities, as witnessed by the fact that the UN sustainability agenda has been incorporated into the PRC’s current five-year-plan. Meanwhile, the Nordic countries are poised to become global leaders on climate action and sustainable development, having recently adopted several ambitious joint agendas on clean energy and enjoying significant comparative advantages within green growth technologies and knowhow. From a Nordic perspective, four overall points can be taken into consideration:

1. As China and the Nordic countries increasingly see eye-to-eye on the environment and sustainable development, there are plenty of opportunities for the Nordic countries not only to help the Chinese government achieve its sustainable development goals, but also to reach out jointly – as part of the recently

adopted program for Nordic Cooperation on the Environment and Climate 2019-24 – to the Chinese government to commit it further to the various diplomatic tracks of the UN sustainability agenda.

2. By providing knowhow on best practices, effective regulation and technical solutions each of the Nordic governments has a well-established track record for assisting China in specific areas of its sustainable development agenda, notably with respect to the energy area, spanning from renewable energy capacity building (Denmark), over different aspects of flexible energy solutions and energy efficiency systems (Finland, Norway and Sweden), to the usage of geothermal energy sources (Iceland).
3. Driven by a diverse set of actors like governments, cities, companies and non-governmental institutions, one of the most promising areas of collaboration between the Nordic countries and China is sustainable urbanization as China is struggling to accommodate large-scale demographic changes to its sustainable development goals.
4. Facilitated by existing government-to-government cooperation on sustainable development, Nordic companies like Cambi, Grundfos, Wärtsilä and Ferroamp are well positioned to capitalize on their green technologies in China often in partnership with local Chinese companies. Such partnerships may at the same time undermine the competitive edge of the Nordic companies.

Overall assessment of a specifically Nordic collaborative dimension:

Today, sustainable development stands out as the key topic for policy coordination in the Nordic region, as the Nordic countries aspire to lead the world in attaining the UN sustainable development goals. However, the bulk of existing collaborative projects and mechanisms on sustainable development are still organized on a bilateral level between China and individual Nordic countries. The program for Nordic Cooperation on the Environment and Climate 2019-24, as well as recent non-governmental collaborative initiatives within sustainable urbanization orchestrated by Nordic Edge, may be harbingers of a more joint approach.

Research and education

Sino–Nordic collaboration within research and education should be assessed against the backdrop of two overall development trends: First, both the Chinese

and Nordic governments have been investing heavily in research and development over the past decade with all of them among the top-15 countries in the world in terms of expenditure levels (i.e., R&D as a percentage of GDP). Second, the PRC has both boosted spending on its educational system and opened it up to foreign partner institutions in line with its WTO commitments, while the Nordic countries find themselves among the most highly ranked countries in terms of the quality of their educational systems even if their universities are not listed among the world's elite colleges. From a Nordic perspective, four things might be kept in mind when taking stock of existing collaboration within research and education:

1. The number of Chinese and Nordic exchange students has been rather stable over the past decade, with Chinese exchange students constituting one of the largest groups of foreign students in the Nordic countries. Meanwhile, however, Nordic universities have seized new opportunities to set up 'educational outposts' in collaboration with local Chinese partner institutions. Organized as joint degree programs, these outposts are attracting a growing number of Chinese students.
2. When compared to other Western universities operating in China, Nordic universities are generally perceived by the Chinese government as more committed to collaboration and development with local partners, rather than simply exporting their educational programs for profit. As the Chinese government is becoming increasingly restrictive in licensing joint educational programs, Nordic educational commitment may become a comparative advantage over some of the more prestigious Western universities.
3. While Nordic scholars are among the most active with respect to international research collaboration (e.g., in terms of co-publications), existing Sino–Nordic research networks are – with a few exceptions – organized along national lines, orchestrated by government-to-government MoUs between China and specific Nordic countries and promoted through such bilateral platforms as the Sino–Danish and Sino–Finnish Centers of research and education or the collaborative outreach programs of individual Nordic universities like the Royal Institute of Technology (KTH) in Sweden.
4. For several years, the Chinese government has been very interested in studying the Nordic educational systems in order to learn from good practices, with the Sino–Finnish Learning Garden agreement from 2015, which encompasses a large number of Chinese and Finnish universities, constituting a key example of a joint research-based collaborative project.

Overall assessment of a specifically Nordic collaborative dimension:

Since the mid-1990s, the Nordic Center at Fudan University has served as a genuinely Nordic platform for Sino–Nordic cooperation, representing its 26 Nordic member universities and promoting their interests through a range of educational and research-related activities as well as exchange student programs. However, the opening-up of China’s educational market, in combination with massive Chinese investments and significant progress within specific areas of research, has prompted the Nordic countries and individual Nordic universities to adopt their own outreach and joint collaboration programs together with the Chinese government and specific Chinese universities. As a result, the Nordic dimension has been dwindling as the role and activities of the Nordic centre have been overshadowed by national actors in the field of research and education.

People-to-people relations

Cultural engagement, language programs, students exchange, sports, tourism and other kinds of people-to-people relations are often emphasized as important instruments if relations between China and the Nordic countries are to become deeper and more diversified. While the two sides have taken several steps over the past decade to strengthen people-to-people relations, negative public perceptions of China in the Nordic countries seem to be a significant obstacle to expanding cooperation in some areas. Generated by differences of political values – notably by negative media coverage of China’s growing assertiveness and the hardening of its illiberal regime – such public perceptions have had a direct impact on one of the key tools of China’s public outreach in the Nordic countries, the Confucius Institutes, most of which have come under intense public media scrutiny in recent years. Other dimensions of people-to-people relations, like student exchanges, might also be vulnerable to negative public perceptions. From a Nordic perspective, four specific observations contribute to an assessment of existing patterns of collaboration within this area:

1. Nordic norms and values seem to resonate well with the Chinese population, especially among the younger generation, which holds favorable views of the Nordic countries not only when it comes to ‘Nordic life style’ that signals exclusive taste, but also with respect to such core values as gender equality and sexual minority rights.

2. Chinese tourism to the Nordic countries has witnessed remarkable growth over the past decade, reflecting rising Chinese living standards as well as targeted marketing campaigns, but recent data suggest that the level of Chinese tourism has plateaued, remaining far behind the number of US tourists visiting the Nordic countries.
3. While the Nordic governments acknowledge that Chinese language proficiency and expertise should be improved in the Nordic countries, progress in this area has been rather limited, and the recent media scrutiny of Confucius Institutes and Classrooms have created new obstacles for existing language programs set up jointly with Chinese partners.
4. China has established cultural centres in some Nordic countries (i.e., Denmark and Sweden), whereas only Denmark – probably thanks to its comprehensive strategic partnership with China – has been able to set up a cultural institute in Beijing.

Overall assessment of a specifically Nordic collaborative dimension:

The Nordic countries largely pursue their people-to-people relations with China on an individual basis, having each signed bilateral MoUs with the PRC on cultural exchanges in areas such as cultural heritage conservation, museum exhibitions, winter sports and joint film production. A few joint Nordic initiatives have been undertaken, most notably a joint Nordic marketing campaign to attract Chinese tourists. Moreover, the Nordic Center at Fudan University hosts a range of Nordic cultural arrangements every year.

Welfare solutions

Sino–Nordic cooperation on welfare solutions seemingly holds plenty of potential given a combination of demographic development trends in China and the Nordic countries' position as welfare state pioneers. On the one hand, since China faces several formidable demographic challenges like rising life expectancy and weak fertility – causing the Chinese population to age as rapidly over the next couple of decades as most Western countries have done over 50–75 years – the Chinese state is expected to assume a much larger role in providing care and social benefits for the sick and elderly, thus stepping in to fill the lack of family resources, engendered by the controversial 'one-child policy'. While China, in recent years, has made significant strides towards offering universal health care solutions to its citizens, its annual per capita health care expenditure is still quite modest in a comparative

context (i.e., US\$688 compared to US\$4235–6187 in the Nordic countries). For decades, the Nordic countries have been developing and finetuning their public programs on health care and other welfare services in order to tackle similar kinds of demographic challenges. From a Nordic perspective, there are three points to make with respect to existing patterns of collaboration.

1. The Chinese government seems quite interested in studying how the Nordic countries organize and provide essential welfare services within healthcare and eldercare, having signed several Memorandums of Understanding with the Nordic countries in recent years to increase dialogue and learning in this area.
2. Despite initiatives to pave the ground for Nordic welfare service providers in China, only a few Nordic companies (from Denmark and Norway) currently operate on the Chinese market.
3. The Nordic countries have funded a considerable number of research projects that study welfare topics in a Chinese (and sometimes comparative) context, with most of these projects organized within the Sino–Nordic Welfare Research Network (SNoW) and some also within the Sino–Nordic Gender Studies Network.

Overall assessment of a specifically Nordic collaborative dimension:

Even though the Nordic countries share many commonalities with respect to the way they have developed and designed their welfare states, they prefer to engage China individually to showcase their expertise and practical solutions in providing welfare services. The only collaborative activities in this area are those undertaken by two loosely organized Sino–Nordic research networks.



Artist's impression of a future sustainable city in China

Recommendations

BASED ON THE OBSERVATIONS AND FINDINGS of this report, the following recommendations suggest how the Nordic countries can consolidate and strengthen their relationship with China. These recommendations have been developed with a joint Nordic perspective in mind, but some of them may also be of relevance to individual Nordic countries. The first set of recommendations address the overall relationship between the Nordic countries and China, while the second set targets each of the five thematic issue areas:

On Sino-Nordic relations:

- As small, open and liberal states with a strong interest in a well-functioning multilateral international order, the Nordic countries should avoid becoming embroiled in the US–China great power rivalry, instead working together to commit both Beijing and Washington to the existing institutional architecture. Moreover, insofar as the US–China great power rivalry deepens, the Nordic countries should take advantage of China’s need for reliable highly developed partners jointly to apply more pressure on the Chinese government on issues of shared Nordic interest, including the climate and sustainability agenda.
- In order not only to be less exposed to bilateral vulnerabilities – stemming from the politicization of political differences – but also to seize shared opportunities for collaboration, the Nordic countries should work more actively to coordinate their relations with China in areas of mutual interest. This can be achieved in at least two ways: (1) By allocating resources in the Nordic Council of Ministers (NCM) to a fully dedicated “Nordic–China liaison officer” whose physical workspace will alternate between Beijing and the NCM; (2) by setting up a Sino–Nordic task force in the NCM to devise a number of initiatives for supplementing the bilateral relationships with a joint Nordic, loosely structured, bottom-up approach involving various non-governmental actors in order to help diversifying and enhancing relations between the Nordic countries and China in several ways (elaborated below).

On entrepreneurship and business:

- Organize a seminar with representatives from all the Nordic chambers of commerce in China in order to discuss collaborative initiatives like (1) making a joint Nordic presentation at the annual CIIE (China International Import Expo) conference, (2) hosting joint internal arrangements for members (i.e., Nordic companies in China), (3) setting up learning/information sharing courses for members on issues of shared concern (like the corporate social credit system) and (4) bringing together Nordic companies with overlapping expertise and knowhow to develop business solutions for specific provinces or segments of the Chinese market.
- Draw on existing expertise and capacities within the “Nordics” framework [Nordics.com] to initiate and fund a study of the Nordic brand in China, which not only traces its impact and resonance among the Chinese, but also provides a set of proposals for how to customize the Nordic brand to the Chinese market.
- Arrange a follow-up conference on the “Sino–Nordic Young Champions Forum” (held in Yiwu 2015), this time in one of the Nordic countries in order to bring together entrepreneurs and start-up companies from both sides in an attempt to establish new professional links and Sino–Nordic partnerships.

On sustainable development:

- Engage the Chinese government more systematically in “green diplomacy” by (1) signing a Sino–Nordic Memorandum of Understanding on the joint development of a green version of the “Belt and Road Initiative” (inspired by the International Green Development Coalition) and (2) taking the recently adopted joint program for Nordic co-operation on the Environment and Climate 2019–2024 as a point of departure for enhancing the dialogue with Beijing on how to pursue an ambitious agenda for the sustainable development summitry, including upcoming events like the COP 15 of the Biodiversity Conference (to be held in Kunming, China, next year).
- Task Nordic Innovation to organize a conference on the formation of Green Sino–Nordic Partnerships, bringing together Chinese strategic investors with Nordic Sustainable Cities, Nordic green tech companies and Nordic NGOs to develop sustainability solutions for the Chinese market.
- Actively support the efforts of NGOs like Nordic Edge, Sweden–China Green Tech Alliance and State of Green to launch specific initiatives for Sino–Nordic collaboration on sustainable development within the recently adopted frame-

work of “Sino–Nordic Promotion Association for Green Sustainable Development”.

On research and education:

- Reach out, on the one hand, to NordForsk and each of the Nordic research councils to discuss the possibility of joint calls for funding of Sino–Nordic research projects that involve researchers from at least two Nordic countries and China; on the other hand, to private Chinese investors and stakeholders to propose the setting up of a Sino–Nordic research foundation that will stimulate the exchange of researchers and students between China and the Nordic countries.
- Invite representatives of the Nordic universities for a seminar to discuss how to jointly develop a competitive edge in China’s educational market (compared to other larger and more prestigious Western universities) and how to expand the collaborative platform of the Nordic Center (at Fudan University) by using, for example, the growing network of individual Nordic universities’ “educational outposts” to set up complementary pan-Nordic institutions in collaboration with local Chinese universities.
- Study the successful case of joint cooperation within the China–Nordic Arctic Research Center (CNARC) and use its institutional and collaborative design as a template for proposing and providing seed money funding for Sino–Nordic research activities within other areas of mutual interest like bioscience and sustainable development.

On people-to-people relations:

- Use alumni groups at the Nordic Center at Fudan university (or at some of the other Nordic “educational outposts”) to set up and possibly fund a network of Nordic minded Chinese students who will serve as social media “influencers” on WeChat and Sina Weibo to generate interest among the Chinese for Nordic culture, Nordic values like gender equality and the Nordic countries more broadly.
- Establish a joint Sino–Nordic task force to come up with a proposal for a new Nordic version of Confucius Institutes and classrooms in order to create a more transparent organizational model and to strengthen “Nordic ownership” of the institutes, while retaining partial “no strings attached” funding from Beijing for locally hired staff to disseminate Chinese language and culture in the Nordic countries.

- Co-fund (i.e. NordForsk together with the Nordic universities) a comparative study of public perceptions and media coverage of China in the Nordic countries in order not only to map similarities and differences, but also identify underlying causes for current representational patterns.

On welfare solutions:

- Organize a conference on the provision of welfare solutions for the Chinese market, bringing together Nordic public and private stakeholders as well as researchers to take stock and discuss the extent to which the Nordic model may be customized and exported to meet a growing Chinese need for health/elderly care services.
- Use the Nordic Welfare Centre’s cooperation agreement with the Korea Institute for Health and Social Affairs as a template for initiating knowledge-sharing and comparative evaluation activities with potential Chinese partners.
- Support the setting up of a program for Sino–Nordic Social Policy Dialogue, possibly co-funded by NordForsk/Chinese partners and coordinated by SNoW, to develop joint research activities and knowledge sharing in a set of semi-structured thematic dialogues that each involve at least three Chinese and Nordic research institutions.

Appendix

Data sources for:

- Figure A: Nordic imports of goods and services from China incl. Hong Kong
- Figure B: Nordic exports of goods and services to China incl. Hong Kong
- Table A: Nordic imports from China incl. Hong Kong
- Table B: Nordic exports to China incl. Hong Kong

Central Bank of Denmark	https://nationalbanken.statbank.dk/nbf/100249
Statistics Denmark	https://www.statbank.dk/10029 https://www.statbank.dk/10030 https://www.dst.dk/en/Statistik/emner/udenrigsoekonomi/udenrigshandel/udenrigshandel-med-tjenester https://www.dst.dk/en/Statistik/emner/udenrigsoekonomi
Central Bank of Iceland	https://www.cb.is/statistics/official-exchange-rate/
Statistics Iceland	https://px.hagstofa.is/pxen/pxweb/en/Efnahagur/Efnahagur__utanrikisverslun/?rxid=f5f87d26-1be2-451f-8a99-13e33b6064b5
Statistics Finland	http://pxnet2.stat.fi/PXWeb/pxweb/en/StatFin/StatFin__kan__tpulk/
Statistical publications by Finnish Customs	https://tulli.fi/documents/2912305/4762055/International+Trade+2018+Pocket+Statistics/b39f3f7d-0f97-9d4a-5cf4-038d9241e3f8/International+Trade+2018+Pocket+Statistics.pdf
Statistics Norway	https://www.ssb.no/en/utenriksokonomi
Statistics Sweden	http://www.statistikdatabasen.scb.se/pxweb/en/ssd/START__HA/ https://www.scb.se/en/finding-statistics/statistics-by-subject-area/trade-in-goods-and-services/
Trademap - developed by the International Trade Centre UNCTAD/WTO (ITC)	https://www.trademap.org/
OFX Money Transfer	https://www.ofx.com/en-au/forex-news/historical-exchange-rates/yearly-average-rates/

Data sources for Figure C: Total nights spent by Chinese visitors in the Nordic countries

VisitDenmark	Data collected from mail correspondence with the secretariat of VisitDenmark
VisitFinland	http://visitfinland.stat.fi/PXWeb/pxweb/en/VisitFinland/
Icelandic Tourist Board	https://www.ferdamalastofa.is/en/research-and-statistics/tourism-in-iceland-in-figures
Statistics Norway	https://www.ssb.no/statbank/table/08402/
Swedish Agency for Economic and Regional Growth	https://tillvaxtverket.se/statistik/vara-undersokningar/resultat-fran-turismundersokningar/2019-02-07-gastnatter-2018.html

Data sources for Table C: Number of Chinese exchange students in Nordic countries

Statistics Denmark	https://statbank.dk/statbank5a/default.asp?w=1440 [Populations and elections => Asylum applications and residence permits => VAN66]
Finnish National Agency for Education	https://www.oph.fi/sites/default/files/documents/kansalaisuudet-lahtomaittain-2011-2017.pdf
Icelandic Review	https://www.icelandreview.com/news/iceland-and-china-facilitate-student-exchange/
Statistics Norway (Norwegian Agency for International Cooperation and Quality Enhancement in Higher Education)	https://statistikk.siu.no/
Statistics Sweden	https://www.scb.se/hitta-statistik/statistik-efter-amne/utbildning-och-forskning/hogskolevasende/internationell-studentmobilitet-i-hogskolan/

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