

**Promoting Public Diplomacy in Adversarial  
Environment**

**---A Stakeholder Approach to the Survival of the  
Confucius Institutes (CIs)**

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# Abstract

Compared with other international language institutes, such as British Council, Francise Alliance and the Goethe Institute, the CIs encountered more adversarial environments. Different from these institutes, the CIs have much closer engagement with local stakeholders, namely directly depend on the cooperation of the host universities. The CIs program is a social relationship platform connecting multiple Chinese and overseas stakeholders. We could not make precise analysis on the reasons why some CIs were closed without taking insight into the interactions or communications among these stakeholders. In this research, 6 case studies are provided to analyze the stakeholder communications and the change of their interest by introducing the stakeholder theory. The aim of this research is to explain why different CIs in similar adversarial environments had totally different endings.

The existing literature focuses on two explanations for this question. First, the bilateral political relations between China and the host countries determine the development of the CIs. But this idea could not explain the CIs in some countries who have experienced hostile bilateral relations with China. For example, in recent years, China has experienced political confrontation with Japan and Philippines due mainly to marine territorial disputes. The mutual visits between top officials of China and Japan, as well as China and Philippines have been suspended. As a representative of China's public diplomacy, the CIs in Japan and Philippines have encountered adversarial environments. However, the CIs not only survived, such as the Ritsumeikan CI in Japan and the CI at Angeles University Foundation in Philippines, but thrived, achieving outstanding performances.

Why? Second, the economic interest linkage between Hanban and the host institutions is the decisive factor for the survival of the CIs. According to this logic, as long as there was a continuing economic interest, the CIs would survive. However, this logic cannot explain some failed cases. For example, in the case of the CIUC, the grants that Hanban provides to the CIUC were much higher than those to other CIs, but the CIUC was closed. As for the case of the CI at McMaster University and the CI at Toronto Public District Board, these two host institutions cherished the Chinese grants, but these two CIs did not survive in the petitions. However, the CI at New South Wales Education Department survived. Therefore, it is safe to say that the economic interest is important but not the primary factor for the survival of the CIs. More should be explored about the operation of the CIs. In addition, the empirical studies, especially complete case studies, are severely lacking. To overcome these problems, I will take the 6 CIs to make case studies and an approach of stakeholder would be employed in this thesis.

After the analysis on the 6 selected case studies, this paper argues that the fact of the stakeholder communications lagging behind the change of their interest plays a decisive role in determining the survival of the CIs. The following explanations would be helpful for us to have further understandings of this basic argument.

(1). An individual program of the public diplomacy in the adversarial environment would undermine the overall performances of the public diplomacy of the initiating countries. Therefore, the survival of an individual public diplomacy program in the adversarial environment should not be neglected.

(2). The route how the adversarial environment affect the public diplomacy is as following :

the adversarial environment would change the hierarchy of the stakeholder interests and then highlight the role of the stakeholder communications in maintaining the converging primary interest. The converging primary interest of the Chinese and overseas stakeholders would begin to diverge, if the stakeholder communication could not match up the pace with their interest dynamics, thus leading to the closure of the CIs. On the contrary, the positive stakeholder communication would be helpful in keeping the primary interest converging, thus guaranteeing the survival of the CIs.

(3). The practice of public diplomacy should be started from indentifying qualified foreign partners with high positivity. The more effective stakeholder communication can only be realized among the stakeholders sharing the similar primary interest. In other words, the establishment and development of the CI are based on the converging primary stakeholder interest among the Chinese and overseas stakeholders. Therefore, the first step for the stakeholder communication is to identify the qualified overseas stakeholders who shared higher primary interest on the market value of the CIs.

(4). There are two main problems for China`s official agencies in promoting public diplomacy. First, they always neglect the condition of the overseas stakeholder when make communication with domestic stakeholders. The poor stakeholder communication between the host universities and Hanban would lead to mutual discrepancy on the primary interest and the closure of the CIs. It would be wiser for the Chinese stakeholder to take the condition of the overseas stakeholder into consideration when make domestic communication. Second, they have been used to putting emphasis on some key stakeholders, such as the administration of the host university,

while neglecting other stakeholders, such as the faculty members of the CIs inside the host university. It is still widely believed that the administration of the host university dominates the CIs in China. While the role of the faculty members inside the host university is easily to be neglected. Therefore, it is necessary to make full communications with more stakeholders such as the faculty members, rather than focusing on the administration of the host university alone.

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# Chapter 1 Introduction

## 1.1 Research Question

In the 21<sup>st</sup> century, China's furthering engagement in globalization is forcing China to realize the necessity of putting forth a more benign national image on the international stage. In order to achieve the goal of a better public image of China within the international community, China has sought to emphasize “public diplomacy”, which is the exercise of soft power seeking to win the hearts and minds of others in the world. Public diplomacy, therefore, has become an integral part of China's overall strategy.<sup>1</sup> In 2002, the Chinese Ministry of Education began to think about the idea to set up an overseas agency to promote Chinese language education and culture and they soon brought up the name as Confucius Institutes, which name after an ancient Chinese philosopher.<sup>2</sup> As one representative of Chinese public diplomacy initiatives, the Confucius Institutes (CIs) have been drawing wide attention due to rapid expansion. Since 2004, based on the model of joint operation with the overseas host universities and institutions, China has established 512 CIs all around the world.<sup>3</sup> Some scholars view the CIs as a win-win public diplomacy initiative. They believe that the CIs can not only meet the growing demands of the foreign public to learn the

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<sup>1</sup> Zhao Kejin, “Zhongguo Jueqi Fanglve zhong de Gonggong Waijiao” [The China’s Strategy of Rise and Public Diplomacy], *Contemporary World*, 2012, No.5; Falk Harting, *Chinese Public Diplomacy: The Rise of the Confucius Institute*, New York: Routledge, 2016, pp.57-61.

<sup>2</sup> Falk Harting, *Chinese Public Diplomacy: The Rise of The Confucius Institute*, New York: Routledge, 2016, p 99.

<sup>3</sup> The data was from Hanban’s website.

Chinese language, but also build a platform to promote Chinese culture, enhance foreign understandings of China, and improve China's international image.<sup>4</sup> Joshua Kurlantzick described the CIs as the representative of “China's Charm Offensive”<sup>5</sup> and Falk Harting praised the CIs as “the star of China's public diplomacy”.<sup>6</sup>

Following the logic above, the CIs should develop smoothly. However, due to its operation model and official background, the CIs face more negative comments and resistance in practice when compared with other language institutes, such as British Council, France Alliance and Goethe Institute. The criticisms towards the CIs can be divided into the following two aspects:

First, the critics view the CIs as China's propaganda tool, going so far as to call the Institutes a spy agency due to their official background. The CIs are governed by the Office of Chinese

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<sup>4</sup> Han Zhaoying, “Kongzi Xueyuan yu Zhongguo Gonggong Waijiao” [Confucius Institutes and China's Public Diplomacy], *Public Diplomacy Quarterly*, No. 7; Han Fangming, “Kongzi Xueyuan Daibiao Zhongguo Ruanshili” [Confucius Institutes Represent China's Soft Power], *Lianhe Zaobao*, January 8<sup>th</sup> 2014; Liu Hong, “Kongzi Xueyuan yu Zhonghua Wenhua de Guoji Chuanbo Chengjiu yu Tiaozhan” [Confucius Institutes and the Achievements and the Challenges of Chinese Culture's Global Communication], *Public Diplomacy Quarterly*, No.13; Zhang Xiping, “Jianlun Kongzi Xueyuan de Ruanshili Gongneng” [Discussion on The Function of Confucius Institutes' Soft Power], *Shijie Hanyu Jiaoxue* [Chinese Teaching in the World], 2007, No. 3; Li Qikeng, “Kongzi Xueyuan de Gonggong Waijiao Shiming :yi Xiaweyi Daxue Kongzi Xueyuan Weili” [Confucius Institutes' Mission on Public Diplomacy: Focusing on The Confucius Institute at Hawaii University], *Public Diplomacy Quarterly*, No.19; Sheng Ding and Robert A. Saunders, “Talking Up China: An Analysis of China's Rising Cultural Power and Global Promotion of the Chinese Language”, *East Asia*, Summer 2006, Vol.23, No.2, pp-3-33.

<sup>5</sup> Joshua Kurlantzick, “China's Charm Offensive in Southeast Asia,” *Current History*, Vol.105, Issue 692, September 2006, pp. 270-276.

<sup>6</sup> Falk Harting, *Chinese Public Diplomacy: The Rise of the Confucius Institute*, New York: Routledge, 2016, p.98.

Language Council International with Chinese abbreviation Hanban<sup>7</sup>, who are affiliated with the Chinese Ministry of Education. The General Director of Hanban is the same importance as a vice-minister-level official. Its Chair of the Council has been resumed by State Councilor or Vice Prime Minister of China.<sup>8</sup> Some ministers or vice ministers are also included in its Council. Taking the fifth Council elected in 2015 as an example, Chinese vice Prime Minister Liu Yandong serves as the Chair of the Council. The Minister of Education Chen Baosheng, the Director of Overseas Chinese Office of State Council Qiu Yuanping, the vice Secretary-General of State Council Jiang Xiaojuan, and the vice Minister of Finance Yu Weiping serve as the vice Chairs. There are also 12 other vice Ministers ranking as the executive council members.<sup>9</sup> Additionally, both of China's propaganda chiefs, Li Changchun and Liu Yunshan, created some of the instruction of the CIs. In 2007, Li Changchun said that the CIs were an important part of China's international popularization.<sup>10</sup> In 2014, Liu Yunshan suggested that the CIs should be built as "a Spirit High Railway connecting China with foreign publics".<sup>11</sup> In 2014, it was reported that China's political leaders had attended the introduction of the CIs more than 200 times, and more than 200 foreign

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<sup>7</sup> The Office of Chinese Language Council International, which is known colloquially as "Hanban".

<sup>8</sup> Ms. Chen Zhili served as the Chair of CIs' Council during 2004 and 2008. Ms. Liu Yandong took this duty from 2009. Liu served as State Councilor from 2009 to 2013, and became Vice Prime Minister in 2013.

<sup>9</sup> "Kongzi Xueyuan Zongbu Lishihui Chengyuan Mingdan" [The Member List of the Confucius Institutes' Council] <http://www.cim.chinesecio.com/hbcms/f/article/info?id=20e931c7c36b4ff5800be7611b3fb54a>, accessed on March 13 2017.

<sup>10</sup> "Li Changchun: Zhashi zuohao hanyu guoji tuiguang gongzuo" (Li Changchun: Work Well to Internationalize the Chinese Language), April 24, 2007, [http://news.xinhuanet.com/politics/200704/24/content\\_6022792.htm](http://news.xinhuanet.com/politics/200704/24/content_6022792.htm), accessed on January 10<sup>th</sup> 2017.

<sup>11</sup> *People Daily*, June 15, 2014.

political leaders were invited to be present.<sup>12</sup> All those are viewed as evidence of the close connection between the CIs and the Chinese government. The opponents of the CIs criticized the CIs as a propaganda tool dominated by Chinese government.<sup>13</sup>

Second, the CIs are accused of intervening in the academic freedom of the host universities. According to the Bylaw of the CIs, Hanban provides essential economic sources to the CIs, including the necessary start funding (about 150 thousand dollars), the Chinese language instructors or volunteers and finance supports for the academic research. These sources are thought to be vital for the universities suffered from the shrinking public fund from foreign government after the finance crisis in 2008 in particular. Some universities seek for cooperation with the purposes of the material sources. Hanban is thought to take this advantage and impose its influences on its counterparts, by dominating the class discussion, controlling the research topic and intervening on the campus activities that are sensitive to China.<sup>14</sup> Due to its disadvantage of the finance sources, the host universities are thought to make self-censorship to meet the requirements from Hanban. The critics referred to the CIs as “China’s Trojan Horse” or “Academic Malware.”<sup>15</sup>

The criticisms above lead to extensive attention being focused on the CIs from academic and

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<sup>12</sup> “Kongzi Xueyuan cong Wenhua Zhichuang dao Xinling Zhiqiao” [Confucius Institutes: from Cultural Window to Spirit Bridge], *Guangming Daily*, September 26, 2014.

<sup>13</sup> Marshall Sahlins, “China U,” *The Nation*, November 2013, pp. 36-43; Christopher Hughes, “Confucius Institutes and the University: Distinguishing the Political Mission from the Culture”, *Issues and Studies*, Vol.50, No.4, pp.44-83.

<sup>14</sup> Marshall Sahlins, “China U,” *The Nation*, November 2013, pp. 36-43

<sup>15</sup> Marshal Sahlins, “Confucius Institute: Academic Malware”, *The Asia Pacific Journal*, Vol. 12, Issue 46, No. 1, pp.1-29.

political circle. In July 2014, the famous think tank *Chinafile* convened a symposium about the CIs. The 24 participants included experts on public diplomacy, diplomats, journalists and the directors of the CIs.<sup>16</sup> In December 2013, the Canadian Association of University Teachers (CAUT) urged the Canadian host universities to close the CIs.<sup>17</sup> In June 2014, the American Association of University Professors (AAUP) issued a statement to express its concerns about the CIs, urging the host universities to reconsider their cooperation with Hanban.<sup>18</sup> In December 2014, the American Senate held a hearing to discuss whether the CIs intervened on the academic freedom of American universities.<sup>19</sup>

Due to the adversarial environment, some CIs suffered extensively and even faced the pressure of closure. So far, 8 CIs have been closed around the world. For example, the CI at University of Chicago (CIUC) was closed after two petitions in 2008 and 2014. The CI at McMaster University failed after a series of human rights cases. In addition the CI at Toronto Public District Board (TDSB) was pressured to close due to petitions in 2014. Some media described these failed cases as

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<sup>16</sup> Robert Kapp et al. "The Debate Over Confucius Institutes: A ChinaFile Conversation", <http://www.chinafile.com/conversation/debate-over-confucius-institutes>, accessed on 2014-06-23.

<sup>17</sup> The Canadian Association of University Teachers, "The Minutes of 75th Meeting of Canadian Association of University Teachers (CAUT)," November 29-December 1, 2013, [http://www.caut.ca/docs/default-source/Minutes-of-meetings/75th-council-meeting-\(november-2013\).pdf](http://www.caut.ca/docs/default-source/Minutes-of-meetings/75th-council-meeting-(november-2013).pdf), accessed on 2014-12-10.

<sup>18</sup> The American Association of University Professors(AAUP), "On Partnerships with Foreign Governments: The Case of Confucius Institutes," June 2014, <http://www.aaup.org/report/confucius-institutes>, accessed on 2014-12-10

<sup>19</sup> Nicole Guadio, "House Panel Investigates 'Confucius Institute'", <http://www.usatoday.com/story/news/politics/2014/12/04/house-china-confucius-institutes/19909507/>, accessed on December 10th, 2014.

setbacks of China's soft power project.

Some scholars attributed the adversarial environment to the model of joint-cooperation, by arguing that this model would inevitably trigger concerns and resistance. Accordingly, they called for independent operation and suggested to take the other international language institute as model. However, they were not aware that not all of the CIs in face of petitions were finally closed. For example, the CI at New South Wales Education Department not only survived the petitions, but expanded the cooperation.

In my opinion, the CIs has much closer engagement with local partners and directly depends on the host universities. Falk Harting pointed out that the success of CIs depended on the commitment of the host universities.<sup>20</sup> He said that "China needs the international partners because if the international partner quits, the project can't survive."<sup>21</sup> Therefore, China "has to adopt itself to local circumstances".<sup>22</sup> The model of joint cooperation makes the CIs a totally different language institutes from others. In other words, the CIs are not comparable with other international language institutions mentioned above.

Specifically, the model of joint cooperation was a well-designed mechanism to strategically engage the local stakeholders all around the world. Just as Falk Harting has put it, "this is not say that other cultural institutes do not work with local partners, but in the case of CIs this cooperation is not only essential to maintain these institutes, but it is very much the approach deliberately chosen by China to manage and run its cultural outposts".<sup>23</sup> "It is precisely this structure that

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<sup>20</sup> Falk Harting, *Chinese Public Diplomacy: The Rise of the Confucius Institute*, New York: Routledge, 2016, p.7.

<sup>21</sup> *Ibid*, p. 65.

<sup>22</sup> *Ibid*, p.66.

<sup>23</sup> *Ibid*, p. 2.

makes CIs a unique actor in the field of public diplomacy”.<sup>24</sup> Such characteristics provide us a typical case study in public diplomacy.

Simply put, the joint cooperation model of the CIs is a unique design and it is not comparable with other international language institutes. Therefore, it would be better for us to focus on the questions: Why were there totally different endings within the same adversarial environment? This research will explore how to promote public diplomacy in an adversarial environment by focusing on the CIs.

In addition, public diplomacy has been perceived as a tool for overall diplomacy by improving foreign sentiments. The necessity of public diplomacy is rooted in political confrontation.<sup>25</sup> In practice, the adversarial political and social environments seem to be an important influencing factor for public diplomacy. In recent years, China has experienced political confrontation with Japan and Philippines due mainly to ocean territorial disputes. The mutual visits between top officials of China and Japan, as well as China and Philippines had been suspended by the political confrontations. As a representative of Chinese public diplomacy, the CIs in Japan and Philippines have encountered adversarial environments. However, the CIs not only survived, but thrived, with outstanding performances. Why? How did they overcome the difficulties?

## **1.2 Literature Review**

According to the sources of resistance, the existing literature about promoting public diplomacy in an adversarial environment can be divided into the following 2 categories: the

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<sup>24</sup> Ibid, p.104.

<sup>25</sup> Nicholas Cull, *Public Diplomacy: Lessons From The Past*, Figueroa Press, 2009.

adversarial political environment and the adversarial operation environment facing petitions or oppositions.<sup>26</sup>

### **1.2.1 Adversarial Political Environment**

From the perspective of political relations and social environment, public diplomacy is thought to be limited to the adversarial political environment and the restraints from the host countries. In other words, it is difficult to promote public diplomacy in an adversarial environment, and public diplomacy would not do well without a benign political environment.

It is generally believed that public diplomacy is influenced by the bilateral political relations and the local context of the host country.<sup>27</sup> Promoting public diplomacy would encounter great difficulties in an adversarial political environment. The promotion cannot proceed without the adjustment of foreign policy. Just as Jan Mellissen put it, the credibility of public diplomacy would be undermined by the inconsistency between the public diplomacy initiatives and the foreign policies of the initiating country.<sup>28</sup> Many scholars share this position and provide empirical evidence.

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<sup>26</sup> More details of the adversarial environment would be provided in Chapter 2.

<sup>27</sup> William Rugh Eds., *The Practice of Public Diplomacy: Confronting Challenges Abroad*, New York: Palgrave MacMillan, 2011, pp.254-255; Hady Amr, *The Need to Communicate: How to Improve U.S. Public Diplomacy with the Islamic World*, The Brookings Institution, January 2004, p. IV.

<sup>28</sup> Joseph Nye, "Public Diplomacy and Soft Power", *Annals of the American Academy of Political and Social Science*, *Public Diplomacy in a Changing World* (Mar. 2008), pp. 94-109; Jan Melissen, "The New Public Diplomacy: Between Theory and Practice", in Jan Melissen eds, *The New Public Diplomacy: Soft Power in International Relations*, New York: Palgrave MacMillan, 2005, pp.3-27.



William Rugh has work experience in the Middle East as U.S. ambassador and he is famous for his works on promoting public diplomacy in adversarial environments. He edited the book *The Practice of Public Diplomacy: Confronting Challenges Abroad*, which includes some papers on promoting public diplomacy in the countries with hostile sensitivity towards U.S. He argued that the local context is the most vital factor for the practice of public diplomacy. Under different conditions, “the local concerns and priorities, the political constraints and available tools would differ”.<sup>29</sup> However, the local context is confined within the political and social environment in his research. In a word, public diplomacy could not achieve its effects unless the political relations were improved. In his book, some scholars provided empirical supports for his argument.

For example, Lucija Bajer conducted research on U.S. public diplomacy in Serbia. He argued that Serbia’s anti-American sentiment was mainly resulted from the bombing by the U.S.-leading NATO, as well as U.S. unfriendly foreign policy towards Serbia in 1999. He suggested that the best way “to improve public sentiment was to seek common interests between the U.S. and Serbia and show U.S. support to Serbia”. “The available policy choice was to support Serbia’s joining the European Union”.<sup>30</sup>

Nicole Farina drew similar conclusion from Turkey. Turkey’s anti-American sentiment stems from the Iraq War and American ambiguous attitude towards Kurdish people. She emphasized that high level visit was the best public diplomacy because President Obama’s visit to Turkey played a

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<sup>29</sup> William Rugh eds., *The Practice of Public Diplomacy: Confronting Challenges Abroad*, New York: Palgrave MacMillan, 2011, p 3.

<sup>30</sup> Lucija Bajer, “Ameliorating Strained Relations: Public Diplomacy in Serbia”, in William Rugh eds., *The Practice of Public Diplomacy: Confronting Challenges Abroad*, New York: Palgrave MacMillan, 2011, pp.3-19.

positive role in improving Turkish sentiment towards the U.S. According to her logic, “public diplomacy could work well if only the top leaders of each side show the willingness to improve bilateral political relations”.<sup>31</sup>

Sarah Riley compares the U.S. public diplomacy in Iran and the U.K. She concluded that the different political bilateral relations and local environments lead to different available tools and channels for public diplomacy. In Iran, the political confrontation inhibited U.S. diplomats from entering into Iran. They had to conduct public diplomacy through broadcasting outside Iran. However, in the U.K. the benign bilateral relations allowed U.S. diplomats to promote public diplomacy freely. Additionally, public diplomacy initiatives could not influence foreign policy; on the contrary, foreign policy could impose influence on public diplomacy. For example, the different foreign policies between Obama administration and Bush administration made U.S public diplomacy initiatives in Iran much easier than before.<sup>32</sup>

In the case of Afghanistan and Pakistan, Rachel Smith emphasized that one obstacle for the U.S. to promoting public diplomacy was “a historic distrust of U.S. policies and intentions” between these two countries.<sup>33</sup>

As for the case of South Korea and Japan, the anti-American sentiments stems mainly from

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<sup>31</sup> Nicole E. Farina, “Revitalizing Relations with Turkey”, in William Rugh eds., *The Practice of Public Diplomacy: Confronting Challenges Abroad*, New York: Palgrave MacMillan, 2011, pp.21-36.

<sup>32</sup> Sarah M. Riely, “Iran and the United Kingdom: A Study in Contrasts”, in William Rugh eds., *The Practice of Public Diplomacy: Confronting Challenges Abroad*, New York: Palgrave MacMillan, 2011, pp.37-54.

<sup>33</sup> Rachel Smith, “Afghanistan and Pakistan: Public Diplomacy during Conflict and Instability”, in William Rugh eds., *The Practice of Public Diplomacy: Confronting Challenges Abroad*, New York: Palgrave MacMillan, 2011, pp.55-71.

their concrete foreign policies. The U.S. has promoted public diplomacy with better results due to its lasting good relations with South Korea and Japan.<sup>34</sup> John Rahaghi further pointed out that South Korean people seemed to be more comfortable to accept U.S public diplomacy initiatives to continue good relations between South Korea and the U.S. On the other hand, “no matter how skillful the public diplomacy initiatives were designed”, the Egyptian people seemed reluctant to accept them due to the unstable bilateral political relations, thus preventing such initiatives from succeeding.<sup>35</sup>

Therefore, William Rugh suggested that more attention should be paid on analyzing the local context and adjusting the public diplomacy initiatives to meet the requirements of the local society. However, he still focused on the role of American policy makers and practitioners while neglecting the local partners.

In 2014, William Rugh wrote another book titled *Front Line Public Diplomacy: How US Embassies Communicate with Foreign Publics*. In this book, he emphasized the constraints from the local governments as the biggest difficulty for U.S public diplomacy because “it prevented U.S diplomats from gaining access to communicate with foreign publics directly”.<sup>36</sup> However, the name

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<sup>34</sup> Yoon-Jeong Huh, “The Staying Power of Personal Contact in South Korean Public Diplomacy”, in William Rugh eds., *The Practice of Public Diplomacy: Confronting Challenges Abroad*, New York: Palgrave MacMillan, 2011, pp.109-124; Yohei Ogawa, “Economics Issues and Anti-Americanism in Japan”, in William Rugh eds., *The Practice of Public Diplomacy: Confronting Challenges Abroad*, New York: Palgrave MacMillan, 2011, pp.125-139.

<sup>35</sup> John Rahaghi, “New Media or Old in Egypt and South Korea?” in William Rugh eds., *The Practice of Public Diplomacy: Confronting Challenges Abroad*, New York: Palgrave MacMillan, 2011, pp.175-190.

<sup>36</sup> William Rugh, *Front Line Public Diplomacy: How US Embassies Communicate with Foreign Publics*, New

of the book also indicates that the book focuses on U.S. diplomats and the staff of the U.S. embassies abroad. Despite his mention of the cooperation with local partners to promote public diplomacy, he regarded that cooperation would be limited by the local government because public diplomacy initiatives “could only be put into practice with the permission from local government”.<sup>37</sup> However, the cooperation with local partners drew little attention.

Similar logic is reflected in the book, *Isolate or Engage: Adversarial States, US Foreign Policy and Public Diplomacy*, edited by Geoffrey Wiseman. In this book, nine cases are included to analyze the impacts from the bilateral confrontation on public diplomacy. He introduced the bilateral political relations as the unique variable in analyzing the promotion of public diplomacy.<sup>38</sup> Two criteria served as the benchmark of selecting cases: “first, the target countries should have lasting hostile relations with U.S.; second, U.S. rejected to recognize the target countries or have limited diplomacy with the target countries”.<sup>39</sup>

In his book, Scott Snyder argued that one limit of U.S. public diplomacy towards North Korea was the “apparent inability to gain direct access to the North Korean public”. Furthermore, “the lasting hostile bilateral relations and the domestic tensions made the prospects seem impossible”. He wrote that “the ongoing atmosphere of hostility between the two sides is a major obstacle to expand public diplomacy toward North Korea, and North Korea’s own domestic political

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York: Palgrave MacMillan, 2016, pp.224-225.

<sup>37</sup> Ibid, p.229.

<sup>38</sup> Geoffrey Wiseman eds, *Isolate or Engage: Adversarial States, US Foreign Policy and Public Diplomacy*, Stanford University Press, 2015, pp.1-2.

<sup>39</sup> Geoffrey Wiseman eds, *Isolate or Engage: Adversarial States, US Foreign Policy and Public Diplomacy*, Stanford University Press, 2015, pp.7-8.

constraints suggest that the prospects for fashioning an effective message that can reach the North Korean people remains premature.”<sup>40</sup>

Suzanne Maloney conducted a research on Iran and argued that public diplomacy could play a role in bridging the culture differences between different countries, however, “couldn’t substitute the formal official engagement”.<sup>41</sup>

William Rugh contributed to the book by writing an article on Syria. He argued that the political restriction imposed by the Syrian government was the biggest obstacle for the U.S. to promote public diplomacy. The Public Affairs Office (PAO) once sought for opportunities to promote public diplomacy in Syria by cooperating with local institutions, however all channels were cut off after the U.S. criticized the Assad administration in 2011 for democracy crisis.<sup>42</sup> The initiatives had been suspended as well.

Geoffrey Wiseman concluded that diplomatic isolation usually narrowed the maneuvering space for the U.S. to promote public diplomacy. He mentioned that “the more adversarial a state is, the harder it is to conduct public diplomacy.”<sup>43</sup> He argued that “the major opportunity for public

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<sup>40</sup> Scott Snyder, “North Korea: Engaging a Hermit Adversarial State”, in Geoffrey Wiseman eds, *Isolate or Engage: Adversarial States, US Foreign Policy and Public Diplomacy*, Stanford University Press, 2015, pp.85-109.

<sup>41</sup> Suzanne Maloney, “Iran: Public Diplomacy in a Vacuum”, Geoffrey Wiseman eds, *Isolate or Engage: Adversarial States, US Foreign Policy and Public Diplomacy*, Stanford University Press, 2015, pp.164-204.

<sup>42</sup> William Rugh, “Public Diplomacy in Syria: Overcoming Obstacles”, Geoffrey Wiseman eds, *Isolate or Engage: Adversarial States, US Foreign Policy and Public Diplomacy*, Stanford University Press, 2015, pp.206-231.

<sup>43</sup> Geoffrey Wiseman eds, *Isolate or Engage: Adversarial States, US Foreign Policy and Public Diplomacy*, Stanford University Press, 2015, pp.290-291.

diplomacy often occurred not when relations were at their worst, but when relations began to improve”.<sup>44</sup> But his research was conducted only from the perspective of the U.S. and did not touch on the topic of how the local individual or organizations were receptive to U.S. public diplomacy initiatives.<sup>45</sup>

The same inclination can be reflected in the existing literature of the CIs. Some scholars view the political relations between China and the host countries as the decisive factor for the operation of the CIs. The CIs would be limited unless the bilateral relations could be improved. For example, Hsin-Huang Michael Hsiao and Alan Hao Yang once made field surveys in Southeast Asia to analyze the local operation of the CIs. They argued that Thailand welcomed the CIs as they hoped to strengthen the links with China, while Vietnam was indifferent to the CIs due to their deep suspicions of China.<sup>46</sup> They also examined the role of political dependence on the CIs development, and argued that Cambodia provided enough space for the CIs to develop because of their high dependence on China; however, Myanmar did not encourage the CIs’ development due to their low dependence on China.<sup>47</sup>

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<sup>44</sup> Ibid, p.295.

<sup>45</sup> Brent Lawniczak, “Lawniczak on Wiseman, ‘Isolate or Engage: Adversarial States, US Foreign Policy, and Public Diplomacy’”, <https://networks.h-net.org/node/12840/reviews/114932/lawniczak-wiseman-isolate-or-engage-adversarial-states-us-foreign>, accessed on June 1 2017.

<sup>46</sup> Hsin-Huang Michael Hsiao and Alan Hao Yang, “Kongzi Xueyuan zai Zhongguo-Dongnanya Guanxi Zhengzhi zhong de Juese” [The Role of Confucius Institutes in the Politics of Guanxi between China and Southeast Asia], *Prospect Quarterly*, Vol. 15, No.3, pp.1-56.

<sup>47</sup> Hsin-Huang Michael Hsiao and Alan Hao Yang, “Differentiating the Politics of Dependency: Confucius

Nguyen Van Chinh, a Vietnamese scholar, shows his agreement with the above ideas. He pointed out that the benign bilateral relations between China and Thailand as well as China and Cambodia facilitated the development of the CIs well in these two countries. However, the fluctuation of the bilateral relations between China and Vietnam and China and Myanmar, made the two countries suspicious of China's intention on promoting the CIs, thus hampering the CIs.<sup>48</sup>

The above ideas make some sense. However, there are two questions they cause:

First, the literatures overstate the importance of political relations and social environment. They view public diplomacy as a linear process from initiators to target audiences without the participation of the oversea local partners.

Second, political relations determinism cannot explain the divergence of the CIs which are located in a same political adversarial environment. For example, in Japan, all the CIs are established in private universities. Among them, few CIs have gotten outstanding performances. However, Ritsumeikan CI has flourished while most of them have been inactive. In Philippines, the CI at Angeles University Foundation, which is the youngest and smallest of the CIs, successfully promote Chinese language teaching to the national education system.

Third, the researches above were conducted from the perspective of the initiators alone, but did not take an insight into the reactions from the local institutions and the interactions or cooperation between the initiators and the local partners.

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Institutes in Cambodia and Myanmar", *Issues & Studies*, Vol. 50, No.4, pp 11-44.

<sup>48</sup> Nguyen Van Chinh, "Confucius Institutes in the Mekong Region: China's Soft Power or Soft Border?" *Issues & Studies*, Vol. 50, No.4, pp 85-117.

### 1.2.2 Adversarial Operation Environment

Another category is conducted from the perspective of field practice. It was generally believed that the economic linkage between Hanban, Chinese universities and host universities was the primary factor for the survival of the CIs. In other words, the survival of the CIs depends on the economic interests.

For example, Rui Yang argued that the engagement of the host universities was rooted in the hope of getting resources of economic and instructor for their Chinese language teaching.<sup>49</sup> Don Starr emphasized that host universities were very sensitive to the material interests, and “they would change their attitude towards the CIs if their interests were thought not to take as high precedence”.

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Baba Takeshi attributed the rapid expansion of the CIs to the common interest mechanism between the host universities and their Chinese partner universities. Host universities hoped to strengthen the links with China’s institutes and showed more presence in China through establishing a CI. Some private universities also hoped to guarantee students admission through building a CI.<sup>51</sup>

Lee Kyoungtaek argued that Chinese government (Hanban), host universities, and Chinese

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<sup>49</sup> Rui Yang, “Soft Power and Higher Education: An Examination of China’s Confucius Institutes”, *Globalization, Societies and Education*, Vol. 8, No. 2, June 2010. PP. 235-245.

<sup>50</sup> Don Starr, “Chinese Language Education in Europe: the Confucius Institutes”, *European Journal of Education*, Vol.44, No.1, 2009, Part 1, 65-82.

<sup>51</sup> Baba Takeshi, “Chugoku no Daiga Kyoiku---Koshi Gakuin o Chuoshin ni” [China’s Overseas Language Education: Focusing on Confucius Institutes], *ICCS Journal of Modern Chinese Studies*, Vol.2 (1) 2010, pp. 212-220.



universities had built up the platform for the CIs to operate. He conducted a research on how Hanban managed to control the individual CIs after rapid expansion and argued that the economic linkage was the primary tool.<sup>52</sup> Specifically, Hanban encouraged the individual CIs to hold Hanyu Shuiping Kaoshi (HSK)<sup>53</sup> thus providing stable income to them. The income allowed Hanban to successfully maintain the centripetal force over the individual CI.<sup>54</sup> Actually, the examination fees of the HSK are fewer than the annual grants from Hanban to the host universities. But his emphasis on the economic linkage makes some sense.

Amy Stambach introduced the concept of stakeholder to analyze the operation of the CIs at the host universities, and the term of stakeholder reflects the economic linkage in essence. She put attention on the individual or organizations that would be related with the CIs inside the host universities. She argued that the administration of the host universities was the most important stakeholder of the CIs inside the host universities. Their primary incentives to accept the CIs are the economic value. Just as she put it, “part of the ‘relationship building’ that administrators helped to coordinate involved aligning university research with commercial and international interests.

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<sup>52</sup> Lee Kyoungtaek, “Koshi Gakuin no Kontororu Kyoka no Tameni Mochii Rareru Naibu Mekanizumu Bunseki: Burando Settei to Gagaku Kentei Tesuto no Yakuwari o Chushin ni” [An Analysis on the Confucius Institutes’ Internal Control Mechanism: Focusing on the Brand Setting and Language Test], *Journal of International and Advanced Japanese Studies*, Vol. 3, March 2011, pp. 35–50

<sup>53</sup> HSK is the Chinese abbreviation of the examination for the Chinese language proficiency.

<sup>54</sup> Lee Kyoungtaek, “Koshi Gakuin no Kontororu Kyoka no Tameni Mochii Rareru Naibu Mekanizumu Bunseki: Burando Settei to Gagaku Kentei Tesuto no Yakuwari o Chushin ni” [An Analysis on the Confucius Institutes’ Internal Control Mechanism: Focusing on the Brand Setting and Language Test], *Journal of International and Advanced Japanese Studies*, Vol. 3, March 2011, pp. 35–50

Administrators framed university decisions around a new entrepreneurial impulse.”<sup>55</sup>

“Administrators behind Confucius Institutes view knowledge as having market value.”<sup>56</sup>

The explanations of economic interests make some sense, however there are some weaknesses:

First, according to the logic mentioned above, we can easily draw a conclusion that inadequate economic interests would lead to the closure of the CIs. As long as there was a continuing economic interest, the CIs would survive. However, this logic cannot explain some failed cases. For example, in the case of the CIUC, the grants that Hanban provides to the CIUC were much higher than those to other CIs, but the CIUC was closed. As for the case of the CI at McMaster University and the CI at Toronto Public District Board, these two host institutions cherished the Chinese grants, but these two CIs did not survive in the petitions. However, the CI at New South Wales Education Department under similarly adversarial environment survived. Therefore, it is safe to say that the economic interests are important but not the primary factor for the CIs’ survival. More should be explored about the operation of the CIs.

Second, the analysis focused on the stationary interest links among Hanban, the host universities, and their Chinese partner universities while the dynamics analysis is lacking. And the relationships between their interactions and the dynamics of the economic interests<sup>57</sup> are still yet to be developed.

Third, although some scholars introduced the concept of stakeholder to analyze the

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<sup>55</sup> Amy Stambach, *Confucius and Crisis in American Universities: Culture, Capital and Diplomacy in US Public Higher Education*, New York: Routledge, 2014, p.72.

<sup>56</sup> Ibid, p.73.

<sup>57</sup> More details of dynamics would be provided in Chapter 2.

relationships among the individual or organizations who may affect the CIs, the definition and the categorization of the stakeholder analysis appear insufficient. On the one hand, the existing research reframes the definition of the stakeholders within Hanban, the host universities and their Chinese partner universities, while neglecting the other possible stakeholders in domestic China and the host countries. On the other hand, the existing research pays little attention to the adversarial stakeholders who may oppose to the CIs. Despite the academic resistance facing the CIs, some Chinese scholars viewed the oppositions as prejudices and misunderstandings based on the ideological reasons and even criticized the opposition as boring.<sup>58</sup> Confronting words were often used to deal with the opposition,<sup>59</sup> and little efforts to communicate with the opponents were made.<sup>60</sup> To some extent, the adversarial stakeholders had been forgotten or neglected. Additionally, sometimes the foreign directors who dominated the operation of the CIs kept a low profile to run the CIs, and kept distance from the public to avoid deteriorating the controversial discussions about the CIs. Essentially, such behaviors reflected the negative attitude towards the adversarial stakeholders.

### 1.2.3 Case Studies

Apart from the two categories mentioned above, the empirical studies, especially complete

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<sup>58</sup> Wang Wei, “Gede Xueyuan de Fazhan yu Qishi” [The Development and Implications of Geoth Institute], *Public Diplomacy Quarterly*, 2014, No.3.

<sup>59</sup> Han Fangmin, “Kongzi Xueyuan Qishi Manpin de” [Confucius Institutes Are Pretty Fighting], *Lianhe Zaobao*, January 27, 2015; John Sudworth. “Confucius Institute: The Hard Side of China’s Soft Power”, <http://www.bbc.com/news/world-asia-china-30567743>, accessed on 2014-12-20.

<sup>60</sup> Robert Kapp et al. “The Debate Over Confucius Institutes: A ChinaFile Conversation”, <http://www.chinafile.com/conversation/debate-over-confucius-institutes>, accessed on 2014-06-23.

case studies, are largely lacking. There is enough research on the structure of the CIs, yet the research on the overseas practices remains to be developed. The attention on the failed cases mainly comes from the media commentary, while few academic studies focus on the closed CIs.

For example, James Paradise once conducted some interviews with the directors of the CIs, the people in charge of international exchange in Chinese partner universities and some officials of Hanban. However, his research was more focused on the CIs' role in China's public diplomacy strategy rather than providing a complete case study.<sup>61</sup>

Falk Harting paid a few visits to some CIs in Australia, Germany, U.K, Czech, New Zealand, South Africa and some Chinese organizations from 2010 to 2014. He interviewed 8 CIs directors and 1 Asian language professor in Australia; 9 CIs directors, 2 Sinology scholars, and 1 official of China embassy in Germany; 9 officials related with CIs in China; and 7 CIs directors in some other countries.<sup>62</sup> These interviews indeed provided more one-handed materials about the CIs. However, his research focused on the CIs' role in China's public diplomacy strategy without providing a complete case study.

Lee Kyoungtaek interviewed 5 CIs in Japan, 6 CIs in South Korea, the CIs in Paris and Hanban during 2008 and 2009. However, his research was more focused on the linkage between oversea CIs and Hanban headquarters rather than the concrete case study.<sup>63</sup>

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<sup>61</sup> James F.Paradise, "China and International Harmony: The Role of Confucius Institutes in Bolstering Beijing's Soft Power", *Asian Survey*, Vol.49, No.4 (July/August 2009), pp.647-669.

<sup>62</sup> Falk Harting, *Chinese Public Diplomacy: The Rise of the Confucius Institute*, New York: Routledge, 2016, pp.194-195.

<sup>63</sup> Lee Kyoungtaek, "Koshi Gakuin no Kontororu Kyoka no Tameni Mochii Rareru Naibu Mekanizumu

Some practitioners recorded their working experiences. Li Qikeng provided his working experience as a Chinese director of the CIs at Hawaii University in the US. His article was mainly about the handling of the Dalai's visit to Hawaii University and far from formatting a complete case study.<sup>64</sup>

Kuroda Chiharu once conducted a field survey in the CI at Maryland University. Her paper focused on the promotion of Chinese language teaching and China's cultural promotion towards the U.S. She argued that the CIs reflected China's emphasis on cultural promotion towards the U.S. However, her paper did not review the local operation of the CI at Maryland University.<sup>65</sup>

Liu Cheng and An Ran performed research on the CI at Kansas University and got some one-handed materials. But their research was more focused on the concrete language classes and their prospected future. They did not touch the topics such as whether the CIs encountered opposition.<sup>66</sup>

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Bunseki:Burando Settei to Gagaku Kentei Tesuto no Yakuwari o Chushin ni" [An Analysis on the Confucius Institutes' Internal Control Mechanism: Focusing on the Brand Setting and Language Test], *Journal of International and Advanced Japanese Studies*, Vol. 3, March 2011, pp. 35–50

<sup>64</sup> Li Qikeng, "Kongzi Xueyuan de Gonggong Waijiao Shiming :yi Xiaweiyi Daxue Kongzi Xueyuan Weili" [Confucius Institutes' Mission on Public Diplomacy: Focusing on The Confucius Institute at Hawaii University], *Public Diplomacy Quarterly*, No.19

<sup>65</sup> Kuroda Chiharu, "Amerika Gasshuukoku ni Okeru Chuugoku seifu no Chuugokugo Fukyuu Senryaku — Merirando Daigaku Kooshi Gakuin no Jirei o Chuushin ni" [Government Strategies in Promoting Chinese Language in the United State: A Case Study of Confucius Institute at the University of Maryland], *Kobe University Overseas Students Bulletin*, 2010 March, Vol. 19, pp. 19-36.

<sup>66</sup> Liu Cheng and An Ran, *Kongzi Xueyuan Chuanbo Yanjiu [Research on Confucius Institutes from Communication Perspective]*, Beijing: China Social Science Press, 2012, pp.28-70.

The lack of the empirical studies can also be found in the research on the failed CIs. By now, there are 8 CIs that have been closed all around the world according to available public materials. However, the research on them mainly came from the media comments, with few academic research studies. Despite timely, more accurate information is still yet to be developed. For example, during September 25<sup>th</sup> to October 2<sup>nd</sup> in 2014, the CIs at University of Chicago and Pennsylvania State University were closed within a week. An Ran and Xu Mengmeng collected representative news coverage of the main media in the U.S. and conducted an analysis. The conclusions of the coverage can be drawn as the followings: first, most of the news provided brief introduction of the two cases but failed to provide more details. Second, the news was inclined to indicate the connection between the CIs and the Chinese government, especially paying great attention to information censorship in domestic China, and speculated the possible censorship inside the host universities.<sup>67</sup> Words such as “surveillance, constraint, propaganda, and politically taboo were used frequently in the news, and are reflective of the pre-occupation of the medias”.<sup>68</sup> The frequency of these words reflects the lack of objectivity.

It is safe to say that the news coverage and commentaries can provide us some materials, but the ideological concerns limited the objective analysis that is essential for more details. In addition, their commentaries are too superficial to cover the interactions among the stakeholders.

To be concluded, there are four main problems in the existing researches on the CIs:

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<sup>67</sup> An ran and Xu Mengmeng, “Meiguo Zhijiage Daxue Tingban Kongzi Xueyuan Xinwen Huayuquan Fenxi “[An Analysis on the Closure of the Confucius Institute at the University of Chicago from News Disclose Right Perspective], *International Communications*, 2015, No.2, pp.43-45.

<sup>68</sup> Ibid.

First, the existing literatures overrate the influences from the political relations and social environment. But this logic can't explain the different endings of the CIs in similar adversarial political environment.

Second, some scholars tried to introduce the concept of the stakeholder to analyze the relationships among the stakeholders of the CIs. However, they paid too much attention to the economic interest links between the Hanban and the host universities, while neglecting the analysis on the dynamics of the stakeholder interest. In addition, the existing researches did not pay enough attention on the possible adversarial stakeholders.

Third, the empirical researches on the CIs in an adversarial environment, especially the case study on failed cases, are still lacking. The failed cases are mainly from media commentaries while the academic analysis has yet to be developed.

Forth, most researches are conducted from the perspective of initiators or initiating countries alone rather than the perspective of interactions between the multiple stakeholders in the initiating countries and host countries.

## **1.3. Research Methods**

Theoretical analysis, case studies, and interviews would be employed to make this research.

### **1.3.1 Theoretical Analysis**

The existing public diplomacy literature overemphasizes public diplomacy as a policy tool. Although some scholars tried to analyze the field practice of the public diplomacy initiatives, their research failed to provide a more detailed picture of the interactions among Hanban, the host

universities, and their Chinese partner universities as well as the dynamics of the stakeholder interest. To resolve this problem, I will introduce the stakeholder theory to analyze the CIs in an adversarial environment to enrich the public diplomacy theory.

### **1.3.2 Case Studies**

This research would choose two types of cases as research target: the CIs in adversarial political relations, and the CIs in adversarial operation environment.<sup>69</sup>

As mentioned previously, in recent years China experienced hostile relations with its neighboring countries Japan and Philippines due to the ocean territory disputes. However, the CIs in these two countries not only survived but seemed to develop smoothly. Despite the serious political turmoil, the CI at Ritsumeikan in Japan and the CI at Angeles University Foundation not only survive but also get rewarded as outstanding CIs around the world by Hanban due to their excellent performances. These two cases will be helpful to provide us more understanding of promoting public diplomacy in adversarial political environment.

In addition, there are 8 failed CIs all around the world. Due to restraints, the public materials about the CIs are limited. I have to focus on the three accessible cases, the CI at University of Chicago, the CI at McMaster University, and the CI at Toronto Public District Board. I will provide another typical CI that encountered oppositions, the CI at New South Wales Education Department. These four cases will reflect the different roles of the different stakeholders in the survival of the CIs by indentifying dynamics of stakeholder interest and communication among them.

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<sup>69</sup> Specific Explanation for these two kinds of adversarial environment would be provided in Chapter 2.



### 1.3.3 Interviews and Surveys

In addition to the academic works, the annual reports of CIs, and media coverage, I also conducted necessary and extensive interviews with the directors of the CIs or other staff in order to get more one-handed materials. In October 2016, I also conducted surveys in Japan and Philippines.

The details of my interviews and surveys are as followings:

Table 1-1 The List of Interviewees

Time	Means	Target
March, 2014	Face to Face Interviews	Two Chinese directors who once worked in the U.S.
April--May, 2015	Email Interview	Bruce Lincoln, the leader of the opponents at the University of Chicago;  Elizabeth Redden, a journalist of an online magazine <i>Insight Higher Education</i> and Raymond Fang, a journalist of <i>Chicago Maroon</i> .
September, 2015	Email Interview	Richard Saller, Director of the Confucius Institute at Stanford University
January, 2016	Email Interview	John Parker, Senator of New South Wales Parliament, Australia
March, 2016	Audio Interview	Shi Shuangyuan, Director of NSW Department of Education CI
March, 2016	Email Interview	Do Thanh Van, Director of the Confucius Institute at Hanoi University, Vietnam
August, 2016	Written Interview	Hanban

October, 2016	Field Survey	Ritsumeikan Confucius Institute, Director Unoki Yo, and Chief Administrator Takeda Ryuma
October, 2016	Field Survey	Philippine, Armin Luistro, Former Secretary of Education  Sydney Bata, the Director of Chinese Studies Center, Ateneo University  Ellen H. Palanca, the Director of the CI at Ateneo University

#### **1.4. Research Significances**

The contributions of this research are as followings:

Firstly, this research will enrich the theoretical research on promoting public diplomacy in adversarial environment by providing an analysis framework. By introducing the Stakeholder Theory, this research would focus on the stakeholders of the CIs, the changes of their interests and the communication among them rather than considering interests alone.

Secondly, this research would provide deep analysis on the interactions among the stakeholders both in initiating countries and host countries, rather than the analysis on the initiators alone just as what the existing research has done. In particular, this research would conduct further study on the adversarial stakeholders who were against the CIs.

Thirdly, this research would fulfill the academic gap that there is still lack of empirical research on the CIs, especially the complete case study on the failed case. The empirical research would also be helpful for the theoretical research in future.

## **1.5. The Structure of This Research**

This research proceeds as follow. Chapter 1 is the introduction in which the research question, literature review, research significance and research method are identified. The central question of this research is that why different Confucius Institutes (CIs) in similarly adversarial environment have different endings. Through focusing on the CIs in adversarial environment, this research aims to challenge the conventional idea that the political relations between China and the host countries and the economic interests of the Confucius Institutes are the two primary factors for the survival of the CIs. By introducing the Stakeholder Theory, this research would enrich the theoretical research on promoting public diplomacy in adversarial environment. This research would also provide complete empirical studies on both the success CIs and the failed CIs in the adversarial environment. To get more one-handed materials, this research would be conducted on the basis of the interviews with some directors of the CIs, and some field survey of the CIs.

Chapter 2 deals with three parts, including some key concepts in this research, the Stakeholder Theory, and the stakeholder of the CIs and their communication channels. In the first part, the evolution of the definition of the public diplomacy and the necessity of stakeholder theory will be clarified first and foremost. The explanation for adversarial environment and the criterion for evaluating the CIs would be provided later. In the second part, I would review the basic logic of the stakeholder, including the categorization of the stakeholder interest pursuits, and communication mechanism to maintain the relationships among the stakeholders. The final part is about the stakeholders of the CIs and the communication channels among them.

Chapter 3 examines the CIs at Ritsumeikan in Japan, focusing on how Hanban stimulated the

Ritsumeikan University to positively engage in the cooperation. This chapter will focus on the establishment of the CIs at Ritsumeikan as Non-Profit Organizations (NPO) and its following development.

Chapter 4 deals with the Confucius Institute at Angeles University Foundation (AUF-CI) in Philippines. The AUF-CIs are rewarded as Annual Best CIs by Hanban for two times. This chapter focuses on the establishment and operation against the background of serious bilateral relations and emphasizes how the AUF-CI promoted the Chinese language education into the national education system of Philippines and cooperated with the Education Ministry of Philippines.

Those two chapters above examine how to guarantee the stakeholder engagement at the very beginning of cooperation by mainly focusing on the communication between the host universities and Hanban. When the host universities hold positive attitude towards the CIs, the existing communication channels among Hanban, the host universities, and their Chinese partner universities would enhance the cooperation. These two chapters also examine the influence from adversarial political environment. On this basis, the following four chapters would turn to focus on the stakeholder communication in the adversarial operation environment after the establishment of the CIs.

Chapter 5 deals with the Confucius Institute at News South Wales Education Department (NSW CI) case focusing on how to translate the adversarial stakeholders to the “monitors” of the CI, thus stabilizing the cooperation foundation. After encountering opposition, the host university would play a vital role if they can successfully deal with the adversarial stakeholders, thus avoiding the escalation of the opposition.

Chapter 6 examines the CI at McMaster University. This chapter is about how an ordinary stakeholder, a Chinese language instructor sent from China, interacted with other possible stakeholders in the local society and finally led to the closure of the McMaster CI. This chapter will provide a picture how the stakeholder communications between the host universities and adversarial stakeholders influenced the stakeholders in China.

Chapter 7 examines the case of the Confucius Institute at Toronto District School Board (TDSB CI) by analyzing how the stakeholder communications between the host universities or institutions and the adversarial stakeholders influenced the survival of the CIs. I will provide a picture of how the failed stakeholder communication between the administration of the TDSB and opponents of the CIs affected the other stakeholders who supported the CIs at the very beginning and finally lost their endorsements.

Chapter 8 deals with the case of the Confucius Institute at the University of Chicago (CIUC). This chapter will focus on the reasons why some stakeholders---related faculty members and administration who supported the CIUC at the very beginning---withdrew their support. This chapter will provide the most detailed information about the stakeholder communications between the University of Chicago and Hanban.

Chapter 9 is the final conclusions of this research. This paper argues that the stakeholder communications lagging behind the change of interest plays a decisive role in determining the establishment and the survival of the CIs.

## **Chapter 2 Key Concepts and Analysis Framework**

This chapter will firstly review the evolution of the public diplomacy definition, and clarify the necessity of introducing the stakeholder theory. I would then provide explanation for adversarial environment and the criterion for evaluating the CIs. The concept of stakeholder, the interest categories, and the communication channels among the stakeholders will be provided in the next part. Then I will try to give a picture of the stakeholders of the CIs, clarify their interests, and elaborate the communication mechanism among the stakeholders. Finally, I will provide my analysis framework.

### **2.1 Why Stakeholder?**

The necessity of introducing the stakeholder theory would be provided in this part by tracing the evolution of the public diplomacy before and in the Cold War era and the new public diplomacy in the 21st century.

#### **2.1.1 The Evolution of the Public Diplomacy before and in the Cold War Era**

The term of “public diplomacy” was first coined in 1856 in a Britain magazine *Times*, as a criticism towards the U.S. President Franklin Pierce. *Times* wrote that “if they (The U.S.) have to make, as they conceive, a certain impression upon us, they have also to set an example for their own

people, and there are few examples so catching as those of public diplomacy”.<sup>70</sup> In the following decades, public diplomacy has been viewed as “open diplomacy.” The critics against the “secret diplomacy” and “private diplomacy” emphasized that diplomacy initiatives should be open to social public rather than being kept confidential amongst a few diplomats.<sup>71</sup>

In the 1950s, both the U.S. and the Soviet Union used public diplomacy as a tool to air up their ideological advantages to other foreign publics. Public diplomacy began to focus on the realm of international information and propaganda.<sup>72</sup> However, public diplomacy did not enjoy a good reputation due to the close connection between propaganda and fake news publicity by Nazi Germany. In order to legitimize public diplomacy initiatives, Edmund Gullion provided an academic definition of public diplomacy for the first time to distinguish it from propaganda. The definition is as following:

“Public diplomacy... deals with the influence of public attitudes on the formation and execution of foreign policies. It encompasses dimensions of international relations beyond traditional diplomacy; the cultivation by governments of public opinion in other countries; the interaction of private groups and interests in one country with another; the reporting of foreign affairs and its impact on policy; communication between those whose job is communication, as diplomats and foreign correspondents; and the process of intercultural communications.”<sup>73</sup>

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<sup>70</sup> Nicholas J. Cull, “Public Diplomacy before Gullion: The Evolution of a Praise”, in Nancy Snow eds, *Routledge Handbook of Public Diplomacy*, New York: Routledge, 2009, pp.19-23.

<sup>71</sup> Ibid.

<sup>72</sup> Ibid.

<sup>73</sup> The Murrow Center, “what is Public Diplomacy”, <http://www.publicdiplomacy.org/1htm> ., accessed on June 1<sup>st</sup>

According to this definition, the actors behind the public diplomacy initiatives were the government and other related players. This definition focused on information communication, and emphasized the favorable influences on the foreign public as its ultimate goal. However, this definition was thought to be so broad that it could cover all aspects of communications across borders because it included various actors and activities. Therefore, some scholars tried to redefine the concept by revising the scale of actors, while keeping the persistent purposes which focus on building a favorable environment for foreign policy.

For example, *The Dictionary of International Relations Terms* edited by the U.S. Department of State defines public diplomacy as that which “refers to government-sponsored programs intended to inform or influence public opinion in other countries; its chief instruments are publications, motion pictures, cultural exchanges, radio and television.”<sup>74</sup> According to the Planning Group for Integration of USIA to the Dept. of State, “Public Diplomacy seeks to promote the national interest of the United States through understanding, informing, and influencing foreign audiences.”<sup>75</sup> Hans Tuch defined public diplomacy as “Official government efforts to shape the communications environment overseas in which American foreign policy is played out, in order to reduce the degree to which misperceptions and misunderstandings complicate relations between the U.S. and other

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2016.

<sup>74</sup> The Murrow Center, “what is Public Diplomacy”, <http://www.publicdiplomacy.org/1htm> ., accessed on June 1<sup>st</sup>

2016.

<sup>75</sup> Ibid.



nations.”<sup>76</sup>

The definitions above still viewed public diplomacy as a supplementary tool to inform and influence foreign publics, thus facilitating the promotion of the diplomacy. But compared with Gullion’s definition, these definitions confine the actor of public diplomacy within state. In the Cold War era, the international broadcasting was thought to be a useful tool. In a word, both scholars and politicians viewed persuasion as the primary goal of public diplomacy.

### **2.1.2 The New Public Diplomacy in the 21st Century**

However, after the Cold War, public diplomacy began to be concerned with creating understandings among various kinds of individual or organizations. More and more scholars began to agree with the concept of the new public diplomacy which emphasizes on keeping engaged with the foreign publics or new-coming actors in international affairs rather than directly influencing them.

In the post Cold War era, the public diplomacy initiatives with emphasis on the international persuasion lost its market. The collapse of the Soviet Union made public diplomacy seem dispensable. The USIA, which is the charging agency of U.S. public diplomacy, was incorporated into the Department of the State of U.S.<sup>77</sup> However, 9/11 serves as the “watershed” of this trend.<sup>78</sup>

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<sup>76</sup> Hans Tuch, *Communicating with The World: U.S. Public Diplomacy Overseas*, New York: ST Martin’s Press, 1990, p 3.

<sup>77</sup> Nicholas J. Cull, “How We Got Here”, in Philip Seib, eds, *Toward a New Public Diplomacy: Rethinking US Foreign Policy*, New York: Palgrave Macmillan, 2009, p.23.

<sup>78</sup> Jan Melissen, “The Public Diplomacy: Between Theory and Practice”, in Jan Melissen eds, *The Public Diplomacy: Soft Power in International Relations*, New York: Palgrave MacMillan, 2005, pp.3-27.

Public diplomacy was re-mentioned in the discussion about why the U.S. was hated by the Arabians. Some scholars began to rethink the essence of the public diplomacy from the aspect of purposes and actors. In their view, the purpose of public diplomacy should be transformed from influencing the foreign public to the building relationships or keeping engagement with the foreign public; and the actors of public diplomacy should be expanded and go beyond the state actors. Some scholars began to pay attention to the importance of maintaining lasting relationships. There was an attempt to introduce the stakeholder theory to analyze the communication with diversifying actors. For example, Falk Harting said that “there is a general agreement that new public diplomacy includes an emphasis on greater exchange and collaboration as well as dialogue, new technologies, and new actors such as nongovernmental organizations, advocacy groups, or non-state actors.”<sup>79</sup> Kathy Fitzpatrick summarized the American public diplomacy initiative should “shift from telling America’s story to the world to engage with the world”.<sup>80</sup>

In Melissen’s view, there is a status dynamics between state actors and non-state actors, namely “the state actors’ decreasing control over the issues and the non-state actors’ increasing engagement with global affairs”.<sup>81</sup> Therefore, the states have to directly “communicate with foreign publics rather than the, then habitual, international dialogue with foreign officials.”<sup>82</sup> Public diplomacy is employed to take this job. Jan Melissen viewed public diplomacy as not “a

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<sup>79</sup> Falk Harting, *Chinese Public Diplomacy: The Rise of The Confucius Institute*, New York: Routledge, 2016, p 7.

<sup>80</sup> Jan Melissen, “The Public Diplomacy: Between Theory and Practice”, in Jan Melissen eds, *The Public Diplomacy: Soft Power in International Relations*, New York: Palgrave MacMillan, 2005, pp.3-27.

<sup>81</sup> Ibid.

<sup>82</sup> Ibid.

mere technique” but “a part of the fabric of the world politics.”<sup>83</sup> He argued that it was “first of all about promoting and maintaining smooth international relations.”<sup>84</sup> In other words, public diplomacy aims to communicate with multilateral actors.<sup>85</sup>

Mark Leonard emphasized that public diplomacy should focus on long-term relationship building with the foreign publics rather than one-way messaging in the Cold War era. In his book, he wrote that: “in fact public diplomacy is about building relationships: understanding the needs of other countries, cultures and peoples; communicating our points of view; correcting misperceptions; looking for areas where we can find common cause.”<sup>86</sup> He divided public diplomacy into three dimensions: “(1) reacting to the news events as they occur in a way that tallies with our strategic goals; (2) proactively creating a news agenda through activities and events which are designed to reinforce core messages and influence perceptions; (3) building long-term relationships with populations overseas to win recognition of our values and assets and to learn from theirs.”<sup>87</sup>

Some scholars tried to categorize public diplomacy in terms of time span of the public diplomacy initiatives. Eytan Gilboa divided public diplomacy initiatives into three categories: (1) Immediate; taking hours or days with the purposes of reacting to the events as soon as possible by news management; (2) Intermediate; taking weeks or months with the purposes of appealing to the

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<sup>83</sup> Ibid.

<sup>84</sup> Kathy Fitzpatrick, *U.S. Public Diplomacy in a Post-9/11 World: From Messaging to Mutuality*, Los Angeles: Figueroa Press, p 6.

<sup>85</sup> Kathy Fitzpatrick, *U.S. Public Diplomacy in a Post-9/11 World: From Messaging to Mutuality*, Los Angeles: Figueroa Press, p 6.

<sup>86</sup> Mark Leonard, *Public Diplomacy*, London: The Foreign Policy Centre, 2002, P 8.

<sup>87</sup> Ibid, PP.10-11.

foreign publics by strategic communication; (3) Long; taking years with the purposes to cultivate relationships with the foreign publics by cultural diplomacy, exchanges.<sup>88</sup> These definitions not only emphasized the goals of creating favorable environment for the overall diplomacy but also point out the importance of building long term relations with foreign publics.

Nancy Snow agreed with the above ideas. In the *Routledge Handbook of Public Diplomacy*, she wrote that the primary goal of public diplomacy was to “create mutual trust with foreign publics”.<sup>89</sup> Nicholas Cull mentioned that public diplomacy was “an international actor’s attempt to manage the international environment through engaging with a foreign public”. He argued that the primary task of public diplomacy was “the relationship building with the foreign publics”.<sup>90</sup>

In order to make precise description of the relations among the multiple actors, Rhonda Zaharna first introduced the concept of stakeholder to analyze the interactions among multiple foreign organizations or individuals that may affect or be affected by public diplomacy initiatives. In public diplomacy regard, Rhonda Zaharna defined stakeholder as “agents that share a political entity’s goals and might serve to augment the reach and effectiveness of a public diplomacy initiative”.<sup>91</sup> Specifically, stakeholders are the groups or individuals who are engaged in the public diplomacy initiatives. She mentioned that “the essence of public diplomacy was the communication with foreign stakeholders, instead the oversea information activities aiming to inform or foreign

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<sup>88</sup> Eytan Gilboa, “Searching for a Theory of Public Diplomacy”, *The ANNALS of the American Academy of Political and Social Science* 2008, 616, pp.55-77.

<sup>89</sup> Nancy Snow eds, *Routledge Handbook of Public Diplomacy*, New York: Routledge, 2009

<sup>90</sup> Nicholas J. Cull, *Public Diplomacy: Lessons from The Past*, Los Angeles: Figueroa Press, 2009, p.12.

<sup>91</sup> R.S. Zaharna, “Strategic Stakeholder Engagement in Public Diplomacy”, Paper Presented at the International Studies Association Conference, Montreal, March 15-19, 2011.

publics”.<sup>92</sup> She emphasized that the relationship building activities was not only the instruments to enhance image, but “an end in itself that attribute to a better international environment”.<sup>93</sup> She highlighted that relationship building activities focused “on mutual, sustainable communications among the initiating countries and other stakeholders”.<sup>94</sup> Such initiatives should be “more aptly gauged by relationship strength and expansion, rather than opinion surveys”.<sup>95</sup> She also applied the concept of stakeholder into analyzing the operation of the CIs.

The shifting final purpose of public diplomacy can be explained by the limited influence of public diplomacy on the political relations. Some scholars began to recognize that it was difficult to change the political attitude of the foreign publics. Just as Michael Kunczik has put it, “the public diplomacy can only reach the audiences who have already been interested in and informed about the initiatives. In other words, the audiences reached by the public diplomacy activities were those least in need of it and that the people missed by it were the new audience the plan hoped to gain”.

<sup>96</sup>Simply put, the influence of public diplomacy had been overemphasized. Jan Melissen once said that public diplomacy was traditionally viewed as a policy tool of the diplomacy; however, the

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<sup>92</sup> Rhonda Zaharna, “Mapping Out A Spectrum of Public Diplomacy Initiatives: Information and Relational Communication Frameworks”, in Nancy Snow eds, *Routledge Handbook of Public Diplomacy*, New York: Routledge, 2009, pp.86-100.

<sup>93</sup> Ibid.

<sup>94</sup> Rhonda Zaharna, “Mapping Out A Spectrum of Public Diplomacy Initiatives: Information and Relational Communication Frameworks”, in Nancy Snow eds, *Routledge Handbook of Public Diplomacy*, New York: Routledge, 2009, pp.86-100.

<sup>95</sup> Ibid.

<sup>96</sup> Michael Kunczik, *Images of Nations and International Public Relations*, New Jersey: Lawrence Erlbaum Associates, Inc, Publishers, 1996, p.103.

expectation that “public diplomacy activities are essentially aimed at creating a public opinion in a country ‘that will enable target-country political leaders to make decisions that are supportive of advocate-country’s foreign policy objectives’, is too mechanistic and ambitious”.<sup>97</sup>

The diversification of the stakeholders imposed new challenges to public diplomacy. On the one hand, the government of the initiating country had to pay more attention to coordinating with the domestic stakeholders to ensure the promotion of public diplomacy. Nicholas Cull referred to the new individual or organizations that might affect public diplomacy as “newcomers” or “new players.” He argued that:

“The newcomers are international actors in their own right, and their PD represents their attempts to manage the international environment through public outreach in their own interests rather than the interests of the state to which they have been historically connected. States may find that their relationships with these new players will be less like relations with their own internal PD organs and more like dealing with allied states with overlapping ideological interests, with whom they can expect to part company when a conflict of interest arrives.”<sup>98</sup>

On the other hand, public diplomacy had to deal with more complicated overseas stakeholders, and some of them would oppose public diplomacy programs due to their own interests. Therefore, some scholars began to pay attention to the possible interest conflict among stakeholders.

For example, Zaharna defined the individuals or organizations that would undermine public

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<sup>97</sup> Jan Melissen, “The Public Diplomacy: Between Theory and Practice”, in Jan Melissen eds, *The Public Diplomacy: Soft Power in International Relations*, New York: Palgrave MacMillan, 2005, pp.3-27.

<sup>98</sup> Nicholas J. Cull, *Public Diplomacy: Lessons from The Past*, Los Angeles: Figueroa Press, 2009, p.14.

diplomacy initiatives as adversarial stakeholders. She wrote that in the existing research, stakeholders were thought to be “domestic, and share the government’s goals.” She argued that such a “narrow inclusion of only allied or advocacy stakeholders can be dangerous.”<sup>99</sup> In her opinion, the practitioners should be sensitive to the adversarial stakeholders from the beginning. Otherwise, the neglect of the adversarial stakeholders would undermine the legitimacy of public diplomacy initiatives.<sup>100</sup> She also admitted that “the potential for stakeholder conflict appears conspicuously absent in public diplomacy discussions.”<sup>101</sup> In a word, she mentioned the importance of adversarial stakeholder, but did not provide in-depth analysis.

The evolution of public diplomacy definition gives us the following lessons: first, although public diplomacy is still regarded as a tool of overall foreign policy, its focus begins to shift to maintain lasting relationships with overseas individuals or organizations. To follow this trend, some scholars tried to introduce the concept of stakeholder to analyze public diplomacy, but further research has yet to be developed. It is necessary to have a comprehensive review on the concept of stakeholder.

## **2.2 What is Adversarial Environment?**

One of the key concepts of this research is adversarial environment. *Oxford Dictionary and*

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<sup>99</sup> R.S. Zaharna, “Strategic Stakeholder Engagement in Public Diplomacy”, Paper Presented at the International Studies Association Conference, Montreal, March 15-19, 2011.

<sup>100</sup> R.S. Zaharna, “Strategic Stakeholder Engagement in Public Diplomacy”, Paper Presented at the International Studies Association Conference, Montreal, March 15-19, 2011.

<sup>101</sup> Ibid.

*Thesaurus* interprets adversarial as being “involving conflict or opposition; opposed, hostile”.<sup>102</sup>

*The Concise Oxford Dictionary (Tenth Edition)* provides the definition as being “involving or characterized by conflict or opposition”.<sup>103</sup> These two definitions both identify the similar elements such as opposition, confrontation and conflict.

Why do not use the synonyms such as hostile or unfriendly? *The Concise Oxford Dictionary (Tenth Edition)* defines the hostile as being “antagonistic” or “opposed”,<sup>104</sup> and the friendly as being “kind and pleasant; of or like a friend”<sup>105</sup> while unfriendly as being not friendly.<sup>106</sup> *Longman Dictionary of the English Language* defines hostile as being “of or constituting an enemy” and “antagonistic, unfriendly”,<sup>107</sup> unfriendly as being “hostile, unsympathetic” and “unhospitable, unfavorable”.<sup>108</sup> These definitions above tell us that despite the similar meaning of opposition or conflict, adversarial seems to be more objective, while the other two words, hostile and unfriendly, seem to be more subjective. In order to increase the subjectivity of this research, I would like to use adversarial in this research.

In addition, some other scholars have used the term of adversarial in the discipline of public diplomacy and I share some position with their definitions. The adversarial could be divided into two categories: the adversarial political environment and the adversarial operation environment. In some cases, political relations are viewed as background and are the direct reason for the adversarial environment. However, in most other cases, political reasons have nothing to do with

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<sup>102</sup> Sara Tulloch, *The Oxford Dictionary and Thesaurus*, Melbourne: Oxford University Press, 1997, p.24.

<sup>103</sup> Judy Pearsall ed, *The Concise Oxford Dictionary (Tenth Edition)*, Oxford University Press, 1999, p.19.

<sup>104</sup> Ibid, p.637.

<sup>105</sup> Judy Pearsall ed, *The Concise Oxford Dictionary (Tenth Edition)*, Oxford University Press, 1999, p.567.

<sup>106</sup> Ibid, p.1565.

<sup>107</sup> *Longman Dictionary of the English Language*, Longman, 1984, p.108.

<sup>108</sup> Ibid, p.1643.



the adversarial environment. It mean that some CIs would encounter petitions or protests even in the countries who have friendly political relations with China.

### **2.2.1 The Adversarial Political Environment**

The confronting bilateral relations would bring about the skepticism attitudes towards the initiating country of public diplomacy. The social atmosphere would become serious for the initiating country to promote public diplomacy. The government, social organizations or individual would be possible to hamper or oppose the promotion of public diplomacy. Consequently, it is safe to describe the confrontational host country as an adversarial environment for promoting public diplomacy. Therefore, the confrontational bilateral relations could be viewed as the sign of the adversarial political environment for promoting public diplomacy.

Geoffrey Wiseman defines the adversarial state as being “a sovereign state with which the United States maintains limited or no formal diplomatic relations because of mutual hostility in a situation short of conventional war, and that has frustrated US foreign policy for extended periods and in different ways”.<sup>109</sup> The research targets in his research included Russia, China, North Korea, Cuba, Vietnam, Iran, Libya, Syria and Venezuela.<sup>110</sup> William Rugh did not mention the term of adversarial environment, but chose the similar research targets with Geoffrey Wiseman. He chose some countries who had confrontational relations with the US such as Serbia, Iran and some countries where had anti-America sentiment sometimes such as South Korea and Japan.<sup>111</sup>

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<sup>109</sup> Geoffrey Wiseman eds, *Isolate or Engage: Adversarial States, US Foreign Policy and Public Diplomacy*, Stanford University Press, 2015, p.11.

<sup>110</sup> Ibid, p.7.

<sup>111</sup> William Rugh, *The Practice of Public Diplomacy: Confronting Challenges Abroad*, New York: Palgrave Macmillan, 2011.

However, not all countries with limited or no formal diplomatic relations have the CIs, such as Panama which established formal diplomatic relations with China in 2016. In addition, the sudden and short episodes in the bilateral relations seem to not have obvious influences on the CIs. Therefore, in this research, I define the adversarial political environment as being somewhere the host countries had lasting fluctuation of political relations with China for at least several years and the consequent social atmosphere becomes hostile for the CIs. In other words, the adversarial political environment appears when bilateral relations between the host countries and China become serious while ending when bilateral relations are repaired. Japan and Philippines are thought to be typical case studies due to their confrontations with China in recent years.

### **2.2.2 The Adversarial Operational Environment**

From the perspective of field operation, there are some opponents who are against the operation of public diplomacy initiative even the overall social atmosphere of the host country is favorable for the initiating countries to promote public diplomacy. The appearance of the opponents would bring about subtle changes among the stakeholders. Therefore, the petitions raised by opponents usually remark the adversarial operation environment.

Nicholas Cull once analyzed the potential interest conflicts among the stakeholders of public diplomacy. He said that “states may find that their relations with these new comers will be less like relations with their own internal PD organs and more like dealings with allied states with overlapping ideological interests, who can be expected to part company when a conflict of interest arrives”.<sup>112</sup> R.S. Zaharna figured out the possibility that some stakeholders might oppose the public

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<sup>112</sup> Nicholas Cull, *Public Diplomacy: Lessons From The Past*, Figueroa Press, 2009, p.14.

diplomacy initiative due to interest conflicts. She called such kind of stakeholder as adversarial stakeholder. She argued that the existing perception that all stakeholders share common interests would endanger public diplomacy initiatives.<sup>113</sup> Therefore, the initiator should check all possible stakeholders whose interests might be undermined by public diplomacy initiatives. In addition, the communication with the adversarial stakeholders meant a lot to the legitimacy of public diplomacy initiatives sometime, and neglecting their opposition would harm public diplomacy initiatives.<sup>114</sup> Despite the importance of the communication with the adversarial stakeholders, she had to admit the fact that the research on the adversarial stakeholders was still lacking.<sup>115</sup>

In a word, the adversarial environment should be referred to the petitions and protests against the CIs which have direct influences on the operation of the CIs. Sometimes, the opponents in large scale would make the adversarial environment more obvious.

It does not mean that all the CIs encounter opposite voices are in the adversarial environment. In some cases, despite the opposite sentiment against the CIs, the direct influences on the CIs are difficult to be found due to the lack of the public petitions. In other words, the limited public materials made these cases not accessible. Therefore, I would like to choose some cases in which there were petitions with signatures of more than 100 professors or 10000 citizens.

Literally, adversarial environment should be referred to the context where the local organizations or individuals would hold opposite or contrary attitudes towards the initiators of the public diplomacy due to the serious bilateral political relations, and the operation environment

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<sup>113</sup> R.S. Zaharna, "Strategic Stakeholder Engagement in Public Diplomacy", Paper Presented at the International Studies Association Conference, Montreal, March 15-19, 2011.

<sup>114</sup> Ibid.

<sup>115</sup> R.S. Zaharna, "Strategic Stakeholder Engagement in Public Diplomacy", Paper Presented at the International Studies Association Conference, Montreal, March 15-19, 2011.

where there are adversarial stakeholders who have interest conflicts with the other stakeholders of the public diplomacy. Simply put, an adversarial environment should involve oppositions, some opponents or unfavorable social atmosphere.

Specifically, the adversarial environment would provide a special context for the stakeholders where their interest dynamics and stakeholder communications would be challenged and the destiny of the CIs would even be threatened by the resistances or oppositions.

## 2.3 How to evaluate the CIs?

The criterion for evaluating the CIs has been focused on whether the CIs are effective in improving China's soft power and national image. But I don't think this criterion is suitable. In this research, the success of the CIs would be measured by whether or not it can survive in the adversarial environment.

Some scholars provide qualitative conclusions arguing that the CIs work well to enhance China's soft power and national image. For example, Yu Miao viewed the CIs as a platform which is helpful to increase international understandings of China, improve mutual understandings between China and foreign publics, and project positive China's image to the world by promoting traditional Chinese culture.<sup>116</sup> Sheng Ding and Robert Saunders mentioned that the CIs "have significantly increased the resonance of Chinese culture abroad, especially in the Pacific Rim" by promoting Chinese language teaching. They conclude that China's soft power is also "in ascendancy".<sup>117</sup>

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<sup>116</sup> Yu Miao, "Cong Kongzixueyuan Kan Yuyan Wenhua Tuiguang de Moshi yu Xiaoguo" [The Promotion of the Chinese Language & Culture through the Confucius Institute: Modes & Effects], *Wuhan University Journal (Philosophy & Social Science)*, No.6, 2010.

<sup>117</sup> Sheng Ding and Robert A. Saunders, *Talking Up China: An Analysis of China's Rising Cultural Power and*

Some other scholars provided empirical supports to the ideas above by making questionnaires. They perceived that the CIs definitely improved the understandings of the CIs students on China thus increasing China`s international influences and national image. For example, Wu Ying and Ruan Guijun make field survey of the CIs at Pittsburgh and draw conclusion that the American youth students who attended the CIs hold positive attitude towards China.<sup>118</sup> Wu Ying also makes questionnaires of the 16 CIs in U.S, Japan, Russia, Thailand, and Lebanon. She argues that CIs have turned out of obvious effects.<sup>119</sup> Wu Xiaoping visits the CIs at the University of Massachusetts Boston and the CIs at the Bryant University, and mentions that the CIs play a very positive role in improving China`s soft power.<sup>120</sup>

By contrast, some scholars have been suspicious of the ideas aforementioned by arguing that the role of the CIs in improving China`s soft power has been very limited because the students or audiences the CIs could reach were still limited. For example, Tao Xie and Benjamin Page found that there were not necessary linkages between the quantity of the CIs and the public sentiments towards China in the host countries because most of the CIs were located in the developed countries however these countries generally holds unfavorable attitudes towards China.<sup>121</sup> Li Kaisheng and

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Global Promotion of the Chinese Language, *East Asia*, Summer 2006, Vol.23, No.2, pp-3-33

<sup>118</sup> Wu Ying, Ruan Guijun, “Zhongguo Wenhua zai Meiguo Qingshaonian zhong de Chuanbo Xiaoguo Diaocha: yi Pizibao Diqu Kongzixueyuan weili” [The Effect of the Promotion of the Chinese Culture among the American Youth: Focusing on the Confucius Institutes in Pittsburgh], *Academic Exchange*, No, 10, 2010.

<sup>119</sup> Wu Ying, “Zhongguo Wenhua Duiwai Chuanbo Xiaoguo Yanjiu” [Research on the Effect of the International Communication of Chinese Culture], *Zhejiang Social Science*, No.4, 2012.

<sup>120</sup> Wu Xiaoping, “Zhongguo Xingxiang de Tisheng: Laizi Kongzixueyuan Jiaoxue de Qishi” [The Improvement of China`s International Image: The Implications from the Language Education of the Confucius Institutes], *Foreign Affairs Review*, No.1, 2011, pp.89-102.

<sup>121</sup> Tao Xie and Benjamin I. Page, “What Affects China's National Image? A cross-national study of public opinion”, *Journal of Contemporary China*, Vol.22, No.83, pp. 850-867.

Dai Changzheng shared the argument that the CIs have limited influences on improving China's national image, for the American assessments of the CIs are the products of the overall American assessments of China.<sup>122</sup> James Paradise said that the direct evidences to support the CIs' positive role remained to be found. Despite the rapid expansion of the CIs all around the world, China's international image has been deteriorating, at least, it is safe to say the CIs does not reach the results as expected by China.<sup>123</sup> Hsin-huang Michael Hsiao and Alan Hao Yang once made field survey on the Confucius Institutes in Southeast Asia countries. Finally, they concluded that "although the CIs was designed to enhance China's international presences, there were few direct empirical evidences to prove its substantial influences on the relations between China and the host countries".<sup>124</sup> The controversies above reflect the difficulty to evaluate the effectiveness of CIs.

Given the fact that this research is conducted within the context of the adversarial political and operational environment in which the primacy for the CIs is to survival, or avoid from being closed. The effectiveness of CIs could not turn up if it could not survival in the adversarial environment. In other words, the CIs can only yield positive influences unless it becomes "a self-sustaining institute

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<sup>122</sup> Li Kaisheng and Dai Changzheng, "Kongzi Xueyuan zai Meiguo de Yulun Huanjing Pinggu" [Report of the U.S. Public Opinion of the Confucius Institutes], *World Economics and Politics*, 2011, No.7, pp. 76-93.

<sup>123</sup> James F. Paradise, China and International Harmony: The Role of Confucius Institutes in Bolstering Beijing's Soft Power, *Asian Survey*, Vol.49, No.4(July/August 2009), pp.647-669; Falk Harting, Confucius Institutes and the Rise of China, *Journal of Chinese Political Science*(2012)17:53-76; Kam Louie, Confucius the Chameleon: Dubious Envoy for "Brand China", *Boundary 2* / Spring 2011; Jennifer Hubbert, Ambiguous States: Confucius Institutes and Chinese Soft Power in the U.S. Classroom, *Political and Legal Anthropology Review*, November 2014; Joe-Tin Lo and Suyan Pan (2014), Confucius Institutes and China's Soft Power: Practices and Paradoxes, Compare: A Journal of Comparative and International Education, DOI: 10.1080/03057925.2014.916185; Zhe Ren, "The Confucius Institutes and China's Soft Power", *IDE Discussion Paper* NO.330, March 2012

<sup>124</sup> Hsin-huang Michael Hsiao and Alan Hao Yang, "Kongzixueyuan zai Zhongguo-Dongnanya Guanxi Zhengzhi zhong de Juese"[The Role of Confucius Institutes in the Politics of *Guanxi* between China and Southeast Asia], *Prospect Quarterly*, Vol.15, No.3, pp.1-56.

regardless of changes in political relations”<sup>125</sup>. Just as Geoffrey Wiseman has put it, the objectivity of public diplomacy in an adversarial environment should keep modest rather than seeking for change a state in the short term.<sup>126</sup>

Therefore, this research would take the survival as the primary criterion of the CIs in the adversarial environment.

However, this criterion does not mean that the closure of a CI is the failure of China`s public diplomacy towards a host country. The CIs is a representative but could not represent all public diplomacy initiatives. What I want to do is to try to find some common reasons in the failed cases.

## **2.4 Stakeholder Theory**

In this part, I would first provide the definition of stakeholder and its basic logic. According to the basic logic, the types of stakeholder interest and the channels of the stakeholder communication would be indentified separately.

### **2.4.1 Definition of Stakeholder**

As an academic term, stakeholder was originated in the business management regard in 1960s. At that time, Stanford Institute defined stakeholder as “some interest groups without whose support the organization would cease to exist.”<sup>127</sup> In 1964, Rhenman provided another definition that

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<sup>125</sup> Geoffrey Wiseman eds, *Isolate or Engage: Adversarial States, US Foreign Policy and Public Diplomacy*, Stanford University Press, 2015, p.80.

<sup>126</sup> Ibid, pp.296-298.

<sup>127</sup> K.-Y. Shin, “The Executor of Integrated Marketing Communications Strategy: Macom Manager`s Working Model”, *Springer briefs in Business*, DOI: 10.1007/978-3-642-38091-4\_2.

stakeholders were “depending on the firm in order to achieve their personal goals and on whom the firm is depending for its existence.”<sup>128</sup>

These two definitions referred stakeholders to those interest groups who are bound to the company existence and development, such as stockholders, suppliers and customers. Accordingly, the obligation of a company was thought to serve the interests of few organizations and maximize the interests of shareholders. However, these definitions did not take those interest groups who negatively affect the company's existence and development into consideration, “such as the media with negative broadcasting, unfavorable policies and regulations, and far-away customer groups”.

<sup>129</sup> Under the background of multiple social actors, a company should not only pay attention to the shareholders but also be sensitive to diversifying organizations.

In the 1980s, R. Freeman made great progress in this regard. In 1983, he first divided the concept into a narrow and wide sense. He defined the narrow sense of stakeholder as “any identifiable group or individual on which the organization is dependent for its continued survival.” “Such stakeholders include employees, customer segments, certain suppliers, key government agencies, shareowners, and certain financial institutions”.<sup>130</sup> Such definitions share similar logic with definitions in 1960s which confined stakeholder within a relatively narrow field.

R. Freeman defined the wide sense of stakeholder as “any identifiable group or individual who can affect the achievement of an organization’s objectives or who is affected by the achievement of

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<sup>128</sup> Ibid.

<sup>129</sup> Ibid.

<sup>130</sup> R. Edward Freeman, “Stockholders and Stakeholders: A New Perspective on Corporate Governance”,

*California Management Review (pre-1986)*, Spring 1983, pp.88-106.



an organization's objectives. Groups such as public interest groups, protest groups, government agencies, trade associations, competitors, unions, as well as employees, customer segments, certain suppliers, key government agencies, shareowners, and others are stakeholders in this sense.”<sup>131</sup> According to this definition, a company should shift its focus from the narrow stockholders to any individuals or organizations that may affect or be affected by it. Specifically, such a wide sense of stakeholder might not have direct business connection with the company.

R. Freeman put forward his definition in his book with the title of *Strategic Management: A Stakeholder Approach*, as “any group or individual who can affect or is affected by the achievements of the firm's objectives.”<sup>132</sup> This definition expanded the obligation of company from maximizing the interests of a few stockholders to serving the interests of all stakeholders. This definition followed the social trend that called for companies to take more social responsibility, and was viewed as a big progress in the management regard. It soon became “a standard paradigm of stakeholder definition”, and influenced the subsequent development of stakeholder research.<sup>133</sup>

However, some scholars criticized Freeman's definition as being too broad to make further academic research and tried to offer more precise definition by distinguishing the relationships between stakeholder and company. For example, Cornell and Shapiro viewed stakeholders were the claimants who have contractual relations with the firm.<sup>134</sup> Hill and Jones defined stakeholders as

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<sup>131</sup> Ibid.

<sup>132</sup> R. Freeman, *Strategic Management: A Stakeholder Approach*, Cambridge University Press, 1984, p.53.

<sup>133</sup> K.-Y. Shin, “The Executor of Integrated Marketing Communications Strategy: Macom Manager's Working Model”, *Springer briefs in Business*, DOI: 10.1007/978-3-642-38091-4\_2.

<sup>134</sup> Cornell B and Shapiro AC, “Corporate Stakeholders and Corporate Finance”, *Financial Management*, Vol.16,

“groups of constituents who have a legitimate claim on the firm; they exist through a contractual relationship, meaning they supply critical resources to the firm in exchange for their personal needs”.<sup>135</sup> Brenner mentioned that stakeholder was someone “having some legitimate, non-trivial relationship with an organization such as transactions, action impacts, and moral responsibilities”.<sup>136</sup> Clarkson argued that stakeholders “bear some form of risk as a result of having invested some form of capital, human or financial, something of value, in a firm” or were “placed at risk as a result of a firm’s activities”.<sup>137</sup> Donaldson and Preston stated that stakeholders were “persons or groups with legitimate interests in procedural and / or substantive aspects of company activity”.<sup>138</sup>

Until now, there is not a united definition for stakeholder. However, the following characteristics can be drawn from the existing definitions:

First, stakeholders are thought to take some kinds of stakes or interests in the operation of an organization. In other words, interests are viewed as the linkage between an organization and its stakeholders. Second, stakeholders are thought to have the capability to affect or to be affected by

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No.1, pp. 5-14.

<sup>135</sup> Hill CWL and Jones TM, “Stakeholder –agency Theory”, *Journal of Management Studies*, Vol.29, No.2, pp. 131-154.

<sup>136</sup> Brenner SN, “The Stakeholder Theory of the Firm and Organizational Decision Making: Some Propositions and A Model”, in K.-Y. Shin, “The Executor of Integrated Marketing Communications Strategy: Macom Manager’s Working Model”, *Springer briefs in Business*, DOI: 10.1007/978-3-642-38091-4\_2.

<sup>137</sup> Clarkson MBE, “A Stakeholder Framework for Analyzing and Evaluating Corporate Social Performance”, *Academic Management Review*, Vol.20, No.1, pp. 92-117.

<sup>138</sup> Donaldson and Preston, “The Stakeholder Theory of the Company: Concepts, Evidence and Implications”, *Academic Management Review*, Vol.20, No.1, pp.65-91.

the operation of an organization. The operation of an organization can affect the interests of its stakeholders and make them to take countermeasures.

Although some scholars tried to make the definition more precise, I would adopt the wide sense of stakeholder to analyze the individuals or organizations that may affect or be affected by the public diplomacy initiatives, rather than make further study in management regard. In addition, concentrating on the wide sense of stakeholder can make the research more focused, while too much attention on the precise definition would become a challenge for my research topic. Therefore, I will take wide definition of stakeholder as the base to conduct the following research and define the individuals or organizations that can affect or be affected by the CIs as the stakeholders of the CIs.

### **2.4.2 The Basic Logic of Stakeholder Theory**

Stakeholder theory seems like an analysis framework rather than a theory due to the lack of a united definition.<sup>139</sup> A stakeholder framework does not rely on a single over-riding management objective for all decisions. As such it provides no rival to the tradition aim of “maximizing shareholder wealth.”<sup>140</sup> On the contrary, “a stakeholder approach rejects the very idea of maximizing a single objective function as a useful way of thinking about management strategy”. In a word, “stakeholder management is a never-ending task of balancing and integrating multiple relationships and multiple objectives”.<sup>141</sup>

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<sup>139</sup> K.-Y. Shin, “The Executor of Integrated Marketing Communications Strategy: Macom Manager`s Working Model”, *Springer briefs in Business*, DOI: 10.1007/978-3-642-38091-4\_2.

<sup>140</sup> “A Strategic Approach to Strategic Management”, *Darden Graduate School of Business Administration Working paper*, 2001.

<sup>141</sup> R. Edward eds, *Stakeholder Theory: The State of The Art*, Cambridge University Press, 2010, p.60.

Stakeholder management suggests that stakeholder relationships can be created and influenced, not just taken as a given. Stakeholder approach emphasizes “active management of the business environment, relationships, and the promotion of shared interests.”<sup>142</sup> From a stakeholder perspective, business can be understood as a set of relationships among groups that have a stake in the activities that make up the business.<sup>143</sup> To understand a business is to know how these relationships work and change over time.<sup>144</sup> According to this logic, the operation of the CIs in an adversarial environment can be understood as how to manage the dynamics relationships among the stakeholders of the CIs in an adversarial environment.

To fulfill the goals above, we should conduct research from the following perspectives:

First of all, we must understand, from a rational perspective, who are the stakeholders in the organization and what are the perceived stakes, objectives, or interests.<sup>145</sup>

Second, we must understand the organizational processes used to implicitly or explicitly manage its relationships with its stakeholders, and whether these processes “fit” with the rational “stakeholder map” of the organization. When interest conflicts came, negotiations or bargains between the managers and stakeholders are necessary. We must understand the set of transactions or bargains among the organization and its stakeholders.<sup>146</sup>

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<sup>142</sup> Ibid, p.24.

<sup>143</sup> R. Edward Freeman, *Strategic Management: A Stakeholder Approach*, Pitman Publishing Inc, 1984, pp.78-80.

<sup>144</sup> K.-Y. Shin, “The Executor of Integrated Marketing Communications Strategy: Macom Manager`s Working Model”, *Springer briefs in Business*, DOI: 10.1007/978-3-642-38091-4\_2.

<sup>145</sup> K.-Y. Shin, “The Executor of Integrated Marketing Communications Strategy: Macom Manager`s Working Model”, *Springer briefs in Business*, DOI: 10.1007/978-3-642-38091-4\_2.

<sup>146</sup> Ibid.

Following this basic logic, I will define who the stakeholders of the CIs are, what their interests are, and what the communication mechanisms are among the stakeholders in the following parts.

### **2.4.3 The Types of Stakeholder Interests**

Many words are used to describe the interests of a stakeholder in the existing literature, such as expectations, needs, goals, stakes, desires, hopes, and so on. What these words express is the interest of pursuit held by a stakeholder towards an organization. In this research, I will mainly use interest, though sometimes the other words mentioned above may appear.

The interests of stakeholder can be divided into market value and non-market value. Sometimes, the latter one is also called “social effect.” From the perspective of company, market value refers to the capital refunds and cash flow, such as dividends to the stockholders, wages to the employees, and the cash paid to the suppliers. Non-market value refers to the pursuit which has not direct economic linkage with the organization, such as the claims of an environment protection organization in the name of social effect. These two kinds of interests even serve as the criterion of stakeholder category.

For example, Freeman once categorized the stakeholders on the basis of market value and non-market value. He divided the stakeholders into three categories: (1) the ownership stockholders who can determine the operations of a company; (2) the organizations who have direct business connection with a company and depend on the operation of a company, such as employees, creditors, customers, suppliers, competitors, local communities and institutions; (3) the stakeholders who

have social effect connection with a company, such as governments, medias and some activists.<sup>147</sup>

The former two types belong to the market value, and the latter one belongs to non-market value, or social effect.

In 1988, Frederick put forward a similar categorization. He divided the stakeholders into direct stakeholders and indirect stakeholders according their influences on a company. The direct stakeholders are those who have market connections with a company, such as stockholders, employees, creditors, suppliers, retailers, customers, and competitors. The indirect stakeholders are those who have non-market connections with a company, such as the governments both foreign and domestic, social organizations, media, and the common public.<sup>148</sup> According to his logic, the direct stakeholders have market value on a company, while the indirect stakeholders have non-market value on a company.

In 1994, Charkham tried to divide the stakeholders into contractual and community stakeholders according to whether or not there is a transactional contract relationship between the related groups and the company.<sup>149</sup> According to this logic, the contractual stakeholders have an economic link with a company, and the community stakeholders have social effect links with a company.

From the literature above, we can conclude that market value is always the priority interest for

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<sup>147</sup> R. Freeman, *Strategic Management: A Stakeholder Approach*, Cambridge University Press, 2010, p.53.

<sup>148</sup> Frederick A. Frost, "Research on Business and Public Sector Ethics: An Austra", *Journal of Business Ethics*, Vol. 14, No. 8, (Aug., 1995), pp. 653-661

<sup>149</sup> K.-Y. Shin, "The Executor of Integrated Marketing Communications Strategy: Macom Manager's Working Model", *Springer briefs in Business*, DOI: 10.1007/978-3-642-38091-4\_2.

an organization. The stakeholders with market value can be considered as primary stakeholders. In modern times, these stakeholders include shareholders, investors, employees, customers, and suppliers. At the same time, we should also consider another kind of stakeholder who have non-market values with a company but have indirect influences. These stakeholders include government providing infrastructure and marketed community, the media, and many special interest groups. We can call them indirect stakeholders. Just as Shin has put it, “the relationship between the company and its primary stakeholder is mainly through the marketplace, while the relationship with the secondary stakeholder is non-market.”<sup>150</sup>

In practice, a stakeholder may have multiple interest pursuits. For example, “the employees not only expect stable wages, but also expect a good corporate image”.<sup>151</sup> The interest pursuits of a stakeholder can be categorized as primary interest and secondary interest. When the multiple interest pursuits cannot be achieved simultaneously, a stakeholder is inclined to give priority to the primary interest. That does not mean a stakeholder would give up the secondary interest. The primary interest and the secondary interest can be interchangeable against some special background, and the interest dynamics would affect the behaviors of a stakeholder.

#### **2.4.4 Communication Mechanism**

Different stakeholders have different interests. The company should try to meet their interests as much as possible, and maintain a good relationship with them; create a good external

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<sup>150</sup> Ibid.

<sup>151</sup> Ibid.

environment for the company.<sup>152</sup> But due to the difference of interests and limited resources, the company is inevitably unable to meet all the stakeholders' demands, and must set up a management mechanism of equilibrium.<sup>153</sup>

The idea of stakeholders, stakeholder management, or a stakeholder approach to strategic management, suggests that managers must formulate and implement processes which satisfy all and only those groups who have a stake in the business. "The central task in this process is to manage and integrate the relationships and interests of shareholders, employees, customers, suppliers, communities, and other groups in a way that ensures the long-term success of the firm."<sup>154</sup>

Rather than set a strategy stakeholder by stakeholder, managers must find ways to satisfy multiple stakeholders simultaneously. "Successful strategies integrate perspectives of all stakeholders rather than offsetting one against another. This approach does not naively suggest that, by delving into the details, management can turn all constraints and trade-offs into a series of win-win situations. All stakeholders will not benefit all the time."<sup>155</sup>

In practice, the interest pursuit of a stakeholder would change during different periods. Stakeholder interests need to be balanced over time. They change over time, and their stakes change depending on the strategic issue under consideration.<sup>156</sup>

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<sup>152</sup> K.-Y. Shin, "The Executor of Integrated Marketing Communications Strategy: Macom Manager's Working Model", *Springer briefs in Business*, DOI: 10.1007/978-3-642-38091-4\_2.

<sup>153</sup> Ibid.

<sup>154</sup> "A Strategic Approach to Strategic Management", Working paper, 2001

<sup>155</sup> "A Strategic Approach to Strategic Management", Working paper, 2001

<sup>156</sup> K.-Y. Shin, "The Executor of Integrated Marketing Communications Strategy: Macom Manager's Working Model", *Springer briefs in Business*, DOI: 10.1007/978-3-642-38091-4\_2.



## 2.5 The Stakeholder Theory and the CIs

In this part, I would provide a picture of the stakeholders of the CIs, the interest pursuits of the CIs stakeholders and their communication channels. The case of Portugal issue in July 2014 would be provided as an evidence of the communication problem among these stakeholders.

### 2.5.1 The Stakeholders of the CIs

The fundamental differences between CIs and other international language institutions are in the way they are structured and organized.<sup>157</sup> As a loosely model, CIs serve as a social relations platform connecting various kinds of stakeholders. In this part, I will try to give a comprehensive picture of the CIs' stakeholders.

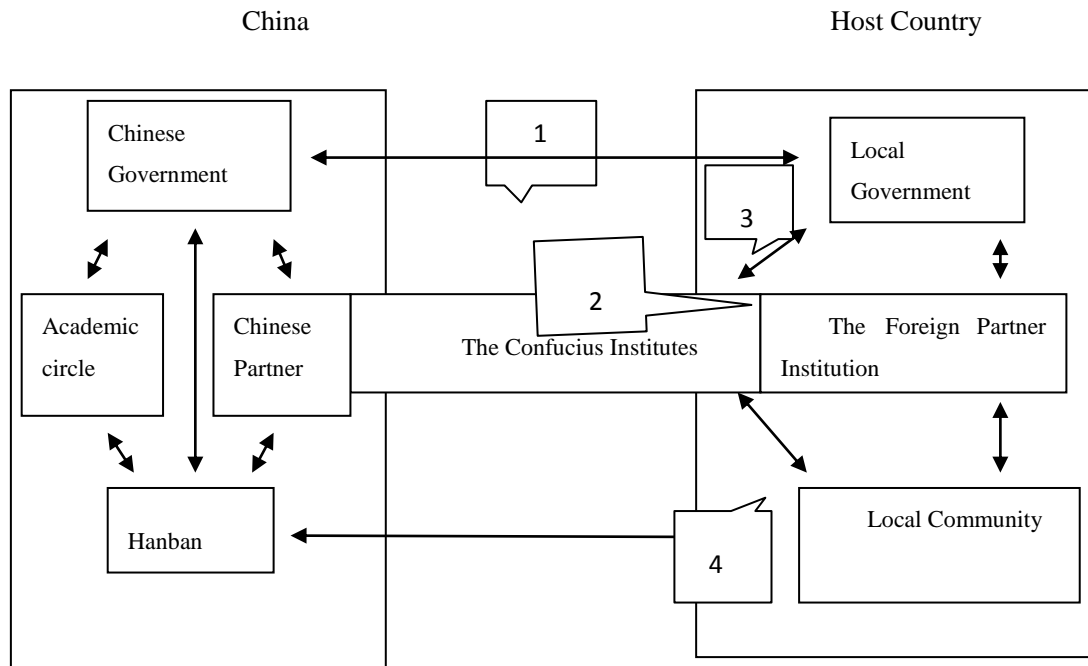
Despite no mention of the term of stakeholder, Hsin-Huang Michael Hsiao and Alan Hao Yang constructed a communication framework of the CIs connecting China's organizations with foreign governments, academic institutions, and publics. This framework provides a picture of the relations between China and the stakeholders in the host countries. The framework is composed of four levels of social relations.<sup>158</sup>

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<sup>157</sup> Falk Harting, *Chinese Public Diplomacy: The Rise of The Confucius Institute*, New York: Routledge, 2015, p 2.

<sup>158</sup> Hsin-Huang Michael Hsiao and Alan Hao Yang, Kongzi Xueyuan zai Zhongguo-Dongnanya Guanxi Zhengzhi zhong de Juese [The Role of Confucius Institutes in the Politics of Guanxi between China and Southeast Asia], *Prospect Quarterly*, Vol. 15, No.3, pp.1-56.

Figure 2-1 The Four Levels of CIs' Social Relationships



1, Government-to-Government; 2, Institution-to-Institution; 3, Institution-to-Government; 4, Institution-to-Local Community.

The first level of communication is between the Chinese government and the government of the host country. Hsiao and Yang viewed this level as the vital factor of the survival of the CIs.

The second level of communication exists between the Chinese university and the foreign host university or institution.

The third level of communication is between the CIs and the local foreign government. Hsiao and Yang argued that this level of communication aimed to enhance the interaction between China and foreign local government.

The fourth level of communication exists between the CIs and the local community, mainly the

local Chinese ethics. Peng Fan also applied this logic to the case of CIs in Japan, and extended to the pro-China Japanese or Japan's politicians whom China wanted to reach.<sup>159</sup>

The picture reflects the multiple levels of communication among the stakeholders in Chinese domestic and host countries. However, there are several issues with this, such as:

First, the host university has been seen as a whole, without distinguishing its different internal actors who should not be neglected.

Second, the host university has been treated as the stakeholder who shares common interests with China, while the potential interest conflict has been ignored.

Third, little attention has been paid to the adversarial stakeholder who might oppose the CIs or even affect the CIs' survival.

Amy Stambach further categorized the stakeholders within the host university. In her research, the internal stakeholders included the administration of the host university, the Chinese language instructors from China and the students of the CIs. She argued that the administration of the host university was the most significant actor for the establishment and the survival of the CIs and, while the others were thought to have no obvious influence on the operation of the CIs.<sup>160</sup> She argued that the attitude of the different stakeholders would change, but she did not explore the further questions, such as whether interest conflict existed? How the potential interest conflict

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<sup>159</sup> Peng Fan, "Zhongguo Kongzi Xueyuan zai Riben: Wenhua Shuofu Zhanlve de Tuidong" [Confucius Institutes in Japan: The Chinese Practice of Cultural Persuasive Strategy], Master Paper of Taiwan Dongwu University, 2015.

<sup>160</sup> Amy Stambach, *Confucius and Crisis in American Universities: Culture, Capital and Diplomacy in US Public Higher Education*, New York: Routledge, 2014

affected the CIs' operation or even its survival? In addition, the list of the stakeholders was still incomprehensive. For example, the faculty members of the host university who proposed to establish and operate the CIs were not included.<sup>161</sup>

To conduct in depth research, the list of stakeholders should be enriched. The stakeholders of the CIs should include the internal stakeholder within the host university, such as the faculty members and other seemingly unrelated activists, because they might become important stakeholders and impose influence on the CIs. Specifically, the stakeholders of the CIs can be divided into three groups:

First, the primary stakeholders who can directly determine the survival of the CIs, include Hanban, the host universities and their Chinese partner universities.

Second, the Chinese domestic stakeholders. Apart from Hanban and the Chinese universities mentioned above, the second group also includes the Chinese government who provide direct finance support to Hanban.

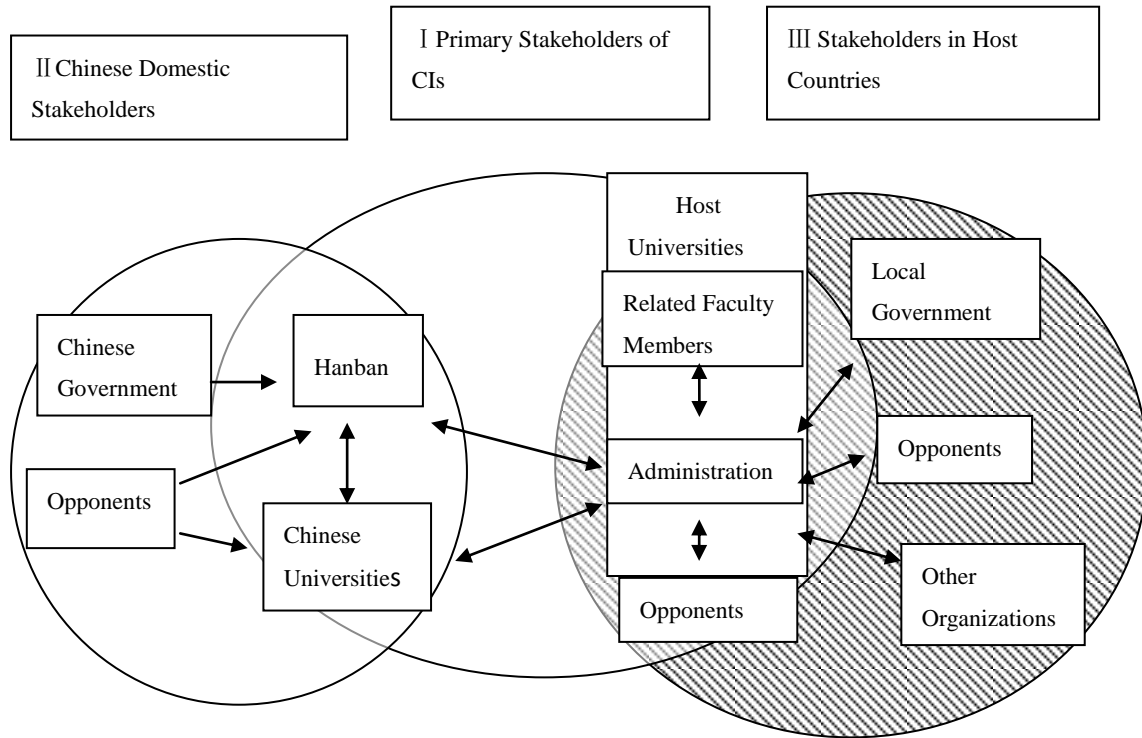
Third, the stakeholders in the host countries, such as the host universities, the local governments, the potential opponents and other social organizations.

Among these stakeholders, Hanban, the host universities and their Chinese partners are the direct stakeholders who hold market value with the CIs, therefore we can call them primary stakeholders. The other stakeholders can impose indirect influences on the CIs by affecting the direct stakeholders. We can call them secondary stakeholders.

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<sup>161</sup> Fan Qiang, "The Research on China's Public Diplomacy: Focusing on the Closure of the Confucius Institute at the University of Chicago (CIUC)", *Journal of Modern Society and Culture*, No.61, December 2015, pp.171-190.

Figure 2-2 The Stakeholders of the CIs



About the picture above, there are three special notes I have to make before we begin to analyze.

First, The CIs are located in the campus of the host universities, and the administration of the host university dominates the operation of the CIs. In some cases the phrase ‘the host university’ means the administration of the host university.

Second, the opponents are someone both inside the host university and outside the host university, and some opponents in domestic China. In order to provide a clearer picture of the CIs’ stakeholders, I take the opponents as a whole in the picture above. In some cases, I will distinguish the opponents inside and outside the host university.

Third, I would not take the students of the CIs as critical stakeholder in this research. According to the original definition of the stakeholder, the students are the *customers* of the CIs, and

they are supposed to be treated as a stakeholder. However, Amy Stambach has provided empirical evidence that the students do not care about the operation of the CIs, and do not impose obvious influence on the CIs.<sup>162</sup> In my research, no evidence that the students have affected the operation of the CIs has been found. Therefore, I will not take the students into account.

### **2.5.2 The Interest Pursuit of the Stakeholders of the CIs**

From the aspect of corporation, market value means the capital refunds, or cash flow in the management of a company. The stakeholders of the CIs, such as the host universities and their Chinese partner universities, put more emphasis on the education market exploration, particularly the future development space. Their non-market value is mainly about their social reputation.

#### **(1) The Interests of the Host University**

Why do host universities establish the CIs? Definitely, host universities are looking out for their own benefits. Specifically, the host universities seek the following: the development of Chinese language teaching using the financial resources of Hanban, reinforcing the student's admission by enhancing its presence in China and building connections with China's institutions, and the opportunity of economic cooperation. Amy Stambach once gave a precise description. She said that:

“part of the ‘relationship building’ that administrators helped to coordinate involved aligning university research with commercial and international interests. Administrators framed university decisions around a new

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<sup>162</sup> Amy Stambach, *Confucius and Crisis in American Universities: Culture, Capital and Diplomacy in US Public Higher Education*, New York: Routledge, 2014, P 96.

entrepreneurial impulse.”<sup>163</sup> “Leaders at these universities were fully behind the Confucius Institutes. Administrators’ immediate concerns were about generating university revenue through new forms of capitalization, not about how students learned about Chinese language and culture.”<sup>164</sup> “Administrators’ narratives stressed practical output and jobs gained, not cultural exchange through language learning.”<sup>165</sup> “Administrators behind the Confucius Institutes viewed knowledge as having market value.”<sup>166</sup>

CIs were also viewed as a way to promote and advertise host universities’ internationalization and a mean to seduce business circles and potential donors. In particular, CIs are treated as part of networks with China. For some host universities, the CIs means the recognition by Hanban and other Chinese academic institutions. “Such universities tend to underscore the fact that they have been selected by China through the Hanban, as a way to distinguish themselves and build an image of excellence in a very competitive educational community”.<sup>167</sup> This perception leads to growing competition among the potential applicant host universities. Falk Harting described the development of CIs in Australia as being “a competition between the universities and the states”.<sup>168</sup>

To fulfill the establishment of CIs, some host universities paid positive efforts in application. Falk Harting once made field surveys in Australia and his research provided us abundant materials

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<sup>163</sup> Amy Stambach, *Confucius and Crisis in American Universities: Culture, Capital and Diplomacy in US Public Higher Education*, New York: Routledge, 2014, p.72.

<sup>164</sup> Ibid, p.73.

<sup>165</sup> Ibid, p.73.

<sup>166</sup> Ibid, p.73.

<sup>167</sup> Falk Harting, *Chinese Public Diplomacy: The Rise of The Confucius Institute*, New York: Routledge, 2016, p

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<sup>168</sup> Ibid, p 125

to know the eagerness of the administration of the host universities. He wrote that:

(An interviewee said that)“ I think it was an initiative of our central administration, rather than coming out of the faculties, as they saw it as an opportunity to ally themselves with China.”

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“The other statement sounds very similar and also highlights the role of high ranking university officials: the idea probably emerged here within our university. Back then our Vice Chancellor was very interested and he was pushing this quite a lot. He had contacts with China before and it lied in his heart to bring a CI to our university.”<sup>169</sup>

In addition, as a social entity within the host country, the host university also needs to protect and maintain its social reputation. For an educational organization, non-market value primarily means their social reputation. With regard to the CIs’ stakeholder, Amy Stambach pointed out that although the administration of the host university paid more attention to the economic opportunity of the CIs, they did not neglect their social reputation. She argued that the administration of the host university was the most important stakeholder used to push the CIs forward. Amy Stambach mentioned that:

“University administrators were adept in working with, if not exactly alike, the model of business relations that the Confucius Institute instructors taught to Americans. Indeed, university administrators used the notion of

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<sup>169</sup> Falk Harting, *Chinese Public Diplomacy: The Rise of The Confucius Institute*, New York: Routledge, 2016, p 124.



crisis to externalize their actions. Such externalization avoided, in principle, any sense of centralized administrative control in universities, for such an association of centralized administration would, potentially, resonate negatively in the context of Confucius Institutes as a form of U.S. public state university collaboration with the Chinese government. Although U.S. and Chinese universities could collaborate around the idea of capital markets, U.S. administrators had to manage images with regard to collaborating with representatives from a communist government.<sup>170</sup>

To be concluded, the host university's expectation of the financial resources, Chinese market, and the links with the Chinese academic institutions were severed as the primary interest of the host universities. At the same time, the host university still needs to maintain their social reputations within the host country, but this pursuit has to step behind the primary interest most of the time. It is a process of balancing. Under some background, the primary interest and the secondary interest can be interchanged.

## (2) Chinese Domestic Stakeholders

For Hanban, its most important market value on the CIs project is the improvement of China's national image.

The rapid expansion of the CIs is due to the huge financial support from the Chinese government. Therefore, Hanban has been emphasizing the rapid expansion of the CIs around the world and maintaining the global network of the CIs. However, Hanban does not give up its political sensitivity, especially when the Chinese government has made specific instructions. At the same

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<sup>170</sup> Amy Stambach, *Confucius and Crisis in American Universities: Culture, Capital and Diplomacy in US Public Higher Education*, New York: Routledge, 2014, p.74

time, as a Chinese institution, it must satisfy the desire of Chinese government to improve its national image as soon as possible, therefore the quantity of the CIs becomes the criterion of the performance.

To achieve political performances, Hanban had to promote CIs globally as soon as possible. The joint cooperation with host universities became a feasible choice. This model can not only help promote the global distribution of CIs with much lower cost by sharing existing facilities of host universities, but also borrowing the social relations of host universities to expand the engagement with other local stakeholders. Therefore, “the joint venture is strategically smart as it potentially raises the profile and prestige of CI and makes them a comparable cost effective instrument of China’s public diplomacy.”<sup>171</sup> Xu Lin, the former General Director of CIs, once said that “Chinese investment is comparatively small and, compared with such other cultural institutions as the British Council, ‘setting up CIs is rather cheap.’”<sup>172</sup>

For the Chinese universities, the establishment of the CIs means the increasing international presences. They participated in the CIs project on the base of material interests rather than political intentions. An official of the Chinese university with CIs once told James Paradise that “I don’t think the creation of Confucius Institutes has anything to do with soft power and the rise of China. It is better to think of it academically, not politically.”<sup>173</sup>

Specifically, the Chinese universities look for the following market characteristics: first, increasing the internationalization level by building more international cooperation. In some cases,

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<sup>171</sup> Falk Harting, *Chinese Public Diplomacy: The Rise of The Confucius Institute*, New York: Routledge, 2016, p 3.

<sup>172</sup> Ibid, p 108

<sup>173</sup> James Paradise, “China and International Harmony: The Role of Confucius Institutes in Bolstering Beijing’s Soft Power”, *Asian Survey*, Vol., 49, No.4 (July/August 2009), pp. 647-669.

some Chinese universities take the numbers of their CIs as a standard of their internationalization.<sup>174</sup>

Second, the CIs would be favorable in applying for other academic programs initiated by Chinese governments. The question of whether or not to have a CI was once taken as a criterion for the evaluation of building a state and regional research center by the Chinese Ministry of Education.<sup>175</sup> For the Chinese university, its social interest pursuit was not as obvious as that of the host university in the engagement of the CIs.

Among these interest pursuits, internationalization seems to be the most attractive incentive for the Chinese universities. James Paradise pointed out that “cooperation with international universities and the establishment of CIs helps Chinese universities to improve their domestic academic relevance, because international exchange is an index for evaluation of Chinese universities and colleges.”<sup>176</sup> The desire to strengthen contacts with foreign universities and organizations as a mean to internationalizing themselves has driven many Chinese universities to approach foreign universities to introduce CIs.

The incentive is so strong that some Chinese universities take positive initiatives to approach

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<sup>174</sup> James F.Paradise, “China and International Harmony: The Role of Confucius Institutes in Bolstering Beijing’s Soft Power”, *Asian Survey*, Vol.49, No.4 (July/August 2009), pp.647-669; Yan Xiaopeng, “Kongzi Xueyuan yu Woguo Gaoxiao Guojihua Jincheng: Yingxiang Tujing yu Xingdong Celve—Jiyu Ziyuan Yilai de Shijiao” [The Confucius Institutes and The Internationalization of the Chinese Universities: Routes and Strategies], *Journal of National Academy of Education Administration*, 2014, No.3, pp.36-41.

<sup>175</sup> “Jiaoyubu Guanyu Yinfa <Guobie he Quyu Yanjiu Jldi Peiyu he Jianshe Zanxing Banfa>” [Chinese Ministry of Education’s Notice on ‘Cultivating and Building State and Region Research Center’],

[http://www.moe.gov.cn/srcsite/A20/s7068/201501/t20150126\\_189316.html](http://www.moe.gov.cn/srcsite/A20/s7068/201501/t20150126_189316.html), accessed on June 1<sup>st</sup> 2017.

<sup>176</sup> Falk Harting, *Chinese Public Diplomacy: The Rise of The Confucius Institute*, New York: Routledge, 2016, p 111

foreign universities to foster the establishment of CIs. Falk Harting wrote that: “Interestingly enough, a number of Australian universities were approached from the Chinese side to establish a CI. One of the directors could not exactly recall which Chinese entity came up with the idea, but he was very clear that it was not the Australian institution. Another Australian university was approached by the local Chinese consulate to establish a CI.”<sup>177</sup> A Director in the U.S told James Paradise that he was approached by a Chinese university, and that “various Chinese have been give incentive to go out”.<sup>178</sup>

To fulfill the establishment of CIs as soon as possible, some Chinese universities were more enthusiastic than their foreign counterparts. Falk Harting provided us more details of the Australian CIs as being that: “much of the legwork on the Chinese side is done by the Chinese universities themselves. They hold field trips abroad and negotiate with foreign partners; normally, they are able to select those partners themselves, and ‘get married’ of their own accord, says Hanban.”<sup>179</sup>

James Paradise once praised the Chinese universities as the real winner of the CIs project when compared to the vagueness of soft power which China has been aimed for promoting through CIs. He said that “the real winners may be China’s universities, which can expand their contacts and exchanges with foreign academic institutions. As China attempts to become an ‘innovation society’ and bolster its scientific capability, increased communication and exchanges with foreign scholars facilitated by the Confucius Institutes could be a huge benefit---especially in

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<sup>177</sup>Falk Harting, *Chinese Public Diplomacy: The Rise of The Confucius Institute*, New York: Routledge, 2016, p 124

<sup>178</sup> James Paradise, “China and International Harmony: The Role of Confucius Institutes in Bolstering Beijing’s Soft Power”, *Asian Survey*, Vol., 49, No.4 (July/August 2009), pp. 647-669.

<sup>179</sup> James Paradise, “China and International Harmony: The Role of Confucius Institutes in Bolstering Beijing’s Soft Power”, *Asian Survey*, Vol., 49, No.4 (July/August 2009), pp. 647-669.

a country whose opening to the world is one of the driving forces for its economic development.”

<sup>180</sup>His words reflect the deep interest pursuits of Chinese universities in the CIs project.

Combined with the strong initial interest pursuits of the Chinese universities and host universities, the applications for CIs flourished. According to James Paradise’s interview with Hanban, “many inquiries arrive from abroad about setting up CIs, and in some cases it has not been able to approval applications.”<sup>181</sup> Among these applications, to increase the competitiveness, some Chinese universities had to overrate the advantages of their foreign counterparts while neglecting to make some necessary investigation that reassure the foreign universities as qualified partners. This brings great uncertainties to some CIs from the very beginning.

### (3) The Opponents

The opponents of the CIs can be divided into three categories: the Chinese domestic opponents, the opponents inside the host universities and the opponents in the host countries. These opponents are not involved in the operation of the CIs, and their interest pursuits are different. Basically, the CIs are criticized by domestic critics for its huge budget while by the opponents inside the host universities and host countries as a propaganda tool.

The opponents in domestic China always criticized the CIs as a waste of tax-payers’ money when compared with the poor condition of domestic education.

However, Hanban have been encountering huge domestic criticisms in China for its huge budget. In China, the question was raised as to “why China is subsidizing foreign organizations, especially those in developed countries, to teach Chinese to foreigners whereas in China schools and

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<sup>180</sup> Ibid.

<sup>181</sup> James Paradise, “China and International Harmony: The Role of Confucius Institutes in Bolstering Beijing’s Soft Power”, *Asian Survey*, Vol., 49, No.4 (July/August 2009), pp. 647-669.

teaching facilities, especially in rural areas, lack proper funding.”<sup>182</sup> Therefore, public opinion on CI in China is also rather skeptical. They were criticized as either being a “platform of money laundering for the kids of the bigwigs, a place with too little work for too many people, or just as a waste of tax-payers money”.<sup>183</sup> Domestic critics further claimed that some Chinese universities wanted to transfer CI into a “cash cow” or a “poster child” and used them as a mere “opportunity to travel abroad”.<sup>184</sup>

Some domestic critics criticized the CIs just as a corrupt and bureaucratic product. Someone complained that teachers and volunteers who did not know much about Chinese cultural values the Institutes claimed to represent would failed to increase China`s soft power. Furthermore, CIs were also accused of corruption. Falk Harting wrote that:

“In 2010, the Ministry of Finance commissioned the building and maintenance of the CI online website to a Hanban subsidiary company which was registered to Wang Yongli, then deputy director-general of Hanban and deputy chief executive of the CIs headquarters. The contract was worth 5.7 million US dollars which made it, according to media reports, the ‘most expensive website in history’ and led to considerable complaints online.”<sup>185</sup>

Both the opponents inside the host universities and that in the host countries criticized the CIs as a Chinese government`s propaganda tool and worried the possible intervention from the

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<sup>182</sup> Falk Harting, *Chinese Public Diplomacy: The Rise of The Confucius Institute*, New York: Routledge, 2016, p 106

<sup>183</sup> Falk Harting, *Chinese Public Diplomacy: The Rise of The Confucius Institute*, New York: Routledge, 2016, p 107

<sup>184</sup> Li Ruiqing, “Haiwai Kongzi Xueyuan Fazhan Qianxi”, [Short Analysis of The Development of Overseas Confucius Institutes], *Bagui Qiaokan*, 2008 (3), pp.52-56.

<sup>185</sup> Falk Harting, *Chinese Public Diplomacy: The Rise of The Confucius Institute*, New York: Routledge, 2016, p 107

Chinese government on their academic freedom. In the beginning of the Chapter 1, I have categorized their concerns. The statement issued from the American Association of University Professor (AAUP) is the best reflection of this attitude.

In June 2013, after the rapid expansion of the CIs, more attention from the academic circle was drawn on the CIs. AAUP expressed their concerns and called for all the universities who had host the CIs to review the CIs agreement. It said that:

“Allowing any third-party control of academic matters is inconsistent with principles of academic freedom, shared governance, and the institutional autonomy of colleges and universities. The AAUP joins CAUT in recommending that universities cease their involvement in Confucius Institutes unless the agreement between the university and Hanban is renegotiated so that (1) the university has unilateral control, consistent with principles articulated in the AAUP’s Statement on Government of Colleges and Universities, over all academic matters, including recruitment of teachers, determination of curriculum, and choice of texts; (2) the university affords Confucius Institute teachers the same academic freedom rights, as defined in the 1940 Statement of Principles on Academic Freedom and Tenure, that it affords all other faculty in the university; and (3) the university-Hanban agreement is made available to all members of the university community. More generally, these conditions should apply to any partnerships or collaborations with foreign governments or foreign government-related agencies.”<sup>186</sup>

Although this statement was frequently cited by the opponents of the CIs in the case of CIUC and by some journalists in their reports against the CIs, it did not work well in reversing the

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<sup>186</sup> The American Association of University Professors (AAUP),” On Partnerships with Foreign Governments: The Case of Confucius Institutes”, [https://www.aaup.org/file/Confucius\\_Institutes\\_0.pdf](https://www.aaup.org/file/Confucius_Institutes_0.pdf), accessed on 2014-12-20

operation of the CIs. As far as I know, there was not a CIs that was directly closed by this statement. The opponents had to pressure the administration of the host university and indirectly affect the stakeholder communication or interaction.

#### (4) Interactions among Stakeholder Groups and the Interest Dynamics

Except for the initial interests of every stakeholder, the interactions among the stakeholder groups, the primary stakeholder group of the CIs, the Chinese domestic group, and the host country group also lead to interest dynamics. Every stakeholder is not totally isolated in their society. Their multiple identities lead to diversifying interest pursuits even for a stakeholder. The diversified interests can be divided into a primary and a secondary interest. This paper argues that the interactions among a stakeholder group would bring up the changing positions between the primary interest and the secondary interest.

Specifically, the interactions among the Chinese domestic stakeholders require Hanban to expand the CIs as soon as possible. The main investor, the Chinese government, invested huge resources on the CIs, and mobilized many bureaucracies to engage in the CIs program. Therefore it wanted to see high, immediate feedback and returns. At the same time, the CIs were also criticized as a waste of money on educating the people in developed countries while the domestic poverty problem has yet to be resolved. To satisfy the Chinese government's goals and overcome the domestic criticisms, Hanban had to speed up the expansion. Therefore, many universities were encouraged to build up the CIs on the basis of their existing partnerships with the overseas universities. Such actions helped the rapid expansion become reality.

According to Falk Harting's interview, "Hanban was well versed in the complaints; especially



questions about providing money to foreign institutions while China's rural areas basic school education is still in poor conditions". The negative domestic criticisms imposed great social pressures on Hanban. Xu Lin told Falk Harting in an interview that her current job at Hanban, puts her in a very contradictory position:

"The first two years I worked for Hanban I couldn't fall asleep because I felt that I was committing a crime when using money and sending teachers abroad to teach Chinese to foreigners. Therefore I can understand when ordinary Chinese offer this kind of criticism. But if the Chinese people want other people to better understand and know them, then China has to present itself in a good way. You have to explain to others who you are and how you are and to do this you have to send people abroad."<sup>187</sup>

We can learn from her words that Hanban tried to get rid of such social criticisms but it did not work well. Although Xu Lin was well versed in the skepticism of ordinary Chinese, she seemingly "shares with the frustration of other cultural diplomats and tried to defend the CIs". She said that "I really get into a bad mood when people (in charge) don't want to spent money for cultural exchange and it is really hard to convince those critics that cultural exchange is important."<sup>188</sup>

Hanban had to resort to support from Chinese government, especially the top leaders. Hanban invited Chinese leaders to attend activities of CIs to show their supports for CIs and this tactic seemed work well. One typical index is the dramatically decreasing inquiries from representatives of the National People's Congress (NPC) and the Chinese People's Political Consultative

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<sup>187</sup> Falk Harting, *Chinese Public Diplomacy: The Rise of The Confucius Institute*, New York: Routledge, 2016, p 107

<sup>188</sup> Ibid, p 107

Conference (CPPCC) questioning the work of Hanban. Xu Lin said that “previously they were very much against us and said (spending money for such Institutes) is just nonsense. But nowadays they think it is a very good idea.”<sup>189</sup>

Xu Lin viewed this as a sign that CIs had been recognized by Chinese publics. In my opinion, the critics chose to be silent mainly due to the political support for CIs from Chinese top leaders. But that does not mean Chinese top leaders are totally satisfied with the performance of CIs. Actually, Chinese leaders had no choice but to support the CIs, if compared the chain effect of the CIs` failure on China`s national image.

Finally, Hanban had to satisfy the Chinese government by achieving political performances and the rapid expansion became the only one feasible and visible index for the rapid development. Hanban had to adopt the quantity as the only principal for evaluating the CIs.

The stakeholder interactions in the host countries did not impose obvious influence on the CIs at the very beginning. The host universities are independent under the principle of faculty authority and they expect the financial support from Hanban, and even show more presence in China. Of course, some host universities or local governments hope to reinforce the economic link with China.<sup>190</sup> Therefore, the host universities usually give their priority to their primary interest which is the benefit of the CIs, while the opposite opinions in the name of social effect, such as academic integrity and social reputation, are put aside. However, necessities of the social reputation would arise when the oppositions or petitions break up, after the CIs` rapid global expansion. The host

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<sup>189</sup> Ibid, pp. 107-108.

<sup>190</sup> Li Kaisheng and Dai Changzheng, “Kongzi Xueyuan zai Meiguo de Yulun Huanjing Pinggu” [Report of the U.S. Public Opinion of the Confucius Institutes], *World Economics and Politics*, 2011, No.7, pp. 76-93.

universities have to defend their social reputation at first and sometimes they would ask Hanban to make some compromises in the agreement terms.

After the rapid expansion, Hanban made a strategic adjustment and shifted its focus from quantity to the quality of the CIs. It began to emphasize the smooth maintenance of the global network of the CIs rather than rapid expansion. In 2013, Hanban issued the CIs' Development Plan (2012-2020). It stated that the CIs' development should emphasize the focus and improved the quality of the teaching. It encouraged partners to establish the high level Chinese Studies research and the CIs with distinctive characteristics.<sup>191</sup> Because of this, Hanban cannot pay attention to every individual CI. When an individual CI encountered opposition, what Hanban cared about was not its survival but the reputation of the whole global network of CIs. Hanban worried about the possibility that even a few compromises would encourage the others CIs to follow, thus undermining the existing global network of the CIs. In other words, Hanban would maintain the global network of the CIs at the expense of individual CIs if Hanban views such a sacrifice necessary.

### **2.5.3 The Communication Mechanism among the Stakeholders of the CIs**

The communication mechanism among Hanban and its stakeholders include the Board of Directors and the personal channel among the foreign and Chinese directors.

#### **(1) The Board of Directors**

The Board of Directors is designed to be the communication mechanism between Hanban, the host universities, and their Chinese partner universities. According to the bylaw of the CIs, every CI

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<sup>191</sup> "Kongzi Xueyuan Fazhan Guihua (2012-2020)" [The Confucius Institutes Development Plan (2012-2020)],

*Zhongguo Jiaoyu Bao* [China Education], March 19, 2013.

should build up the Board of Directors to consist of representatives of both the university and some influential local public figures. The Board should be convened once a year at least. The Board is expected to review the operations of the CIs, collect opinions or feedback from the committees and discuss the future plan of the CIs. Essentially, the Board is designed as a platform to keep the committees engaged in the CIs program. Hanban hopes to institutionalize the communication among its stakeholders on a regular meeting basis. However, there are some weaknesses in this mechanism:

First, the Board convenes on a yearly basis, and cannot cover the daily operation of the CIs. The Board cannot assure the daily communications among the stakeholders.

Second, the opponents of the CIs are not included in the Board. Subsequently, the Board can collect positive opinions and guarantee the development of the CIs, while the negative opinions would be neglected. The opponents have to seek help from outside organizations, thus stimulating the crisis.

## (2) The personal communication among the directors

In the daily operation, the communication among the Chinese and foreign stakeholders of the CIs is usually conducted by the Chinese directors and their counterparts, the foreign directors of the CIs. The Chinese directors are expected to collect the opinions of the foreign directors and the the host universities, then transfer the information to the Chinese partner universities and Hanban according to the bylaw of the CIs. The Chinese directors serve as the bridge between Hanban, the host universities and their Chinese partner universities. This mechanism can assure the daily communication among the stakeholders above because the Chinese directors are thought to be

familiar with them. However, there are also several weakness in this mechanism;

First, the quality of the communications depends too much on the personality of the Chinese directors. If the Chinese directors are not qualified, the communications would be affected.

Second, sometimes the role of the Chinese directors is lower than expectation. For example, in some CIs in European and the U.S., the Chinese directors serve as the vice directors and they have to follow the instructions from the foreign directors. Hanban also asked the Chinese directors to follow the foreign directors and the host universities in order to show respect for the host universities.<sup>192</sup> Luckily, some foreign director positions are assumed by originally Chinese professors who are familiar with China. They can easily communicate with Hanban, the administration of the host universities and the Chinese universities and the Chinese directors seem dispensable.

### (3) The internal communication problems inside Hanban

Apart from the weaknesses above, there are also some internal communication problems inside Hanban. Even if the information can be transmitted from the Chinese directors to Hanban, the communications from the basic staff to the leaders of Hanban cannot be effected in time. Sebastian Heilmann, a Germany director said that:

“Through a former colleague who advised Hanban, I was told how chaotic their internal set-up is and how dissatisfied political leaders are with the CIs’ lack of positive impact abroad. There was even talk that the whole Hanban and CI set-up will have to be overhauled, since some decision-makers now perceive CIs a misguided initiative of the previous Hu-Wen administration (2002-2012). I cannot verify all this inside talk. But a serious

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<sup>192</sup> The Interview with a former Chinese Director who once worked in the U.S. in March 2014.

internal debate seems to have started around Hanban's functions and efforts."<sup>193</sup>

Although we cannot examine the percentage of the truth, it is safe to say that Heilmann's words remind us of the existence of poor communication inside Hanban.

#### (4) The Portugal Issue in 2014

This case typically reflects the poor communication mechanism depending on the foreign directors and the inefficient internal communication inside Hanban. It is of universal significance for us to understand the communication between Hanban and the individual CIs. Considering the sensitivity of the issue, Hanban and Xu Lin declined to share more information. I can only make stipulations according to the public materials, a statement issued by the European Association for Chinese Studies (EACS).

According to Roger Greatrex, the president of the EACS, the poor internal communication between the host university and Hanban, as well as inside Hanban lead to Mrs. Xu Lin's final censorship on the conference materials. The director of the CI at Minho University, Sun Lam applied for funding for certain costs arising from the EASC Conference from the Confucius China Studies Program (CCSP). Sun was supposed to know the presence of the Chiang Ching-kuo Foundation (CCKF) because the application and the budget both stated that the CCKF was a co-sponsor of the conference. The EACS staff had communication with Sun Lam three weeks prior to the conference about the materials and Sun Lam said "splendid." According to the schedule, the general director of Xu Lin was invited to attend the conference as a special guest. Therefore, the

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<sup>193</sup> Robert Kapp, "The Debate over Confucius Institutes: A ChinaFile Conversation," June 23 2014,

<http://www.chinafile.com/conversation/debate-over-confucius-institutes>, accessed on July 10, 2014.

staff of the EACS believed that Sun should have communicated with Hanban and shared all information and invitation with Hanban. However, it seemed that she did not mention the presence of the CCKF. Xu Lin was totally ignorant of the conference details.

Despite the poor communication between the foreign director and Hanban, there was another chance to avoid the crisis. The newly appointed Chinese director found the potential problem due to his political sensitivity. He could not change the schedule and he soon contacted the European Department of Hanban Headquarters and told them his concerns about the attendance of the CCKF. The staff of Hanban received the oral report but they did not tell him the next plan. The Chinese director had to wait but unfortunately he did not receive any instructions.

On July 22<sup>nd</sup>, Xu Lin arrived at Portugal. She was annoyed at what she considered to the limited extent of the Confucius Institute publicity, and disliked the CCKF self-presentation. Obviously, she did not receive the detailed conference information from the foreign director Sun Lam and the staff of Hanban. She believed it was a political issue and requested to remove the pages of the CCKF in the meeting materials. After rejection from the EACS, she even asked the staff the CI at Minho University to delete the CCKF pages. Her behavior not only brought huge trouble to the EACS conference but also undermined the reputation of Hanban. Soon the censorship from Hanban on the conference materials astonished the world.

## **2.6 Research Framework**

This research will focus on the communication mechanism and the change of interest pursuits of the stakeholders. This study seeks to provide the following research framework:

(1). Who are the stakeholders of the individual CIs in the dissertation? What are their interest pursuits? How to categorize their primary interest and secondary interest?

(2). How does the stakeholder groups interact? How does does the stakeholder communication affect the change of the stakeholder interests?

(3). How does the change of the stakeholder interests affect the stakeholder`s behaviors and the survival of the CIs?



## **Chapter 3 The Case of CIs in Japan**

This chapter will review the development of the CIs in Japan, mainly focusing on the Ritsumeikan CI to examine how it survived in an adversarial political environment. The main variables are the interest dynamics of Chinese and Japanese stakeholders and their communications. In this chapter, the Chinese stakeholders include the staff of the Embassy of China in Japan and Hanban. The Japanese stakeholders are some national and private universities in Japan, The Ministry of Education, Culture, Sports, Science and Technology (MEXT), and Ritsumeikan University.

### **3.1 Positive Stakeholder Communication and the Ritsumeikan CI**

#### **3.1.1 The Diverging Stakeholder Interests**

At the beginning, the Chinese stakeholders, such as the Embassy of China in Japan, had urgent needs to expand the CIs to Japan due to the Chinese government's desire to improve its national sentiment through public diplomacy. However, Japanese stakeholders such as universities and government were skeptical towards the CIs project.

##### **(1) The Chinese Stakeholders**

The Chinese stakeholders had more urgent needs to promote the CIs in Japan. In recent years, the China-Japan relations experienced continuing fluctuation due to the historical perception and ocean territory issues. The changing national power was also thought to be a factor that deepened

the bilaterally strategic competition. Specifically, from 2001 to 2006, former Prime Minister Koizumi's six visits to the Yasukuni Shrine lead to great oppositions in China and Korea, and made Chinese leaders to suspend the top level mutual visits with Japan. At that time, the serious political relations resulted in the hostile national sentiment towards each other. According to the joint public opinion poll conducted by Genron NPO and Chinese institutions, 11.6% of the Chinese people in 2005 and 14.5% in 2006 held favorable attitude towards Japan, however 62.9% of the Chinese people in 2005 and 56.9% in 2006 held unfavorable attitude towards Japan. On the side of Japan, the percentage of Japanese people who held favorable attitude towards China was 15.1% in 2005 and 14.5% in 2006 while the percentage of Japanese people who held unfavorable attitude towards China was 37.9% in 2005 and 36.4% in 2006.<sup>194</sup> The serious public sentiment worried the scholars in both countries, and they began to call for improving mutual understandings and the bilateral relations by enhancing exchanges.<sup>195</sup> At that time, public diplomacy drew wide attention and the

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<sup>194</sup> Genron NPO, "Dai 12-Kai Nitchuu Kyoudoo Seron Choosa" [The 12<sup>th</sup> Japan-China Joint Opinion Poll], <http://www.genron-npo.net/pdf/160923.pdf>, accessed on December 1st 2016.

<sup>195</sup> Nakanishi Hiroshi, "Hitsuyou na Yasukunimendai no Riseitteki Bunseki" [Rational Analysis on the Issue of Yasukuni Shrine], *Tooa* [East Asia], No.457, July 2005, pp. 2-3; Soeya Yoshihide, "Sengo Konsensasu to Kinrin Gakoo" [Post War Consensus and Neighboring Diplomacy], *Tooa* [East Asia], No 461, November 2005, pp.2-3; Okabe Tatsumi, "Nichuu Kankei no Dakai e Mukete" [Toward the Breakthrough of the Japan-China Relations], *Tooa* [East Asia], No 461, November 2005, pp.50-63; Tajima Takeshi, "Nichuu Yuukoo KyouRyoku Patonashippu Ikaga ni Shinten Saseru ni" [How to Promote Friendly Partnership between Japan and China], No 461, November 2005, pp.10-14; Zhang Shenghai, "Gonggong Waijiao yu Zhongri Guanxi" [Public Diplomacy and China-Japan Relations], *Contemporary Asia-Pacific Studies*, No.4, 2005, pp. 43-47; Liu Guohua and Li Zhen, "Gonggong Waijiao: Shixian Zhongriguanxi Hexie Fazhan de Genben Chulu" [Public Diplomacy: Fundamental Way to Achieving Harmonious Sino-Japanese Relations Development], *Northeast Asia Forum*, No.2, 2007,

Chinese government viewed public diplomacy as an important tool.

The Chinese government realized the growing necessity of improving national sentiment through public diplomacy, and put the public diplomacy initiatives on the agenda of political relations. This attitude can be reflected in *Heavy Storm and Gentle Breeze: Tang Jiaxuan's Diplomatic Memoir*, written by China's former State Councilor Tang Jiaxuan. He wrote in his book that:

“We have been devoted to preparing for the Prime Minister Wen Jiabao's visit to Japan from the beginning of this year (2006), with the hope to enrich the essence of the strategic mutual beneficial relations politically.....At the social level, we hope to make a further plan on youth exchanges, cultural, and sports exchanges.”<sup>196</sup>

In addition, the public diplomacy activities became an important part of the Chinese leader's visits to Japan. For example, the Prime Minister Wen's visit included some activities such as meeting with the Japanese public, visiting Ritsumeikan University, and playing baseball with college students.<sup>197</sup> The President Hu Jintao's visit was also consisted of some public diplomacy activities, such as meeting friendly people, visiting Waseda University, and playing ping pong with Japanese player Fukuhara Ai who was popular both in China and Japan.<sup>198</sup> On May 7th 2008, China

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pp.90-94.

<sup>196</sup> Tang Jiaxuan, *Jing Yu Xu Feng: Tang Jiaxuan Waijiao Huiyilu* [Heavy Storm and Gentle Breeze: Tang Jiaxuan's Diplomatic Memoir], Beijing: World Affairs Press, 2009, p.50.

<sup>197</sup> Ibid, p.51.

<sup>198</sup> Ibid, pp. 65-67.

and Japan signed the Joint Statement on Comprehensive Promotion of a “Mutually Beneficial Relationship Based on Common Strategic Interests.” It suggested that both countries should promote “people-to-people and cultural exchange, as well as sentiments of friendship between the people of Japan and China.” Specifically, “the two sides confirmed that persistently promoting mutual understanding and sentiments of friendship between the people, and particularly the youth of their two countries, would contribute to the strengthening of the foundation of friendship and cooperation between Japan and China over generations and resolved as follows: to implement a full spectrum of cultural and intellectual interchange by broadly developing exchanges between the two countries’ mass media, friendship cities, as well as sports and private organizations; to promote youth exchange on a continuing basis.”<sup>199</sup> On May 8<sup>th</sup>, China and Japan issued a joint news declaration on enhancing the exchanges cooperation. It offered a list of 70 exchange programs that China and Japan were going to promote.<sup>200</sup> Since then, the exchange programs between China and Japan began to flourish. Taking 2008 as an example, China organized more than 100 exchange activities, including the visiting group of more than 1000 people. Both countries were planning to utilize the youth mutual visits of more than 4000 people a year in the following 4 years.

The official attitude above affected the promotion of the CIs in Japan. Since the first CI had been established in 2004, China had been eagerly promoting the CIs in Japan. This attitude reflected

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<sup>199</sup> “Joint Statement between the Government of Japan and the Government of the People's Republic of China on Comprehensive Promotion of a Mutually Beneficial Relationship Based on Common Strategic Interests”, <http://www.mofa.go.jp/region/asia-paci/china/joint0805.html>, accessed on November 15<sup>th</sup>, 2016.

<sup>200</sup> “Zhongri Liangguo Zhengfu Guanyu Jiaqiang Jiaoliu yu Hezuo de Lianhe Xinwen Gongbao”[Joint Declaration on Enhancing Exchange Between Chinese and Japanese Government], <http://www.fmprc.gov.cn/ce/cejpc/chn/xnyfgk/t451605.htm>, accessed on June 1<sup>st</sup> 2017.

the Chinese government's expectation on the bilateral relations.<sup>201</sup> For Hanban, extending the CIs into Japan could not only fulfill the Chinese government's political desire but also speed up the global distribution of the CIs. This conformed to Hanban's interest. At that time, Hanban was not ready in terms of self-building therefore the Embassy of China in Japan had to assume the job.

The pace of establishing CIs in Japan reflected the progress of meeting the Chinese government's political desire. Currently, there are 14 CIs in Japan. 8 of them were established during October 2006 and September 2010, when China was trying to improve bilateral relations. It takes more than half of the CIs in Japan. It is safe to consider the CIs as reference material of China's public diplomacy towards Japan.

Table 3-1 The List of the CIs in Japan

Name	Time
The Ritsumeikan CI	October 2005
The CI at Obirin University	April 2006
The CI at Hokuriku University	April 2006
The CI at Aichi University	June 2006
The CI at Ritsumeikan Asia Pacific University	October 2006
The CI at Sapporo University	April 2007
The CI at Waseda University	November 2007

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<sup>201</sup> Peng Fan, "Zhongguo Kongzi Xueyuan zai Riben: Wenhua Shuofu Zhanlve de Tuidong" [Confucius Institutes in Japan: The Chinese Practice of Cultural Persuasive Strategy], Master Paper of Taiwan Dongwu University, 2015, p.4.

The CI at Okayama Shoka University	November 2007
The CI at Osaka Sangyo University	November 2007
The CI at Fukuyama University	April 2008
The CI at Kogakuin University	May 2008
The CI at Kansai Gaidai University	April 2010
The Chinese Medicine CI at Hyogo College of Medicine	March 2012
The CI at Busano University	October 2015

## (2) The Japanese Stakeholders

Different from the Chinese stakeholders, a sense of uncertainties prevailed among most of the Japanese stakeholders.

For the Japanese universities, the establishment of the CIs would bring them financial support, raise their presence in China thus facilitating the student's admission. It could be attractive for some private universities who suffer a shortage of public funds from the government and the decreasing student sources. Some Japanese scholars argued that it was the market values mentioned above that led to the rapid promotion of the CIs in Japan. Despite the attractive market value, some Japanese stakeholders, such as the government and universities, were more focused on non-market value and their social reputation due to their deep skepticism of China's intentions on penetrating into Japanese universities. Specifically, they worried that the CIs would undermine their social reputation. Due to the concerns, the CIs in Japan encountered resistances from the circle of media and politics.

Japanese media have been expressing their negative opinions of the CIs. They have been

criticizing the CIs as China's propaganda tool.<sup>202</sup> Some media even accused the CIs of being a spy agency, and the Chinese directors of being Chinese spies.<sup>203</sup>

It was not rare to see negative comments even in some private universities who had hosted the CIs. A typical case was the issue in Osaka Sangyo University. In May 2000, Shigesato Toshiyuki, the Chief Administrative Officer of the university, called the CIs at Osaka Sangyo University a spy agency and the Chinese director a spy at an internal meeting with its professors. Although he was dismissed and the university apologized for his improper behaviors, it could reflect the deep skeptical attitude towards the CIs inside the university.<sup>204</sup> Under such circumstances, the university with the willingness to embrace a CI would face huge social pressures.

The CIs cannot get political support due to the cautious attitude of politicians towards the CIs. The MEXT rejected China's proposal of establishing a CI at national and public universities in Japan. Few Japanese local government officials and congressman attended the activities of the CIs. This reflected their cautious attitude towards the CIs.

The host universities' engagement in the CIs project is a mixture of the comprehensive calculation of their interest, including market value and non-market value. The host universities expect the financial support from Hanban, the channels with Chinese academic institutions, and explore its market value in China.<sup>205</sup> At the same time, they do not give up their non-market value.

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<sup>202</sup> *Seiron*, December 2012, pp.110-115.

<sup>203</sup> Morishige Shiun, "Zhongguo de Gonggongwaijiao yu Kongzixueyuan Yanjiu---yi Riben de Kongzixueyuan wei Shijiao" [China's Public Diplomacy and Confucius Institutes Research: A Japanese Approach], *Asian Culture*, No.32, December 2015, pp. 119-127.

<sup>204</sup> *Asahi Shinbun*, June 2, 2010.

<sup>205</sup> Lee Kyoungtaek, "Koshi Gakuin no Kontororu Kyoka no Tameni Mochii Rareru Naibu Mekanizumu

They are concerned about the image of cooperating with China by sacrificing its academic integrity.<sup>206</sup>

In a word, the Japanese stakeholders gave their priority to the non-market value while neglecting the market value of the CIs. The Japanese stakeholders and the Chinese stakeholders diverged on their primary interest pursuits and this gap brought the CIs in Japan onto an uneven route.

### 3.1.2 The Setback of the CIs in Japan

The logic above can help us explain why the CIs encountered setback in Japan. The most obvious evidence for such resistance can be found in the progress of the first CI in Japan. The most important Chinese stakeholder is the staff of the Embassy of China in Japan. And the prime target was famous Japanese national universities at the beginning.

From the perspective of Chinese stakeholder, China hoped that the cooperation with a famous and influential university would lead to a chain effect to stimulate other universities to be engaged.

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Bunseki:Burando Settei to Gagaku Kentei Tesuto no Yakuwari o Chushin ni” [An Analysis on the Confucius Institutes’ Internal Control Mechanism: Focusing on the Brand Setting and Language Test], *Journal of International and Advanced Japanese Studies*, Vol. 3, March 2011, pp. 35–5. Baba Takeshi, “Chugoku no Daiga Kyoiku---Koshi Gakuin o Chuoshin ni” [China’s Overseas Language Education: Focusing on Confucius Institutes], *ICCS Journal of Modern Chinese Studies*, Vol.2 (1) 2010, pp. 212-220. Amy Stambach, *Confucius and Crisis in American Universities: Culture, Capital and Diplomacy in US Public Higher Education*, New York: Routledge, 2014, p. 73; Li Kaisheng and Dai Changzheng, “Kongzi Xueyuan zai Meiguo de Yulun Huanjing Pinggu” [Report of the U.S. Public Opinion of the Confucius Institutes], *World Economics and Politics*, 2011, No.7, pp. 76-93.

<sup>206</sup> Amy Stambach, *Confucius and Crisis in American Universities: Culture, Capital, and Diplomacy in U.S. Public Higher Education*, New York: Routledge, 2014, p.70.



The staff expected to show China's expectation on improving bilateral relations to the Japanese public. Therefore, since the second half of 2004, the staff of China embassy in Japan rushed to seek for the possibility of establishing CIs in national and public universities.

The primary concern of Japanese stakeholder was the official background of the CIs, and the strong presence of the Chinese government deepened their concerns. Therefore, the MEXT soon rejected this proposal with the excuse that the national and public education institutions were prohibited from receiving funds from foreign governments.<sup>207</sup> A director of the CIs told me that actually Japanese universities received the funds from some organizations with official background of the US. This reflected their concerns on the CIs. In a word, the MEXT declined to be positive stakeholder of the CIs due to its primary interest on social reputation.

China had to shift its focus to private universities. The potential targets included Keio University, Waseda University, and Nihon University that were located at Tokyo area and enjoyed good reputation. China hoped to draw help from their existing reputation to increase the presence of the CIs in Japan. However, these universities declined the proposal by saying that "we are capable of providing Chinese language teaching, and we hope to do it at our pace."<sup>208</sup>

Despite the efforts of the Embassy of China in Japan, the Japanese stakeholders still viewed the social reputation as their primary interest while ignoring the market value of the CIs. The continuous refusal led the struggle for the first CI in Japan in embarrassed. On one hand, with more and more voices that China and Japan should enhance mutual understanding by exchange, the

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<sup>207</sup> Amy Stambach, *Confucius and Crisis in American Universities: Culture, Capital, and Diplomacy in U.S. Public Higher Education*, New York: Routledge, 2014, p.70.

<sup>208</sup> Anonymous Interview in October 2006.

expectation from the Chinese government grew. On the other hand, the initial targeted stakeholders lacked the interest in the CIs. Little progress had been made until another important stakeholder, Ritsumeikan University, expressed its willingness to cooperate.

### **3.1.3 The Establishment of the Ritsumeikan CI**

Under the adversarial environment above, the Chinese stakeholders fulfilled the cooperation by flexible stakeholder communication with the Ritsumeikan University, and then consolidated the needs of the host university, thus helping the Ritsumeikan CI survive against the changing bilateral relations.

The reason why Ritsumeikan University was willing to accept the CI was their relatively higher expectation of the market value than the non-market value.

The ethnic Chinese professor Zhou Weisheng put forward his suggestion to receive the CI to the administration of Ritsumeikan University, after he was acknowledged by the embarrassing progress of the CIs in Japan. Then, the administrators appreciated his suggestion. He once told the media as the following:

“I first knew the news of the CIs at the beginning of 2005 and I soon confirmed this news with the staff of the Embassy of PRC in Japan. Although my academic focus was science and technology, I loved Chinese language and culture. I realized that the CIs would be helpful for both Japan and China, and Ritsumeikan University should grasp the opportunity. Then I wrote to the Sakamoto vice president of my university and recommended to establish the CI. He appreciated this proposal and convened a meeting with other administrators to discuss the proposal. Finally, they

decided to apply for a CI.”<sup>209</sup>

Zhou’s words were too straight-line to cover all aspects of the decision. Actually, Ritsumeikan University understood China’s desperate wish to establish their first CI as soon as possible, and also realized the potential benefits from the first CI in Japan. As a native Chinese individual, Zhou Weisheng was clear that the first CI meant stronger presence and social influence in China compared with other following CIs. My anonymous interview conducted in October 2016 confirmed this point. Zhou Weisheng cared about the brand of the first CI in Japan very much. He was sure that after the setback of more than half a year, China could not wait another half year and would devote huge resources to build this CI. He leveraged this advantage in the negotiation with Hanban. He asked to cooperate with Peking University, China’s best university, in the name of building the best CI. Considering the fact that Ritsumeikan University did not have a partnership with Peking University at that time, it would be difficult to meet this requirement. However, the urgent desire for a breakthrough pushed Hanban to persuade Peking University with the necessity of the first CI in Japan. Peking University realized the political significance of this CI and agreed to be the Chinese partner.<sup>210</sup>

Despite the administration’s emphasis on market value, there was opposition against the CI inside Ritsumeikan University. According to an interview with Zhou Weisheng conducted by

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<sup>209</sup> Tong Fei, “Kongzixueyuan Kechixu Fazhan---Ribei Limingguan Kongzixueyuan Mingyu Yuanzhang ZhouweishengFangtan” [The Continuous Development of the Confucius Institutes: the Interview with Zhouweisheng], *International Talent*, No. 4, 2013, pp. 33-35.

<sup>210</sup> Anonymous Interview in October 2006.

Morishige, some professors expressed their concerns for the reputation and opposed to receive the CI. Zhou told Morishige that “at the very beginning, some people with bias against China spread the rumor that the CIs are China’s spy agency.”<sup>211</sup> In my interview with the director of Ritsumeikan University Unoki Yo and the Chief Administrator Takeda Ryuma, they confirmed the existence of the opposition. They generalized the reasons for oppositions as follows:

First, the CI would be an institution that receives funds from foreign governments. Furthermore, the CIs were newborn institutions and had no experiences in Japan. It is natural for the university to worry about the possible intervention on the university.<sup>212</sup>

Second, there was a universal perception that the domestic censorship in China would consequently lead to censorship in the host universities. The opponents worried that the Chinese government would be self-centric and would not take the host universities into consideration.<sup>213</sup>

It is safe to say that Ritsumeikan University has thought through its gains and losses cautiously. Ritsumeikan University shared the same concerns with other universities. To some extent, as the pioneer of the first CI, Ritsumeikan University encountered more pressures. Ritsumeikan University was more focused on the benefits of the CI, and gave priority to the market value of the CI. For Ritsumeikan University, the market value was the primary interest. This perception

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<sup>211</sup> Morishige Shiun, “Zhongguo de Gonggongwaijiao yu Kongzixueyuan Yanjiu---yi Riben de Kongzixueyuan wei Shijiao” [China’s Public Diplomacy and Confucius Institutes Research: A Japanese Approach], *Asian Culture*, No.32, December 2015, pp. 119-127.

<sup>212</sup> Morishige Shiun, “Zhongguo de Gonggongwaijiao yu Kongzixueyuan Yanjiu---yi Riben de Kongzixueyuan wei Shijiao” [China’s Public Diplomacy and Confucius Institutes Research: A Japanese Approach], *Asian Culture*, No.32, December 2015, pp. 119-127.

<sup>213</sup> Ibid

provided the foundation for the coming negotiation. The next key point became how to deal with the secondary interest, the concerns on the social reputation.

Due to the failure in the previous half year, the appearance of Ritsumeikan University soon got the Chinese stakeholder's attention. For the Chinese staff, Ritsumeikan University was qualified to be a partner candidate. Furthermore, the fact that Ritsumeikan University expressed its readiness even under pressure made the establishment of the CI more feasible. The Chinese staff took a flexible stance and achieved a consensus in the form of Non-Profit Organization (NPO) resolution.

According to this resolution, the Ritsumeikan CI was established as an independent NPO rather than a part of the university. In addition, its name did not include "university." This resolution was believed to not only assure the establishment of the Ritsumeikan CI, but also send a signal to the public that the Ritsumeikan CI had no direct connection. Hanban's compromises made Ritsumeikan University feel more comfortable to accept. Finally, in October 2005, the Ritsumeikan CI was opened. The opening ceremony was held in the Embassy of China in Japan. China seemed to send a message that China had been paying great attention on the first CI in Japan.

It is to be concluded that the cooperation between China and the Japanese stakeholders are much easier to be realized when both sides shared a convergent primary interest, even when the host university held a secondary interest on their social reputation.

## **3.2 Positive Stakeholder Communication and The Consequences**

### **3.2.1 The Positive Stakeholder Communication**

If the establishment was the first step for the contact between Ritsumeikan University and the Chinese stakeholders, the following stakeholder communications during daily operation were far more effective in making Ritsumeikan University aware of the market value and the sincerity of Hanban.

Although Ritsumeikan University viewed the market value as a primary interest, they still had concerns. They were concerned that their secondary interests would be neglected. To deal with such concerns, Hanban adopted the proper measures to consolidate the primary interest and stay attentive to their secondary interest after the establishment at Ritsumeikan University.

First, Hanban encouraged the Ritsumeikan CI to be aggressive in holding various activities. In May 2006, Hanban once conducted a field survey at the Ritsumeikan CI and praised it as being “one of the best CI all around the world” and “the model for others CIs.”<sup>214</sup> Why did Hanban provide such an appraisal? Primarily, the Ritsumeikan CI was located at the Ritsumeikan Global Peace Museum, and had a high level of hardware facilitates. Subsequently, Hanban also hoped to shape the Ritsumeikan CI into a brand in Japan.

Second, Chinese stakeholders, Hanban and Peking University, provided substantial support to

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<sup>214</sup> Wang Zhanfeng, “Yuanchengwei Zhongri Jiaoliu de Chuangkou he Qiaoliang---ji Riben Limingguandaxue Jiaoshou Zhouweisheng Xiaoyou” [Being Bridge and Window for the Sino-Japanese Exchange---Interview with Zhouweisheng], <http://zuua.zju.edu.cn/people/newsView?id=362>, accessed on March 20<sup>th</sup>, 2016.

the Ritsumeikan CI. With more professors from Peking University, the Ritsumeikan CI regularly convened “Peking University Symposiums” and lectures on Chinese culture.<sup>215</sup> Such lectures soon became famous in the local society.

Third, Hanban had tried to avoid intervening among the CIs in Japan to decrease their feelings of uncertainty. Hanban encouraged the CIs to hold various kinds of activities, but avoided from providing instructions. As for the daily operation, Hanban approved all application for programs and budgets submitted by the Ritsumeikan CI. In 2006, the CIs in Japan organized an association and agreed to hold an annual meeting with the CIs one by one. Although Hanban was invited to attend every year, Hanban refrained from imposing its influence on the association and emphasized the positivity of the members of the association. The Director Unoki Yo and Chief Administrator Takeda Ryuma praised the respect shown for the local partners as more “democratizing.”<sup>216</sup>

### **3.2.2 The Influences of Positive Communication**

The positive stakeholder communications between Ritsumeikan University and the Chinese stakeholders turned out favorable results.

From the perspective of bilateral political relations, the Ritsumeikan CI became a stage for Chinese politicians to express their good willingness to Japanese publics. In Spring 2006, several months after the establishment of the Ritsumeikan CI, Chinese Prime Minister Wen Jiabao visited

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<sup>215</sup> Zhang Dongwei, “Beida de Kongzixueyuan Weishenme Hao?” [Why the CIs established by Peking University Are Excellent? ], *People`s Daily (Oversea Edition)*, January 18<sup>th</sup>, 2008.

<sup>216</sup> Interview with Unoki Yo, Director of the Ritsumeikan CI, and Takeda Ryuma, Chief Administration of Ritsumeikan CI, October 5<sup>th</sup> 2016, in Kyodo, Japan.

Ritsumeikan University during his visit to Japan which aimed to improve the bilateral relations with the name of Warm Spring Visit. The Ritsumeikan CI seemed to play an important role in fulfilling this visit. In addition, the Ritsumeikan CI once invited Chinese politicians to attend its forum at the very beginning. Such activities would be helpful to increase the social presence of the CIs and the Chinese politicians. Hanban and the China Embassy coordinated to invite then Chinese Foreign Minister Li Zhaoxing and the then China's Ambassador to Japan Wang Yi to make a speech. These activities are helpful for the Ritsumeikan CI to be engaged with Japanese mainstream society and increase the voices of the friendship between Japan and China. To some extent, the Ritsumeikan CI indirectly helped the Chinese leaders to improve Japanese public sentiment, although it is difficult to provide precise evidence.

From the perspective of the operation, the positive stakeholder communication also helped the Ritsumeikan CI to overcome the fluctuation of the political relations. After its establishment, the Ritsumeikan CI encountered political fluctuation from an adversarial environment. Beginning in 2010, the contrastive reversal of the GDP between China and Japan was thought to lead to fierce strategic competition between China and Japan. Some scholars were debating whether two tigers could share a mountain peacefully.<sup>217</sup> The fish boat collision issue in September 2010 and the issue of the Japanese government nationalization the Diaoyu Islands/ Senkaku Islands made the bilateral relations fall to the bottom. The official communications were suspended and the national public sentiment deteriorated dramatically. According to the survey conducted by the Genron NPO, during 2010 and 2012, the percentage of the Japanese public who held a favorable attitude towards China

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<sup>217</sup> Michael Yahuda, *Sino-Japanese Relations After the Cold War: Two Tigers Sharing a Mountain*, Routledge, 2013.



dropped from 27.3% to 15.6%, while the percentage of the Japanese public who held an unfavorable attitude towards China increased from 72% to 84.3%.<sup>218</sup>

The public diplomacy initiatives of China towards Japan inevitably suffered from the fluctuating political relations. Some exchange programs had to be suspended. According to some new coverage on September 11 and 12 2012, 6 programs including the youth, business, local government, and cultural exchanges were canceled. The 40<sup>th</sup> anniversary celebration held by the China-Japan Friendship Association had to be suspended.<sup>219</sup> It was not until 2015, the communications of the government, party and congress between the two countries began to recover. However, the civil exchanges were still inactive. Although the Chinese people rushed to Japan for the tourism, Japanese people showed little interest in traveling to China. For example, in 2015, 2.5 million Japanese citizens traveled to China, 1 million fewer than those in 2008.<sup>220</sup> The serious political relations meant that the public diplomacy initiatives dominated by Chinese government encountered great setbacks. Interestingly, despite the political adversarial environment, the CIs in Japan seemed to develop smoothly. The stable cooperation between Hanban and Ritsumeikan

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<sup>218</sup> Genron NPO, “Dai 12-Kai Nitchuu Kyoudoo Seron Choosa” [The 12<sup>th</sup> Japan-China Joint Opinion Poll], <http://www.genron-npo.net/pdf/160923.pdf>, accessed on December 1st 2016.

<sup>219</sup> “Xiufu Zhongriguanxi de Jihui Yuanqu” [The Time for Restoring China-Japan Relations Was Lost], <http://asahichinese.com/article/news/AJ201209240067>, accessed on December 1<sup>st</sup>, 2016, accessed on June 20<sup>th</sup> 2017, accessed on June 1<sup>st</sup> 2017; “Rimei Cheng Zhongguo Zhongzhi yu Riben Guanfang Jiaoliu Minjian Jiaoliu yi Shoucuo” [Japanese Media: China Suspended Official and Civil Exchanges], *Global Times*, September 12nd, 2012.

<sup>220</sup> “Zhongri Minjian Jiaoliu Buying Titoudanzi Yitoure” [Different Attitude towards Civil Exchanges between China and Japan], <http://www.jnocnews.jp/news/show.aspx?id=85498>, accessed on May 1<sup>st</sup>, 2016.

University served as a cushion to protect the Ritsumeikan CI.

Benefited from positive stakeholder communication, the importance of primary interest, the market value of the CIs, increased while the secondary interest, the concerns on social reputation, decreased. Even under the adversarial political relations, the Ritsumeikan CI achieved outstanding performances as follows:

First, Ritsumeikan University decided to withdraw the NPO and incorporate the CI into the university as part of its international division. Ritsumeikan University has gained more presence and academic resources in China through the establishment of the CI.<sup>221</sup> During cooperation, the administration of the university began to realize that the university's benefit had been limited by the name of its CI. The NPO also imposed some restrictions on the cooperation with Chinese academic institutions. In the administration's view, the CI as part of its internal entity would bring more benefits. To lift the restriction and maximize the interest, the administration decided to withdraw the NPO and incorporate the CI into its international division. The reform of the CI enhanced the academic links with other parts of the university, and broadened the space to collaborate with Chinese institutions.

Second, the positive stakeholder communication successfully mobilized Ritsumeikan University to be active in promoting the CIs. We also witnessed the Ritsumeikan CI's growing social influences. After the establishment of the Ritsumeikan CI, Ritsumeikan University soon opened the Confucius Classroom at Tokyo and Osaka. These CI and Confucius Classrooms broadened the student resources. For example, despite decreasing student numbers due to the

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<sup>221</sup> Ibid.

fluctuating political relations in 2012 and 2013, the student number soon rebounded to about 700 per year.<sup>222</sup> The Ritsumeikan CI also held regularly scheduled cultural activities. During October 2015 and September 2016, 729 attended the Chinese language classes.<sup>223</sup> It held 10 symposiums on understanding China, 4 lectures on Chinese classical culture, and 5 book clubs.<sup>224</sup> Overall, the stable relations between the stakeholders of the two countries can guarantee the smooth development of the CIs even in an adversarial political environment.

The further stakeholder communication between Ritsumeikan University and the Chinese stakeholders brought the Ritsumeikan CI into stable development. With the outstanding performances, the Ritsumeikan CI got recognized by the Chinese stakeholder and was rewarded as “Annual Best CI” in 2007, 2008 and 2011 by Hanban. In 2014, the Ritsumeikan CI was also named as “CI Pioneer”.

### 3.3 The Other CIs in Japan

If the primary interest of Chinese and Japanese stakeholders diverged from the beginning, the cooperation between them would not have a bright future. The others CIs in Japan are the best examples.

Compared with the Ritsumeikan CI, most of the CIs in Japan have been inactive. They provided a picture of CIs whose host universities have diverging original interest with the Chinese

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<sup>222</sup> The interview with Director Unoki Yo.

<sup>223</sup> Japan Association of Confucius Institutes, *The Reference Materials for the Annual Meeting 2016*, October 22<sup>nd</sup>, 2016, p.1.

<sup>224</sup> Ibid, pp. 1-3.

stakeholders. The CI at Waseda University and the CI at Aichi University are two common examples. Simply put, their primary interest was the concerns on their social reputation rather than the market value of the CIs.

Waseda University declined to cooperate due to its deep skepticisms towards the CI project at the very beginning.<sup>225</sup> According to Professor Amako Satoshi, Waseda University later had to reluctantly accept a CI under the strong requests from the Chinese leaders,<sup>226</sup> but he did not refer to who the leaders were. However, the CI at Waseda University has been dominated by the administration, while having weak links with other academic institutions.<sup>227</sup> Waseda University views its CI as a dispensable research institute inside the campus.<sup>228</sup> By doing so, Waseda University not only keeps its distance from the CIs project, but also saves the face of the Chinese government. In other words, it was a politically driven result rather than a natural consequence of

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<sup>225</sup> Tong Qian, “Texie: Beimei Kongzixueyuan Fengbo Keneng Dangdi Riben” [Feature: The Storm in North America May Impact the Confucius Institutes in Japan], December 6<sup>th</sup> 2014, [http://www.bbc.com/zhongwen/simp/world/2014/12/141206\\_japan\\_chinese\\_confucious-institute](http://www.bbc.com/zhongwen/simp/world/2014/12/141206_japan_chinese_confucious-institute), accessed on June 1<sup>st</sup> 2015.

<sup>226</sup> Ibid.

<sup>227</sup> Peng Fan, “Zhongguo Kongzi Xueyuan zai Riben: Wenhua Shuofu Zhanlve de Tuidong” [Confucius Institutes in Japan: The Chinese Practice of Cultural Persuasive Strategy], Master Paper of Taiwan Dongwu University, 2015, pp. 133-134.

<sup>228</sup> Tong Qian, “Texie: Beimei Kongzixueyuan Fengbo Keneng Dangdi Riben” [Feature: The Storm in North America May Impact the Confucius Institutes in Japan], December 6<sup>th</sup> 2014, [http://www.bbc.com/zhongwen/simp/world/2014/12/141206\\_japan\\_chinese\\_confucious-institute](http://www.bbc.com/zhongwen/simp/world/2014/12/141206_japan_chinese_confucious-institute), accessed on June 1<sup>st</sup> 2015.

benign interaction. Since the beginning, the CI at Waseda University was destined to be inactive.<sup>229</sup>

The CI at Aichi University encountered the same experience. In 2005, a leader of the Chinese Information Office of the State Council proposed that Aichi University should establish a CI when he visited Japan. Obviously, he viewed the establishment of a CI as a symbol of the China-Japan friendship without considering the university's concerns. However, Aichi University was reluctant to accept this proposal due to its fundamental Chinese studies sources. The strong official recommendation by Chinese stakeholder worried Aichi University, but the university was not intend to hurt the face of China. Finally, Aichi University weighed the pros and cons and decided to establish a CI to avoid hurting the face of China.<sup>230</sup> Due to the negative attitude, Aichi University did not include the CI into its education system, and took it as a complementary part of the existing adult language program. As for the daily operation, the CI at Aichi University has not been applying for Hanban's budget, and maintaining the operation on the tuition of language classes.<sup>231</sup> The CI at Aichi University received nothing except for the brand of the CI. Professor Baba Takeshi described it as a language training class qualified by the Chinese government.<sup>232</sup>

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<sup>229</sup> Tong Qian, "Texie: Beimei Kongzixueyuan Fengbo Keneng Dangdi Riben" [Feature: The Storm in North America May Impact the Confucius Institutes in Japan], December 6<sup>th</sup> 2014, [http://www.bbc.com/zhongwen/simp/world/2014/12/141206\\_japan\\_chinese\\_confucious-institute](http://www.bbc.com/zhongwen/simp/world/2014/12/141206_japan_chinese_confucious-institute), accessed on June 1<sup>st</sup> 2015.

<sup>230</sup> Anonymous Interview in July 2015 and October 2016.

<sup>231</sup> Lu Pingzhou, "Kongzixueyuan de Hanyu Jiaoxue Moshi Tansuo: yi Riben Aizhidaxue Kongzixueyuan Weili" [The Teaching Model of the Confucius Institutes: Focusing on the Confucius Institute at Aichi University in Japan], *Nankai Linguistics*, No.2, 2007, pp. 135-142. Liu Ping, "Cong Riben de Xianzhuang Kan Kongzixueyuan de Fazhan" [Development of Confucius Institutes from the Viewpoint of Current Situation of Japan], *Journal of International Affairs*, No. 143, pp. 119-133.

<sup>232</sup> Peng Fan, "Zhongguo Kongzi Xueyuan zai Riben: Wenhua Shuofu Zhanlve de Tuidong" [Confucius Institutes

In addition, the rewards of Annual Best CIs can be another reference for us to evaluate the CIs in Japan. Since the reward began in 2007, about 20 or 30 CIs can be awarded every year. To this point, there are only 5 CIs in Japan that have been granted this award a total of 8 times. The Ritsumeikan CI received this 3 times.<sup>233</sup> On one hand, the CIs in Japan show totally different development. Some CIs enjoy good social influences while most of the CIs have been inactive. On the other hand, this highlights the outstanding performance of the Ritsumeikan CI.

This phenomenon can be explained by the tacit agreement among the Chinese and Japanese stakeholders because they could achieve or guarantee their own interest in the status quo positive communication:

First, some Japanese universities viewed their social reputation as the primary interest and paid little attention to the economic interest of the CIs. They were reluctant to accept the CIs, and regarded them as a tool used to save face by the Chinese government. They lacked the willingness of cooperation.

Second, for some Chinese universities, the existence of the CIs meant success while the performance meant little. They would like to maintain the peaceful status as long as the CIs survive, instead of striving for achievements. Therefore, they did not have incentives to motivate their Japanese counterparts. For example the Nankai University, the Chinese partner of the CI at Aichi

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in Japan: The Chinese Practice of Cultural Persuasive Strategy], Master Paper of Taiwan Dongwu University, 2015, p. 130.

<sup>233</sup> The following CIs were awarded as Annual Best CI individually: Ritsumeikan CI (2007、2008、2011) , The Confucius Institute at Hokuriku University(2009), The Confucius Institute at Oberlin University (2010、2014), The Confucius Institute at Sapporo University (2012), The Confucius Institute at Kogakuin University (2013). The data was from the Annual Reports of Confucius Institutes from 2007 to 2016.

University, was reluctant to promote the activities of the CIs because it doubted that Aichi University could catch up to their global rankings.<sup>234</sup>

Third, as the regulator or mediator of the stakeholder communication, Hanban was familiar with this logic but had no other better choices for the potential risks brought up by breaking the negative stakeholder communication. Although Hanban has been encouraging the CIs to develop their own characteristics and provide their own supports, it was clear these could not reverse the counterproductive results of the aggressive promotion. In my interview, an anonymous director told me that Hanban was dissatisfied by the condition that most of the CIs in Japan were not part of the education system of the host universities and hoped to upgrade the position of the CIs inside the Japanese campuses. Hanban could not pressure the host universities into incorporating the CIs into their education system, and began to ask the Chinese directors to persuade the host universities. After the failure of the Chinese directors, Hanban did not give any further instructions.<sup>235</sup> Finally, Hanban had to accept the negative status quo.<sup>236</sup> To some extent, the Japanese and Chinese stakeholders achieved a negative consensus to maintain the status quo while no one wanted to break up it. In other words, for most CIs in Japan, their Chinese and Japanese stakeholders achieved a negative balance.

### **3.4 Sub Conclusion**

This chapter proves that whether or not the Chinese and Japanese stakeholders have

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<sup>234</sup> Anonymous Interview in July 2015.

<sup>235</sup> Anonymous Interview in October 2016.

<sup>236</sup> Ibid.

converging primary interest can determine the foundation or basis of the CIs.

For the host universities, if they put their primacy on the market value of the CIs, the CIs would have a stable foundation. On the contrary, if the host universities viewed their social reputation higher than the market value of the CIs, the CIs would be limited. The case of CIs in Japan is the best typical reflection of the differing interest dynamics and the establishment of the CIs.

Most of the Japanese universities do not cherish the market value of the CIs, instead they view their social reputation as their primary interests. In another word, for most of the Japanese universities with abundant Chinese studies resources, they do not have incentive to embrace the CIs. By contrast, they have more worries on the negative influence of the official background of the CIs. Therefore, they were reluctant to accept the CIs. However, some Chinese officials strongly pushed the CIs to them in the name of China-Japan friendship when China was devoting in improving the bilateral political relations. Although the Aichi University and the Waseda University finally established a CI in order to not to hurt the face of China, they had been viewing their CIs as being dispensable. The CI at Aichi University and the CI at Waseda University have been not positive since establishment.

Different from the two Japanese universities above, the Ritsumeikan University put its emphasis on the brand of “first CI in Japan” with the perception that China would invest great resources to cultivate the first CI in Japan. Although they had concerns on the official background of the CIs, they gave their priority to the market value of the CIs rather than their social reputation. In other words, their primary interest is the market value of the CIs, while secondary interest is their social reputation. To balance the primary and secondary interest, the Chinese staff and the



Ritsumeikan University reached the consensus to establishing a CI as Non Profit Organization (NPO). This resolution could not only help to establish the CI but also avoiding the Ritsumeikan University from social reputation risk. After the establishment, the Chinese stakeholders, Hanban and its Chinese partner Peking University, provided substantial resources to the Ritsumeikan CI to consolidate its perception on the primary interest. At the same time, Hanban tried to decrease the Ritsumeikan University's concerns on its social reputation by not intervening in its daily operation. In 2011, the Ritsumeikan University announced to incorporate the Ritsumeikan CI as part of its international division. It could be viewed as a product of positive stakeholder communications and growing mutual trust. Such positive communications assured the Ritsumeikan CI survived even in the adversarial environment when China-Japan relations deteriorated.

## **Chapter 4: The Case of CIs in Philippines**

This chapter would review the CI at the Angeles University Foundation (CI-AUF) in Philippines. This chapter would mainly examine the communication among overseas stakeholders in Philippines. The primary stakeholders in this case are the host university, the AUF, and the education department. In this case, the CI-AUF has been focusing on the market value of the CIs regardless of the territory dispute and the serious political relations. The CI-AUF positively broadened interactions with other stakeholders in the Philippines, such as the Ministry of Education, and successfully promoted Chinese language teaching into the national education system in the Philippines.

### **4.1 The Converging Primary Interest and The CI -AUF**

#### **4.1.1 The Converging Primary Interest**

The Chinese stakeholder, Hanban and the Philippines stakeholders converged on their primary interest in the market value of the CIs. Actually, the Philippines stakeholders have more urgent desire to embrace the CIs.

The scholars in the Philippines had been emphasizing the market value of the CIs due to their perception of the necessity of Chinese language education. Although Chinese language education was started early in Philippines, there were few Chinese language classes in the national education system.<sup>237</sup> The director of the CI-AUF Zhang Shifang confirmed that prior to the establishment of

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<sup>237</sup> Ellen Palanca, "A Comparative Study of Chinese Education in the Philippines and Malaysia", *Asian Studies*,

the CI-AUF “there were no Chinese language departments in mainstream universities, and few elective classes. The condition in the basic education system was more worrisome”.<sup>238</sup> With the growing demand for Chinese language classes, the education departments of the Philippines began to recognize the necessity of enhancing their capabilities. Emilio Gan, president of the Philippine-Chinese Education Research Center, said that Chinese Mandarin “has gained an edge because of the economic opportunities that come with engaging in business with China.”<sup>239</sup> However, the lack of language teacher became a constraint for Mandarin education.<sup>240</sup> Some Chinese language instructors in the Philippines also confirmed this limitation. Zhang Shifang and Yang Shiming argued that the biggest weakness in the Philippine-Chinese language education was the lack of qualified language instructors.<sup>241</sup> Ultimately, despite the growing demands for a Chinese language education, the lack of qualified teachers especially in the public school system, constrained the development of Chinese language education.

Hanban was clear about the gap between the growing demands for Chinese Mandarin in the Philippines and the limited number of qualified teachers. In the written interview reply to me,

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Vol. 38, No.2, pp.29-62.

<sup>238</sup> “Moli Huakai Xiangmanyuan”, *Fujian Daily*, May 23<sup>rd</sup> 2016.

<sup>239</sup> Marvin Tort, “Mandarin Rises in the Philippines”, December 20, 2013, <http://epaper.chinadailyasia.com/asia-weekly/article-1639.html>, accessed on 2016-04-05.

<sup>240</sup> Ibid.

<sup>241</sup> Zhang Shifang, “Lun Zhuanxing Shiqi de Feilvbin Huawen Jiaoyu”[On Philippines Chinese Education During the Transition Phase], *Journal of Fujian Normal University (Philosophy and Social Science Edition)*, No.6, 2014; Shimin Yang, “Several Thoughts on Current Chinese Education in the Philippines,” International Conference on Education Technology and Social Science (ICETSS 2014).

Hanban stated that “according to Philippine law, only those with teacher qualifications can serve as a teacher in the primary education system. The public school system has much stricter requirements for potential teachers. Therefore, the qualified Chinese language teachers are largely lacking.”<sup>242</sup> Different from the case in Japan, no evidence was identified that Hanban had paid special attention to the Philippines. Hanban viewed the Philippines as a likely or common potential partner rather than an important candidate.

To some extent, the local stakeholder in Philippines and Hanban converged on the common interests of establishing the CIs in the Philippines. The stakeholders in the Philippines wanted to take advantage of financial and teacher resources from Hanban to enrich their Chinese language education. Although Hanban and the Philippines stakeholders converged on promoting Chinese language teaching, the different emphasis on other interests determined that the Philippines stakeholders had higher primary interest pursuit.

#### **4.1.2 The Establishment of the CI-AUF**

The pragmatic interest pushed the stakeholders in the Philippines to approach Hanban positively.

The Commission on Higher Education had been looking for an opportunity to cooperate with the Chinese institutions. In 2009, the Commission invited Hanban to visit Philippines and have a meeting to discuss the possibility of cooperation.<sup>243</sup> The two sides did not release the detailed information of that meeting, but the consequent progress stated that they achieved a consensus on

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<sup>242</sup> Written Reply from Hanban on August 22<sup>nd</sup> 2016.

<sup>243</sup> *CHED Annual Report 2009*, p.20

advancing the local Chinese language teachers through building a CI. At that time, there were already two CIs, and their host universities were much bigger than the AUF. Why did Hanban choose the AUF as a partner?

The establishment of the CI-AUF could be explained by the special personal network of its leaders with the education department. In 2009, the president of the Commission on Higher Education was Emmanuel Angles. The AUF was founded by his family. He also served as the president of the AUF Trustee Board after retiring from the Commission. The CI-AUF was a natural result of this special social relation network. The AUF noticed the growing demands in the Chinese language market and believed the CI would be an important opportunity to exploit this market. It is natural to understand that the CI-AUF had been devoted to cultivating the local Chinese language teachers and trying to incorporating the Chinese language into the national education system since the beginning.

The CI-AUF experienced smooth development due to its precise self-positioning. In January 2010, the CI-AUF was announced to be opened. In April, the bachelor's degree in secondary education majoring in Chinese language teaching was approved by the Philippines Ministry of Education, and became the first such major in Philippines Education history.

## **4.2 Positive Stakeholder Communication and Achievements**

The stakeholder communication among the local stakeholders of the CIs determines the development pace and social influences of the CIs. The primary interest of the host university

serves as the fundamental basis of the stakeholder communication.

#### **4.2.1 The Interaction between the CI-AUF and the Education Ministry of the Philippines**

The stakeholder communications were mainly conducted between the CI-AUF and some official agencies, such as the Ministry of Education who has demands for Chinese language education. Just as the analysis above, the AUF was resolved to promote Chinese language education. The CI-AUF fully made advantages of the social relationship network with the government to fulfill this goal.

In order to integrate Chinese language education into the national education system, the CI-AUF tried to contact the Ministry of Education, which was another important stakeholder in the following several years, to discuss the possibility of cooperation.

According to the email interview with the then Secretary of Education Br. Armin A. Luistro, director Zhang Shifang visited his office and sought for the opportunity of cooperation.<sup>244</sup> Secretary Luistro gave a positive response, saying that “you are coming at a proper time. Our students need to learn Chinese Mandarin to increase their international competitiveness.”<sup>245</sup> The positive response showed his identification with the common interest of promoting Chinese language education and provided a sound foundation for the coming collaboration.

The converging primary interest guaranteed the benign foundation for the stakeholder communication. The cooperation was conducted at a relatively quick pace. The two sides initially

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<sup>244</sup> Interview with Secretary Luistro in December 2016

<sup>245</sup>“Moli Huakai Xiangmanyuan”, *Fujian Daily*, May 23<sup>rd</sup> 2016.

started the cooperation using a few schools. On February 24<sup>th</sup> 2011, the Ministry of Education announced it would begin to offer Chinese language elective classes in 5 public schools. This marked the Chinese language education entering the mainstream education system. At the same time, this also highlighted the lack of qualified local Chinese language teachers. To resolve this problem, we witness a big progress of cooperation between the CI-AUF and the Ministry of Education in the following months. The Ministry of Education soon decided to elevate the CI-AUF as its official partner on Chinese language education programs in March 2011. In June, the then Secretary of Education, Br. Armin A. Luistro, signed an agreement with the CI-AUF to promote a Chinese language education in the mainstream middle school system. The two sides decided to expand the cooperation from small scale to full scale. This meant the full engagement of the CI-AUF into the Philippines national education system.

The fast pace of the cooperation reflected the shared primary interest. Furthermore, the positive stakeholder communication consolidated the converging primary interest.

Such a big achievement soon drew the attention of Hanban, who had been urging the overseas CIs to promote Chinese language education into the national education system of their host countries. Hanban highly appreciated this achievement and granted the CI-AUF one of the titles of “Annual Best CIs” in 2011.<sup>246</sup>

In this case, the establishment and the development of the CI-AUF was a primary interest driven result. The CI-AUF took a positive initiative in engaging the other stakeholders in local society, and extended the cooperation to the Education Ministry. On the basis of such benign interaction, the

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<sup>246</sup> “The Memorabilia of the CI at Angeles University Foundation”, <http://confucius.auf.edu.ph/>, accessed on January 15<sup>th</sup> 2016.

CI-AUF successfully incorporated the Chinese language education into the national education system. The communication among the stakeholders in the host country soon wielded some influence on the Chinese stakeholder, Hanban. Hanban highly appreciated such achievement. The benign stakeholder interaction assured the stable development of the CI-AUF regardless of such a serious political environment in the following several years.

#### **4.2.2 The Fluctuation of China-Philippines Relations**

Soon after the establishment, the CI-AUF confronted the adversarial political environment due to the fluctuation of China-Philippines bilateral relations. The social atmosphere for the CIs in Philippines was gradually deteriorating at that time.

At the beginning of the 21<sup>st</sup> century, China and the Philippines experienced lasting good relations. During Arroyo's Presidency, the bilateral relations resulted in massive progress, both in economic cooperation and territory dispute resolution. China and the Philippines even conducted joint surveys in the disputable fields. President Aquino III came into office in 2011, and continued the benign bilateral relations at the very beginning. In 2011, he even paid a visit to China for a week. It was believed that his visit would strengthen the economic links between the two countries and bring about more prosperous bilateral relations. However, a territory dispute clash at Huangyan Island/Scarborough Shoal in April 2012 reversed the optimistic prediction. The tensions lasting several months led to confrontations between China and the Philippines. The bilateral relations dramatically deteriorated. Consequently, the Philippines' public sentiment towards China became hostile. According to *Social Weather Station*, the net favorable percentage of the Philippine people towards China dropped to -36% in September 2012. The percentage had been declining to the



bottom -46% in September 2015, and remained at a low level. Despite the rebound in the following several years, the percentage was still below zero. For example, the net percentage was -24% in July 2016.<sup>247</sup> In the survey, 51% of the people expressed their concerns regarding the disputed islands.<sup>248</sup> It was common to refer China as a “bully.”<sup>249</sup> Under such social atmosphere, even the former president Arroyo was criticized for her friendly policy towards China during her presidency.<sup>250</sup> It was natural to understand that any behaviors that showed a friendly attitude would encounter huge criticisms. This lasting decline of public sentiment meant that the serious political relations have imposed great challenges to China’s public diplomacy initiatives in the Philippines. The CIs were directly sponsored by the Chinese government.

As for the case of the CIs, although there were no petitions on a large scale, the Philippine media showed their skepticisms. In the half second of 2014, when negative comments broke out in the US, *The Manila Times* reported the hearing held at the American Senate with the title “experts argue the CIs threaten the academic freedom of the American University.” In the news, the criticisms towards the CIs were fully recorded, but the supporters’ voices were purposely neglected.<sup>251</sup> The title and news coverage indicated the subtle minds of the Philippine society towards China and the CIs. In addition, the social atmosphere affected the elite’s opinions of the CIs.

The University of the Philippines announced plans to establish a CI in 2015 when the bilateral

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<sup>247</sup> Social Weather Stations, “Second Quarter 2016 Social Weather Survey”, July 21, 2016.

<sup>248</sup> Social Weather Stations, “Second Quarter 2015 Social Weather Survey”, July 9, 2015.

<sup>249</sup> Richard Javad Heydarian, “Tales of Two Nations: How Philippines Election Will Impact Manila’s China Policy”, *Asia Times*, April 11, 2016.

<sup>250</sup> Ibid.

<sup>251</sup> “China’s Influence Threatens American Universities, Experts Say”, *The Manila Times*, December 5, 2014.

political relations reached its bottom, and some professors of the University of the Philippines expressed their strong opposition. They said that “as a country’s premier state university, school should not allow foreign institutions inside the campus, especially if it will be exempted from the supervision of the university.”<sup>252</sup> Overall, since 2012, the social environment became hostile for the CIs due to the serious political relations. How did the CIs survive in such adversarial political environment?

#### **4.2.3 The Smooth Development of the CI-AUF**

Despite the adversarial environment above, the CI-AUF seemed to develop smoothly. The following reasons can be provided.

First, the CI-AUF has been set aside from political affairs, and then explored the further functional cooperation with other stakeholders, especially the official agencies. Just as the director of the CI-AUF, Dr. Lourdes Nepomuceno has put it “we leave the political side to the embassies. Here, we focus only on our culture ties and friendship.”<sup>253</sup> Such self-position convinced the stakeholders such as the Ministry of Foreign Affairs and National Customs who had demands for Chinese language learning and encouraged them to send their officials or employees to the Chinese language classroom of the CIs.

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<sup>252</sup> “UP Diliman Linguistics Department Slams Establishment of Confucius Institute”, October 22, 2015, <http://www.filipinoscribe.com/2015/10/22/up-diliman-linguistics-department-slams-establishment-of-confucius-institute/>, accessed on July 2<sup>nd</sup> 2016.

<sup>253</sup> Ding Cervantes, “Top Confucius Institute in PhI Sets Aside Territorial Row With China”, *The Philippine Star*, February 13, 2013.

In particular, the Ministry of Education was the most important stakeholder who can determine the survival of CIs. Just as mentioned before, the self-position of CI-AUF has removed the obstacle hampering the cooperation and made the Ministry of Education more focused on education. The CI-AUF resolved the lack of local Chinese language teachers, which was the biggest question for the promotion of Chinese language education. The Ministry of Education appreciated that course of action. On the basis of the former successful cooperation, the Ministry of Education decided to extend the cooperation to the basic education system as a whole. In 2012, the Ministry of Education adopted the Chinese language into the Special Program for Foreign Language.

Interestingly, the Ministry of Education chose the Alliance Française as the official partner of the French language, the Instituto Cervantes as the official partner of the Spanish language, but took CI-AUF rather than the CIs headquarters in Beijing as the official partner. This decision could be viewed as the concrete manifestation of its identification with the role of the CI-AUF in Chinese Mandarin education in Philippines.

In 2013, more progress was made by the CI-AUF. In January, the Ministry of Education upgraded the CI-AUF to the “Philippine Chinese Language Teachers Training Center” for “professionalism and a spirit of cooperation.”<sup>254</sup> The Secretary of Education Luistro praised the CI-AUF as a leading institution in cultivating local Chinese language teachers.<sup>255</sup> On March 5<sup>th</sup>, the Chinese director Zhang Shifang was appointed as General Director of the Chinese language program of Ministry of Education. This appointment warranted a comprehensive appreciation from

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<sup>254</sup> Ian Ocampo Flora, “Angeles City Council Lauds AUF’s Confucius Institute”, *SunStar*, August 1, 2015.

<sup>255</sup> Tonette Orejas, Amid Row, “A Center for PH-China Friendship Thrives in Angeles City”, *Global Nation*, February 11, 2013.

the Ministry of Education. Hanban highly appreciated this achievement and granted the CI-AUF to the “Annual Best CIs” in 2011.<sup>256</sup>

Second, the CI-AUF positively sought the supports from the government especially the top political leaders. The most typical example is President Aquino’s interactions with the CIs in Philippines.

On February 16<sup>th</sup> 2011, the president of Philippines Benigno Aquino III sent a congratulatory letter to celebrate the one year anniversary of the CI-AUF. He praised the achievement of the CI-AUF as meaningful and encouraged the CI-AUF to “keep working hard and commit itself to exploring the potential of Filipinos, and become an active partner of the Philippine government on the road to recovery.”<sup>257</sup> In 2015, despite of the more serious political relations, President Aquino sent a congratulatory letter for the fifth anniversary celebration of the CI-AUF. In the letter, he praised the important role of the CI AUF in promoting Chinese language, history, culture, and art. He emphasized that “this milestone is a fitting opportunity to celebrate the storied narrative of Chinese-Filipino relations and explore the many avenues for cooperation between our two peoples.”<sup>258</sup> Despite of the lack of hard and direct evidence, the case of CI at Ateneo University can

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<sup>256</sup> “The Memorabilia of the CI at Angeles University Foundation”, <http://confucius.auf.edu.ph/>, accessed on January 15<sup>th</sup> 2016.

<sup>257</sup>“Philippine President Praises Confucius Institute’s Contribution to Philippine-China Cultural Exchange”, February 18, 2011, [http://english.hanban.org/article/2011-02/18/content\\_229174.htm](http://english.hanban.org/article/2011-02/18/content_229174.htm), accessed on April 19<sup>th</sup> 2016.

<sup>258</sup>“ Message of President Aquino to the Confucius Institute at the Angeles University Foundation on the occasion of their 5th Anniversary”, June 1, 2015, <http://www.gov.ph/2015/06/01/message-of-president-aquino-to-the-confucius-institute-at-the-angeles-university-foundation-on-the-occasion-of-their-5th-anniversary-june-1-2015/>, accessed on April 19<sup>th</sup> 2016.

imply that the CI-AUF had positively interacted with the president.

During my field survey in the Philippines, the Director of the CI at Ateneo University told me that this speech was acquired through Edwin Lacierda, who was a classmate of Aquino and his special assistant. Mr Lacierda once attended the Chinese class of the CI at Ateneo University and got acquainted with its staff. When the Festival Spring activities were going to be held, they asked Mr Lacierda to request Aquino's speech, which he did.<sup>259</sup> It is an example of a host university's positive communication with the Philippine government. On February 5<sup>th</sup> 2013, President Aquino made a written speech in the ceremony for Spring Festival held by the CI at Ateneo University. He showed his respect for the Chinese traditional culture and praised the cultural activities as "building bridges for narrowing perception gap between the public of the two countries".<sup>260</sup> Considering the sensitive territorial disputes at that time, his speech could reflect his recognition for the cultural activities.

The communication with the Philippines government wielded the impression that the CIs provided a platform for some politicians who hoped to improve the mutual understandings by cultural exchanges. They began to air their opinions. Just as Kupfer put it, the CIs should not only help the Philippines to learn Mandarin, but also become a platform for mutual understandings.<sup>261</sup>

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<sup>259</sup> Interview in October 2016

<sup>260</sup> "Speech of President Aquino for the Ateneo Spring Festival Celebration as read by Secretary Lacierda", February 5, 2013, <http://www.gov.ph/2013/02/05/speech-of-president-aquino-for-the-ateneo-spring-festival-celebration-as-read-by-secretary-lacierda-february-5-2013>, accessed on April 19<sup>th</sup> 2016.

<sup>261</sup> Maurice Malanes, "Cultural Sensitivity to Understand China", July 3<sup>rd</sup>, 2013, <http://newsinfo.inquirer.net/437201/cultural-sensitivity-to-understand-china#ixzz44wPTCGCG>, accessed on April

On June 3rd 2013, Senator Marcos Jr. attended the “Chinese-Southeast Asian People’s High-Level Dialogue” hosted in China. In his speech, he praised the CIs’ role in enhancing mutual understandings. He said that:

“The area of education is ripe for cooperation. There is already an initiative to establish Confucius Institutes in the University of the Philippines and Ateneo de Manila University. This is a good start but it is only that, a start. We must have more University-to-University links for collaborative research, faculty, and student exchange. With the ASEAN Integration in 2015, there is urgency for cooperation not only between China and the Philippines but also China and ASEAN.” <sup>262</sup>

#### **4.2.4 The Achievements of the CI-AUF**

The positive communication conducted by the AUF helped the CI-AUF got recognized by the official bureaus and President Aquino and made them become positive stakeholders of the CI AUF. This made the CI AUF successfully avoid from being affected in the following fluctuating political relations.

Due to the reasons above, the CIs in the Philippines not only survived the adversarial environment but also experienced rapid expansion. On June 13rd 2013, the Chinese language norm major was announced to be elevated as the program with CIs headquarters. This received the

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5<sup>th</sup> 2016.

<sup>262</sup> Speech of Senator Ferdinand "Bongbong" R. Marcos, Jr. , "China-Southeast Asia People's High-Level Dialogue" , Hosted by China NGO Network for International Exchange, June 3, 2013,

[https://www.senate.gov.ph/press\\_release/2013/0604\\_marcos1.asp](https://www.senate.gov.ph/press_release/2013/0604_marcos1.asp), 20160419

attention of Hanban.<sup>263</sup>

The CI-AUF also won recognition from the local government for its performance. In January 2015, the City Council of Angeles City approved Resolution 7211 to praise the CI-AUF for its achievements in promoting friendly relations with China and the Philippines through education, culture, and the arts. The resolution wrote that “the CI-AUF and the two directors have brought prestige to Angeles City through their endeavors” and “the CI-AUF has spearheaded the inclusion of Chinese Mandarin in the Philippine basic education system since 2011 as well as the continuing training of local teachers of Chinese mandarin and the development and adoption of teaching materials customized for Filipino students.”<sup>264</sup> In March 2016, the Ministry of Education and the CI-AUF carried out second round further cooperation.<sup>265</sup> By this point, the CI-AUF has offered Chinese language classes in 72 public schools and more than 10,000 students attended the classes. The CI-AUF also cultured five groups for a total of 207 local Chinese teachers for the Philippines.<sup>266</sup>

### 4.3 Sub Conclusion

As same as the case studies in the Chapter 3, this chapter mainly deals with the case in the

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<sup>263</sup> “The Memorabilia of the CI at Angeles University Foundation”, <http://confucius.auf.edu.ph/>, accessed on January 15<sup>th</sup> 2016.

<sup>264</sup> Ian Ocampo Flora, “Angeles City Council Lauds AUF’s Confucius Institute”, *SunStar*, August 1, 2015.

<sup>265</sup> “The Philippines Department of Education and the Confucius Institute to Carry out a New Round of Chinese Teaching Cooperation”, March 23, 2016, <http://www.get-top-news.com/news-11960212.html>, accessed on April 5<sup>th</sup> 2016.

<sup>266</sup> The Email Interview with Secretary Luistro in December 2016.

adversarial political environment. Different from the case of Ritsumeikan CI which is focusing on the stakeholder communication between Hanban and Ritsumeikan University, this chapter concentrates on the stakeholder communication between the CI AUF and other stakeholders in the local society in Philippines. Based on the urgent interest, the CI AUF successfully promote the Chinese language education into the national education system of Philippines through positive communication with the Ministry of Education. The endorsement from the political circle also helped the CI AUF avoid from being affected by the adversarial political environment in recent years.

This chapter confirmed the sub-conclusions of the Chapter 3. These two chapters show the importance of the converging primary interest on the market value of the CIs among the stakeholders both in China and the host countries.

If the host university gives its priority to the market value of the CIs, it can result in positive initiative for the cooperation. If the host university does not worry about the secondary interest, it would positively broaden the interactions with other stakeholders in the host countries. In this case, the CI-AUF positively cultivated the relations with the Ministry of Education and stipulated its further expectations on the cooperation.

The benign stakeholder interactions in the host countries assured the smooth development of the CIs in the Philippines, and also brought a more positive interaction from the stakeholders in the host countries to the Chinese domestic stakeholders. Specifically, it guaranteed the smooth communication between the host universities and Hanban.



# **Chapter 5 The Case of New South Wales Education Department CI**

In this chapter, we will review the case of the New South Wales Education Department Confucius Institute (NSWED CI) in Australia. This CI was established in 2011 and soon encountered petitions by the local state senators and the media. The CI successfully managed a series of positive stakeholder communications with the opponents and other related stakeholders.

We will examine the stakeholder communication between the host institution, some other stakeholders and the adversarial stakeholders in particular. The most important stakeholder here is the New South Wales Education Department which is also the host institution of the CIs. Some other stakeholders refer to some state senators who hold neutral attitude towards the CIs at the beginning of the petitions against the CIs. And the adversarial stakeholders are some opposite state senators.

## **5.1 The Stakeholder Interest and The Establishment of the CI**

### **5.1.1 The Initial Interest Pursuit of the New South Wales Education Department**



Actually, the New South Wales Education Department has higher primary interest on the CIs project. In other words, the New South Wales Education Department put the market value of the CIs as its primary interest.

The primary interest of the New South Wales Education Department (NSWED) was the market value. In regard to abundant public funds, the NSWED did not have many expectations concerning the financial resources from Hanban. Instead it emphasized the potential instructors and the authentic language environment which was a product of the CI.

According to a report issued by the Australian government in 2012, there were 5 programs available for the promotion of Chinese language education. This allowed application for the financial supports from the Australian government and the state government of New South Wales. The programs included: *Community Languages in Schools Program*, *Bilingual Schools Program*, *Expanding Horizon Asia Program*, *Becoming Asian Literature: Grants to Schools* and *Authentic Access Program*.<sup>267</sup> The public schools would be supported in the terms of financial sources by the central and local government if they hoped to develop the CIs.

In addition, the annual reports of the schools that had established CIs also indicated that these schools had kept a healthy financial balance. Taking the Chatswood Public School and the Kensington Public School, which were the first several partners of the CI in the NSW, as examples, we can see the financial surplus from 2010 to 2015.

Chart 5-1 The Financial Surplus of the Chatswood and Kensington (2010-2015)

	2010	2011	2012	2013	2014	2015
Chatswood			388451.01	309656.97	362546.91	364273.78
Kensington	142147.44	146458.83	147525.05	151658.37	190037.34	199430.79

Resources: The Annual Reports of the Chatswood and Kensington 2010-2015

<sup>267</sup> *Learning through Languages: Reference Paper*, p.11

The real desire of NSWED was to build and improve the language environment for the students. The Asia Education Council sponsored by the Australian government once pointed out the lack of the authentic language environment for the students in a report issued in 2010. It said that “ways to provide frequent, sustained opportunities to hear the language in natural contexts, and living opportunities to use it productively need to be created.”<sup>268</sup> It praised the two existing CIs at that time as being “fulfill part their brief supporting the learning of Chinese in local schools by sponsoring student events and professional development for teachers” and urged the local schools to cooperate with the CIs to resolve the lack of the Chinese language instructors.<sup>269</sup> In other words, the Asia Education Council viewed the CIs as a powerful mean to improve the Chinese language education and a potential partner.

The NEWED shared the same position with the Asia Education Council. In 1998, the NSWED established the Japanese Tanken Center where students could experience a full day of Japanese life in the authentic Japanese architecture. Dr. Shi Shuangyuan, the Director of the NSWED CI, confirmed that the purpose of the Japanese Tanken Center was to create an environment for students to speak Japanese in a natural context.<sup>270</sup> This position was widely shared inside the NSW education system. In 2012, the NSWED once evaluated the Asian language educations including the Chinese language and issued the report *Learning Through Languages*. This report viewed the CI as

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<sup>268</sup> Asia Education Foundation, *The Current State of Chinese, Indonesian, Japanese and Korean Language Education in Australian Schools: Four Languages, Four Stories*, 2010, p.12.

<sup>269</sup> Ibid.

<sup>270</sup> The interview with Dr Shi Shuangyuan, who is the director of the Confucius Institute at NSW, on January 16th, 2016.

an important achievement of creating authentic language environment.<sup>271</sup> To strengthen this effort, the NSWED initiated the *Authentic Access Program* to support local schools.<sup>272</sup> This attitude can also be found in the partners of the CIs. For example, the Chatswood Public School wrote in its annual report that “to enhance the students’ understanding of the Chinese language and culture in an authentic environment by establishing a CI”.<sup>273</sup>

Based on the materials above, it is clear that the NSWED as the most important stakeholder in this case highlighted the market value of the CIs program. They expected to strengthen the authentic environment. However there were not solid evidences to argue that Hanban had paid special attention on the NSWED. Considering the rapid expansion of the CIs in 2008 and 2009, it is understandable that Hanban had to deal with the dramatically increasing applications at that time. In other words, Hanban viewed the NSWED as a common partner. Despite that they converged on the market value of the CIs, the NSWED had higher interest pursuit than Hanban at the very beginning.

### **5.1.2 The Establishment of the NSWED CI**

The higher market value emphasis did not mean that there were not any other issues concerning the social reputation. Since 2008, the rapid expansion of the CIs soon provoked the alertness of western countries, and the concerns that the CIs might serve to be China’s propaganda tool and undermine the academics of the host institutions of North America in particular. Considering the fact that the NSWED CI would be the first CI located in local government, the staff

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<sup>271</sup> *Learning through Languages: Reference Paper*, p.11

<sup>272</sup> *Learning through Languages: Reference Paper*, p.11

<sup>273</sup> *Chatswood Public School Annual School Report 2012*, p.20

paid great attention to the potential negative criticisms. To overcome the possible negativities, it took 2 years from the first contact to the final establishment of the NSWED CI. The NSWED adopted a relatively cautious tactics of internal communication and won comprehensive and sound supports inside the education system.

Dr. Shi Shuangyuan made it clear that the NSWED had made comprehensive considerations on the form and the pace of the cooperation with Hanban.<sup>274</sup> In July 2007, Dr. Shi Shuangyuan first released the news that the NSWED and Hanban were discussing the possibility of establishing a CI.<sup>275</sup> The NSWED began an incremental process to promote the cooperation with Hanban.

In August, the two sides signed the document to promote Chinese language in the NSW education system. This covered anything from possible Confucius Classrooms to sister schools between the two countries. They were planning to build first three Confucius Classrooms as a beginning and then promote the Confucius Classrooms to the state. The NSWED finally decided to fulfill the final agreement in July 2010 when control was assured concerning the program. In March 2011, the NSWED announced the news to establish the CI, however, the announcement still faced a series of petitions in the following months.

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<sup>274</sup> The interview with Dr Shi Shuangyuan, who is the director of the Confucius Institute at NSW, on January 16th, 2016.

<sup>275</sup> “Aodaliya Xini Daxue Qingzhu Kongzi Xueyuan Chengli Yizhounian” [The University of Sydney Hold Celebrations for its CI’s First Anniversary], July 24<sup>th</sup>,

[http://news.xinhuanet.com/world/2009-07/24/content\\_11768043.htm](http://news.xinhuanet.com/world/2009-07/24/content_11768043.htm), accessed on August 20nd 2015.

## **5.2 The Petitions and The Stakeholder Communication in 2011**

The adversarial environment for the NSWED CI emerged when some state senators put forward their petitions against the CI.

In March 2011, the NSWED announced the establishment of the CI within the education system. This announcement soon provoked extensive oppositions from some local senators. On May 12<sup>th</sup>, Senator John Kaye presented his first inquiry for the CI to the NSW Parliament. His questions were as follows:

“Do the CI and the Office of Chinese Language Council International (Hanban) fund Chinese language teachers in some NSW public schools? What control does Hanban or the CI exercise over the content taught in Chinese language classes in NSW public schools by the teachers funded or partially funded by them? Which schools receive funding or teachers from these sources? What is the current total funding provided to NSW public schools by these sources? How many teachers are funded or partially funded by these sources? How many students are involved? What mechanisms are in place to ensure that any content taught in classrooms that is extra to that prescribed in the syllabus promotes a broad range of opinions on any issue?”<sup>276</sup>

His inquiry provided the following points:

Firstly, Senator Kaye lacked knowledge of the details of the CI, especially concerning the potential classrooms located in the public schools. Although the internal communications made the

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<sup>276</sup> New South Wales Parliament, *Legislative Council Questions and Answers No.8---Thursday 12 May 2011*, p.31

professional staff inside the NSW education system knowledgeable about the CI, the general public still knew little. Objectively, this inquiry not only imposed pressure on the NSWED but also reminded the general public of the lack of prior consultation.

Second, the inquiry was focused on whether the NSWED could keep control of the CI in future, rather than other important details, namely the CI's official background. For the opponents, the CI's official background meant little if there was no CI in NSW. The incoming cooperation, however, made them worried about whether the existing education system would be undermined by possible intervention from China. Obviously, the desire for defending the education order was a more pragmatic concern. Essentially, the debate on the CIs was far more focused on the question whether the local education department could absolutely dominate the CIs rather than expelling them directly.

The NSWED recognized the seriousness of this inquiry and they began to release more details. On June 14<sup>th</sup>, the NSWED provided a response to the inquiry in the NSW Parliament. The main points included that: first, the NSWED had 100% control of the Chinese language education in NSW. Hanban "do not fund Chinese language teachers in government schools." All the Chinese teachers working in the NSW public schools were employed by the NSW education department. All schools in NSW teaching Chinese were required to follow the syllabi formulated by the NSW education department. Second, Hanban would fund the language volunteers who would assist department teachers. "These teachers would work alongside teachers trained and approved by the NSWED. The Confucius Classrooms would be monitored by the schools principals and regional

directors as well as the NSWED and thus would not touch political content.”<sup>277</sup>

The answers above wisely paid attention on the NSWED`s control capability on the CIs program while avoiding any information concerning the official background of the CIs. The NSWED expected to convince opponents that the CIs had been undergoing thoughtful decision.

However, in the view of the opponents this response was not enough to provide substantial evidence. Senator Kaye immediately presented a resolution asking to close the CIs on June 15<sup>th</sup>.<sup>278</sup> In an attempt to impose more pressure on the NSWED, he also mobilized the public to sign a petition. On June 23<sup>rd</sup>, he put forward the petition with 4046 signatures to the NSW Parliament. The petition threatened that the CIs would undermine the education integrity in NSW and consequently the students of NSW would be exposed to a biased view of Chinese history, human rights and world affairs.<sup>279</sup> Kaye took full advantage of the social skepticism towards the CIs` official background. This tactic successfully deteriorated the local social environment for the CIs.

To deal with the situation, the NSWED had to elevate their response and the Minister for Education Adrian Piccoli attended the Parliament meeting to defend the CIs program by himself. He showed his resolve to establish the CIs and promote Chinese language education. He confirmed the role of the CIs in delivering support for the Chinese language teaching in NSW and said that “the teaching of Chinese language in schools is something I support strongly.” He also expressed that the Chinese syllabuses did not include the study of political content.<sup>280</sup> Piccoli`s confidence was

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<sup>277</sup> New South Wales Parliament, *Legislative Council Questions and Answers No.17*, June 14, 2011, pp.91-92

<sup>278</sup> New South Wales Parliament, *Legislative Council Notice Paper, No.20*, June 20, 2011, pp. 686-687

<sup>279</sup> New South Wales Parliament, *Legislative Council Minutes of Proceedings, No.24*, June 23 2011, p. 272

<sup>280</sup> “Call to Scrap ‘Biased’ Chinese Culture Classes,” July 13 2011,



rooted in the comprehensive preparation inside the education system and the solidity of the education staff. During the petitions, there were not any negative voices from the education system. Such solidity was proved to be a foundation of the communication with other stakeholders especially the adversarial stakeholders. Piccoli's attendance also showed his respect for the adversarial stakeholders.

However, Piccoli's defense did not reverse the situation immediately, and the sense of uncertainty still prevailed in NSW. On September 12<sup>th</sup>, Senator Jamie Parker presented another petition with more than 10,000 signatures. In the petition, similar reasons as the petition in June were listed to accuse the official background of the CIs and the possible intervene from Hanban. The opponents requested to close the CIs.<sup>281</sup> This petition was a typical reflection of the political and social pressure. At that time, the CIs would lose political endorsement if the NSW Parliament passed the resolution to close the CIs. A negative Parliament resolution would also easily bring about the interest dynamics among the stakeholders. The concerns of the NSWED on their social reputation would go beyond the market value of the CIs and the other stakeholders who were not involved in the cooperation would be negative to show their for the CIs in face of increasing social pressure.

Therefore, the Parliament soon became the hub of the stakeholder communications resulted

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<http://www.smh.com.au/national/education/call-to-scrap-biased-chinese-culture-classes-20110712-1hcd.html>, accessed on August 20nd 2015.

<sup>281</sup> "Petition," June 23 ,2011,

<http://www.parliament.nsw.gov.au/prod/parlment/hansart.nsf/V3Key/LC20110623013>, accessed on August 20nd 2015.

from the petition. To resolve the lasting dispute, the NSW Parliament decided to hold two debates. During these two debates, the CIs got supported by the Senators and won political endorsement. In the debates, there were six Senators to make speeches and five of them supported the CIs. Although the response of the NSWED did not reverse the situation immediately, its positive influences began to appear.

These Senators were not involved in the CIs program and had little knowledge about the CIs at the very beginning. However, the continuing petitions and responses made the CIs more understood by the opponents and other stakeholders, such as other Senators who did not involve in the CIs program and most of the social publics who had known little about the CIs. More detailed information spread in the NSW and the CIs became not fresh any more. The lasting petitions also stimulate the curiosity of some senators and they began to positively seek for information about CI by communicating with the NSWED.

For example, Senator Dr. Geoff Lee expressed his confidence in the NSWED. He said that “I am convinced that the Department of Education and Communities is sufficiently involved in the establishment and monitoring of the Confucius classrooms program that the threat of political interference is minimal.”<sup>282</sup> The petitions invited his interest in this issue, and he got in contact with the NSWED positively to seek for more information. The Promises from the NSWED convinced him. “I am further assured by the department that, whilst the Chinese language syllabus does not include the study of political contents, teachers will be able to consider contentious historical and

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<sup>282</sup> “Confucius Classrooms: Discussion on Petition Signed by 10000 or More Persons”, October 11, 2011, [http://www.parliament.nsw.gov.au/Prod/parlment/hansart.nsf/V3Key/LA20111110032?open&refNavID=HA8\\_1#](http://www.parliament.nsw.gov.au/Prod/parlment/hansart.nsf/V3Key/LA20111110032?open&refNavID=HA8_1#),

accessed on 20160114

social issues within their classes if they are raised by students.” “I am told that once the Confucius classroom program commences in 2012 the department will continue to closely monitor the program to ensure that it adheres to guidelines and objectives.”<sup>283</sup>

Ms. Sonia Hornery also expressed her confidence on the NSWED’s control on the Chinese education. She said that “the syllabuses do not include the study of political content. The Confucius institute is a language center and it is solely partnered with a provincial education department in China. I was heartened to learn that the New South Wales Government and the Board of Studies will maintain control of what is happening with languages and teaching of Mandarin at schools.”<sup>284</sup>

Ms. Carmel Tebbutt, the former Minister for Education, shared similar experience. She said in the Parliament that “I have sought advices from the Minister and the Government about the Confucius program. I have been advised that the Confucius classrooms operate as learning facilitates within a school where language lessons are delivered.”<sup>285</sup> She also defended that “I understand from advice I have received that the office of Chinese Language Council International and the Confucius institute do not fund Chinese language teachers in government schools.”<sup>286</sup>

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<sup>283</sup> “Confucius Classrooms: Discussion on Petition Signed by 10000 or More Persons”, October 11, 2011, [http://www.parliament.nsw.gov.au/Prod/parlment/hansart.nsf/V3Key/LA20111110032?open&refNavID=HA8\\_1#](http://www.parliament.nsw.gov.au/Prod/parlment/hansart.nsf/V3Key/LA20111110032?open&refNavID=HA8_1#), accessed on January 14<sup>th</sup> 2016.

<sup>284</sup> “Confucius Classrooms: Discussion on Petition Signed by 10000 or More Persons”, October 11, 2011, [http://www.parliament.nsw.gov.au/Prod/parlment/hansart.nsf/V3Key/LA20111110032?open&refNavID=HA8\\_1#](http://www.parliament.nsw.gov.au/Prod/parlment/hansart.nsf/V3Key/LA20111110032?open&refNavID=HA8_1#), accessed on January 14<sup>th</sup> 2016.

<sup>285</sup> Confucius Classrooms: Discussion on Petition Signed by 10000 or More Persons , *NSW Parliament Legislative Assembly*, October 13rd 2011, p.6260

<sup>286</sup> Ibid.

In addition, the petitions and the following positive communications between the NSWED and the opponents also expressed the attitude of the NSWED on information openness. This attitude eased the concerns that the decision of the NSWED was made in black box and moderated the social skepticism to some extent. Due to the relatively loose social atmosphere, more senators dared to highlight the value or the necessity of the CIs. Otherwise, the social media environment would inevitably deteriorate.

For example, Ms. Gabrielle Upton shared a similar position with the two senators above by introducing more information about the cooperation history between the NSWED and Hanban. She tried to persuade the other senators by saying that the NSWED was familiar with dealing with a foreign partner even with official background.<sup>287</sup> Mr. Paul Toole emphasized the value of the CIs. He said that “teaching programs within the Confucius institute will be taught by qualified department teachers with teachers’ assistants provided through the Confucius institute agreement.”<sup>288</sup> He also highlighted that the CIs would strengthen the ties between NSW and China.

These two debates improved the political environment for the NSWED CI. The positive communications between the NSWED and the opponents wielded positive influences on the other stakeholders such as the Senators and guaranteed the CIs could survive. The Parliament debates also affected the attitude of the social publics. Since then, despite the oppositions, the opponents were

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<sup>287</sup> “Confucius Classrooms: Discussion on Petition Signed by 10000 or More Persons”, October 11, 2011, [http://www.parliament.nsw.gov.au/Prod/parlment/hansart.nsf/V3Key/LA20111110032?open&refNavID=HA8\\_1#](http://www.parliament.nsw.gov.au/Prod/parlment/hansart.nsf/V3Key/LA20111110032?open&refNavID=HA8_1#), accessed on January 14<sup>th</sup> 2016.

<sup>288</sup> “Confucius Classrooms: Discussion on Petition Signed by 10000 or More Persons”, *NSW Parliament Legislative Assembly*, October 13rd 2011, p.6259

not able to mobilize them and no petition with more than 10000 signatures appeared again. In a word, by dealing with the opponents, the NSWED successfully maintained the market value as primary interest while containing the other stakeholders' concerns on the CIs' reputation from increasing.

### **5.3 The Continuing Stakeholder Communication from 2011 to 2015**

Although the opponents failed to push the Parliament to close the CI, they continued their oppositions against the CIs. It is natural to understand that their stances could not be changed immediately due to their deep skepticisms. During 2011 to 2015, they presented two inquiries for the CIs. And these two inquiries witnessed the gradually decline of the opposition color. Specifically, the inquiries began to be more and more focused on the details of the concrete information which the ideological color gradually disappeared.

For example, on March 12<sup>nd</sup>, 2012, Jamie Parker presented a written inquiry for the operation of the CIs. In the inquiry, he further explored the monitor of NSWED on the CIs classes. He asked what measures were in place to ensure that the Chinese government does not exert influence over what was taught in NSW schools, to monitor the quality and the independence of the classes, and to ensure that history and culture were taught without censorship or bias? In addition, he also asked the relations between the NSWED CI and the Hanhan. He was concerned whether the NSWED had to develop and submit annual activity plans, budgets and final accountings for the Confucius

Classroom to Hanban for approval? <sup>289</sup> The inquiries meant that the opponents had been keeping sensitive to the daily operation of the CIs after its establishment.

The response of the NSWED on April 24<sup>th</sup> provided more detailed descriptions for the monitor system over the CIs, such as the responsibility of the schools principals and School Education Directors and the syllabuses issued by the NSWED. The NSWED admitted that the NSWED CI should submit work reports to Hanban but denied that Hanban had any responsibility for the management of the Confucius Classrooms located at NSW public schools. <sup>290</sup> This response could keep the communications with the opponents going on and send the signals to the social public continuing either.

On October 14<sup>th</sup>, 2015, John Kaye presented an inquiry for the expansion of the NSWED CI due to the expansion of the NSWED CI in early 2015. In the inquiry, John Kaye firstly questioned whether the NSWED received “any legal advices in respect of antidiscrimination laws and the operations and hiring process of Confucius Classrooms and the CI?” <sup>291</sup> Except from the concerns how the NSWED kept monitoring on the CIs, he also asked the details of the trips to China paid by Hanban.

Obviously, the petitions in North America in half second year of 2014 had a chain effect in affecting the global media and consequently lead the global CIs in embarrassed. Kaye`s inquiry represented the universal skepticisms against the CIs. However, his inquiry diverged on the time

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<sup>289</sup> NSW Parliament Legislative Assembly 2011-12, *Questions and Answers No.74*, pp.18-19

<sup>290</sup> NSW Parliament Legislative Assembly 2011-12, *Questions and Answers No.83*, pp.32-33

<sup>291</sup> NSW Parliament, *Legislative Council Questions and Answers No.40---Wednesday 18 November 2015*, pp.

when the NSWED CI decided to expand the Confucius Classrooms in NSW and the time when the petitions reached its peak in 2014. This meant that Kaye was not as sensitive to the CIs issue as he was in 2011. This change could be viewed as the declining attention of the opponents. Most interestingly, he also recognized that the ideological slogans could not work well to mobilize the social public. Therefore his inquiry paid more attention on the daily operation, details in particular. The answers of the NSWED to these questions would be helpful for the other stakeholders, such as the social public, to know more information about the CIs. In another words, it actually increased the transparency of the NSWED CI.

In addition, the NSWED also received inquiry from the NSW Parliament in regard to funds. On September 9<sup>th</sup> 2013, the General Purpose Standing Committee No.2 presented an inquiry for the budget of the NSWED CI. In this inquiry, it asked “How much funding does the NSW government provides for the operation of Confucius institute classrooms in NSW schools? What is the breakdown of the funding?”<sup>292</sup> Although I did not find the response from the NSWED, this inquiry implied that the NSWED CI had been undergoing continuous monitoring from various kinds of agencies. Such position would be helpful to consolidate the confidence of the social public.

The two petitions with 4016 and more than 10000 signatures in 2011 made the NSWED recognize the importance of information disclosure. To publicize more information to the social public, the NSWED took full advantage of the website. The website of the NSWED CI ungraded the main content of the inquiries and responses in the NSW Parliament. For the social public, the presence of the opponents of the CIs could assure the CIs under monitor of the NSW. This

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<sup>292</sup> NSW Parliament General Purposes Standing Committee No 2—*Budget Estimates 2013-2014 Supplementary Questions on Notice*, August 14<sup>th</sup> 2013, p. 13

disclosure not only kept the public clear about the communications inside the Parliament but also turned the opponents into monitor of the CIs thus facilitating convincing the public.

Actually, the NEWED CI is the only CI who positively publicizes the details of the petitions and its responses in all cases I have taken insight into. This highlights the value of this CI.

Due to the positive stakeholder communications with the opponents and the social public, the concerns on the CIs has been diluted and the social environment for the NSWED CI has been improving. The opponents could not mobilize the local public to raise another petition with more than 10000 signatures just as mentioned before. This made the NSWED feel more comfortable to promote the CIs in NSW. Since 2012, the first 7 Confucius Classrooms in 7 local schools were put into practice. The performances and the positive reaction from these Confucius Classrooms stimulated the enthusiasm of other schools. When the NSWED announced the expansion of the CIs by establishing 7 more Confucius Classrooms in early 2015, more than 20 schools submitted their applications.<sup>293</sup>

## **5.4 Sub Conclusion**

This case examines the positive communication between the host university or institution and the adversarial stakeholders and its constructive influences on the other stakeholders. The positive stakeholder communications not only improve the adversarial environment resulted from the petitions but also consolidate the primary interest of the host university or institution on the market value of the CIs.

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<sup>293</sup> The interview with Dr Shi Shuangyuan, who is the director of the Confucius Institute at NSW, on January 16th, 2016.



In this case, the NSWED and Hanban converged on the market value of the CIs. The NSWED had higher interest pursuit than Hanban. The NSWED had incentives to defend the CIs in face of oppositions thus guaranteeing its primary interest brought from the NSWED CI. Specifically, this case highlighted the importance of communicating with the adversarial stakeholders of the CIs. Although the positive communications between the NSWED and the adversarial stakeholders did not change the opponents totally, the communications provided more information to the other stakeholders who were not involved in the CIs program at the beginning, and won their supports. The positive communications also turned the opponents into the monitors of the CIs objectively. This change was helpful in convincing the social public and improving the social environment for the CIs.

The benign stakeholder communications in the local society had a chain effect on the Chinese stakeholders. Hanban highly appreciated the expansion of the NSWED CI in 2015, and granted it as one of the Annual Best CIs in 2015.

Furthermore, this case remarked the beginning of the adversarial environment for the CIs. The rapid expansion of the CIs since 2008 made the western countries astonished. The huge negative comments and criticisms followed. Except from the media comments, some radical activists directly challenge the survival of the CIs. Such dynamic would undermine the existing interest balance between the primary interest and the secondary interest. It is vital to deal with the opponents. Otherwise, the CIs would be closed if the secondary interest of the host institution goes beyond the market value of the CIs. The following three CIs failed in this aspect due to the failure of the communications in different forms among the stakeholders.



## **Chapter 6 the CI at McMaster University**

In this case, I would like to review the case of the CI at McMaster University in Canada. It was established in 2008 and closed in 2013 after a human rights tribulation. This case would examine the stakeholder communications among the host university, the adversarial stakeholders and Hanban. The adversarial stakeholders include the former Chinese language instructor Zhao Qi and the Falun Dafa Association. The other stakeholders include the local government and the Ontario Human Rights Tribunal.

### **6.1 The Stakeholder Interest and the Establishment of CI**

The McMaster University put the market value of the CIs as the primary interest. From the perspective of the administration of the university, establishing a CI could not only enhance its Chinese Mandarin education, but also increase the globalization of the university. The administration viewed the absence of a CI as “a real coup” for the university against the background that there had already been more than 200 CIs all around the world including 5 CIs in Canada.<sup>294</sup> The pragmatic desire pushed the McMaster University to move towards a substantial application.

The administration and the related faculty members soon achieved consensus on the details of the proposal. The CI was planned to be cooperated by the Department of Humanity and Business, and the Beijing Language and Culture University (BLCU) would be the Chinese partner. The CI

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<sup>294</sup> “Confucius Finds Home at Mac,” *Hamilton Spectator*, December 19th, 2008.

would aim to promote Chinese language education, culture and business relations with China. In particular, the CI would provide credit Chinese language classes as part of education system of McMaster University. The Chinese language teachers would be dispatched by Hanban and the BLCU but must be approved by the McMaster University before formal appointment. The proposal also confirmed the legal status of the CIs by saying that “the McMaster University will be the legal owner and operator of the institute”.<sup>295</sup>

Differently from the McMaster University, Hanban did not spare enough attention to deal with the application from the McMaster University due to the rapid global expansion. Actually, several other candidates were competing the chance for a CI against McMaster University. To increase the competitiveness, McMaster University decided to seek endorsement and support from the local government. On May 30<sup>th</sup> 2008, the President of McMaster University Peter George wrote to Fred Eisenberger, the Major of Hamilton, where the university was located. In the letter, President George highlighted the value of establishing a CI, such as making advantage of the geography proximity to the board with the U.S., providing language training to the local communities and tightening the business relations with China. President George also emphasized that the CI would not need financial and human resources support from the city government. At last, President George requested a formal recommendation letter from the Major to the Chinese Consulate General at Toronto by saying that “an endorsement of support from the City of Hamilton as the proposed host city would be a most helpful and a much appreciated gesture”.<sup>296</sup>

In the view of the local city government, a CI without any financial and human resources

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<sup>295</sup> Hamilton City Council, *Hamilton Information Report PDE08199*, August 13, 2008, pp. 9-41.

<sup>296</sup> Hamilton City Council, *Hamilton Information Report PDE08199*, pp.3-4.

requirements would serve as a bridge to connect with the fast growing China. The Major welcomed this initiative. On June 11<sup>th</sup>, the Major transferred the letter from President George and his draft of the response to the City Council for a discussion.<sup>297</sup> The members of the City Council appreciated this proposal. In the end of June, the Major had a meeting with the President George to discuss the details of the recommendation letter. On July 7, the Major issued the recommendation letter to Chinese Consulate General at Toronto. He wrote that “I strongly support their efforts and look forward to the mutual benefits that will result from the establishment of the CI.”<sup>298</sup> In a word, the McMaster University engaged the local government and city council as positive stakeholder of the CIs on basis of shared market value.

I am not sure whether this recommendation letter played a critical role in the application process due to the lack of the details of the decision making of Hanban. However, it is safe to say that the communication with the local government and City Council initiated by McMaster University were helpful in drawing supports from them. To some extent, the local government and City Council had become positive stakeholders of the CI at McMaster University. Just as our later analysis, despite in the adversarial environment, that the local government and City Council were resolved to support the CI. Their attitude proved that the positive communications among the overseas stakeholders could turn out solidarity among them.

I could not know for certain when Hanban passed the application of the McMaster University. After being approved by Hanban, the administration of the McMaster University made positive communications with its teachers. On December 17th, 2008, Dr. Wright announced to the faculty

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<sup>297</sup> Hamilton City Council, *Hamilton City Council Minute*, June 11, 2008, p. 4

<sup>298</sup> Hamilton City Council, *Hamilton Information Report PDE08199*, pp.3-4.

members of the Department of Humanity that the Academy Planning Committee had approved the CI plan.<sup>299</sup> This meant that the CI was supported by the representatives of the whole university. On December 18th, the Board of Governors received the reports from President George and agreed to establish CI.<sup>300</sup> The administration acknowledged the faculty members and other governors by positive stakeholder communication. The positive communications assured that the CI was welcomed in the university without any opposition. In the annual report 2008/2009 made by the Provost and Vice President, Ilene Busch-Vishniac, he praised the establishment of the CI as a great achievement and “a great opportunity to expand international presence”.<sup>301</sup> The CI was widely recognized inside the McMaster University.

The CI at McMaster University also received a warm welcome by the students by meeting their demands on Chinese language learning. At the beginning, the CI was planning to offer three credit Chinese language classes. But the student enrollment was so high that two of three courses were completely filled even in the second day.<sup>302</sup> The CI also became an integral part of McMaster University’s education system. The CI provided 10 Chinese language courses before it was closed in 2013. According to the syllabus in 2013, all these 10 Chinese language classes offered by the CI at McMaster University had to been suspended when the CI went to its ending. The following picture would provide the class list. This is a typical reflection of CI’s value due to the closure of the CI.

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<sup>299</sup> Faculty of Humanities of McMaster University, *Minutes of The Meeting of November 17th 2008*.

<sup>300</sup> “Confucius Finds Home at Mac”, *Hamilton Spectator*, December 19, 2008.

<sup>301</sup> Ilene Busch-Vishniac, *State of the Academy September 2009*, p. 1

<sup>302</sup> PR Intern, Tymone Roberts, “Mac Says Huan Ying to the New Confucius Institute”, November 19, 2009, <https://www.humanities.mcmaster.ca/news/confucius.html>, accessed on October 10<sup>th</sup> 2016.

Chart 6-1 The List of Cancelled Chinese Language Classes in 2013<sup>303</sup>

**COURSE DELETIONS:**

CHINESE 1K03	Intensive Review of Chinese for Dialect Speakers I
CHINESE 1KK3	Intensive Review of Chinese for Dialect Speakers II
CHINESE 1ZZ6	Mandarin Chinese for Dialect Speakers
CHINESE 2A06	Business Chinese
CHINESE 2X03	Intermediate Mandarin Chinese I
CHINESE 2XX3	Intermediate Mandarin Chinese II
CHINESE 2Z03	Intermediate Mandarin Chinese for Dialect Speakers I
CHINESE 2ZZ3	Intermediate Mandarin Chinese for Dialect Speakers II
CHINESE 3A03	Introduction to Chinese Civilization and Culture I
CHINESE 3AA3	Introduction to Chinese Civilization and Culture II

***Rationale:*** With the closure of the Confucius Institute, there is no instructor available to teach the Chinese courses listed above.

In addition, to make the faculty members and students more familiar with the CI, the Department of Humanity positively publicized the information of the CI. Several events of the CI appeared in the Humanities News in Spring 2009, Autumn 2009, and Summer 2012.<sup>304</sup> The Director of the CI at McMaster University Angela Sheng also made the advantages of the faculty meeting to introduce the Chinese language instructors to the faculty members. On September 28th 2009, Angela Sheng brought the six new-coming instructors from China to the faculty meeting.<sup>305</sup> On September 20th 2010, Angela Sheng introduced the 3 new instructors to the faculty members.<sup>306</sup> Most interestingly, not only the faculty members but also the student representatives could attend the meeting. The presences of the CI made more stakeholders acknowledged about the CI activities.

The positive communications among the stakeholders outside and inside the university campus

<sup>303</sup> Faculty of Humanities of McMaster University, "Undergraduate Curriculum Report to Undergraduate Council", December 2013.

<sup>304</sup> Faculty of Humanities of McMaster University, *Humanities News*, Summer 2009, issue 3, pp.1-2; Faculty of Humanities of McMaster University, *Humanities News*, Winter 2009, issue 2, pp.1-2. Faculty of Humanities of McMaster University, *Humanities News*, Summer 2012, issue 9, p.8.

<sup>305</sup> Faculty of Humanities of McMaster University, "Minutes of The Meeting of September 28, 2009".

<sup>306</sup> Faculty of Humanities of McMaster University, "Minutes of The Meeting of September 20, 2010".

guaranteed the smooth development of the CI at McMaster University. The communications consolidated the common interests among multiple stakeholders inside the campus. The positive results could be proved by the fact there were not any oppositions raised by the stakeholders mentioned above.

## **6.2 The Adversarial Environment and The Stakeholder Communication**

### **6.2.1 The Legalization of A Political Issue**

The opposition against the CI at McMaster University was raised by a former Chinese language instructor dispatched by the BLCU in 2010. Actually, the Chinese language instructors had been viewed as a dispensable role inside the oversea CIs. Just as Amy Stambach put it, the Chinese language instructors inside the host campus are “embarrassed”. She wrote in her book that they were “unwanted and unneeded” inside the host campus as they were viewed as the employees of Chinese government.<sup>307</sup> Such embarrassing position should have restrained the Chinese language instructors from getting wide attention in the CI. However, in the case of the CI at McMaster University, a language instructor, Zhao Qi, widely known as Sonia Zhao changed the character of all things by bringing the Ontario Human Rights Tribunal into a political dispute.

Sonia Zhao was dispatched to the CI at McMaster University in September 2010 and she quit her job in July 2011. She aimed to apply for a refugee status for staying at Canada. In practice, considering that some anti-China activists can easily be granted the refugee status, she worked with

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<sup>307</sup> Amy Stambach, *Confucius and Crisis in American Universities: Culture, Capital and Diplomacy in US Public Higher Education*, New York: Routledge, 2016, p. 98.



an anti-China association, the Falun Dafa Association which was an illegal association identified by Chinese government. On behalf of Zhao, the association contacted the McMaster University and asked it to review the hiring terms in the agreement signed between the university and Hanban with the excuse that the agreement was related with religion discrimination. On August 31st, the newspaper of this association publicized the contact. However, it did not provoke attention from the university and the other local stakeholders. The Vice President being responsible for public and government relations, Andrea Farquahar, replied in an email that “the university is unaware of the CI contract requiring teachers not to associate with Falun Gong” or “any requirement for such documents to signed by those who will be teaching within the CI”.<sup>308</sup> The director Angela Sheng even directly rejected to accept an interview by the association.<sup>309</sup> At the beginning, the adversarial stakeholders did not change the McMaster University’s primary interest on the market value of the CIs.

It is true that the McMaster University was ignorant of such terms because these were Chinese domestic regulations on the Chinese language instructors. Such terms were made out of good willingness to avoid troubles on the CIs. The first response of the McMaster University indicated that it wanted to use this excuse as a shield for defending the CI. For the McMaster University, the opponents would disappear as soon as Zhao’s application for refugee status success. Therefore, it was natural to understand McMaster University’s silence at the very beginning of the adversarial environment.

However, in October 2011, the Falun Dafa Association made a further action. They wrote a

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<sup>308</sup> Omid Gheoreishi, “Former McMaster Confucius Institute Teacher Seeks Asylum in Canada,” *The Epoch Times*, August 31, 2011.

<sup>309</sup> Ibid.

letter to the President of the McMaster University to remind him of the discrepancy terms in the CI contract and requested the university to revise the terms.<sup>310</sup> Although the President provided a positive reply that they had understood the seriousness of the problem, no countermeasures were found until one year later when Sonia Zhao filled a complaint to the Ontario Human Rights Tribunal.<sup>311</sup> The University took a tactic of giving rhetorical commitment while making no substantial progress. Obviously, the University expected the issue to be diluted by itself.

From the perspective of the McMaster University, it had no better choice but to defend their primary interest on the CI. We do not know the details why Sonia Zhao left the CI at McMaster University. In light of the fact that it was an unprecedented crisis, Hanban viewed this issue as a scandal. Such a perception would damage the lasting good relationships among the stakeholders. For the McMaster University, it was not wise to stimulate the Chinese government on its politically sensitive issue. The university did not want to be involved in an issue that would threaten its interest on the CI. Therefore, the university took a negative tactic to deal with this issue.

In addition, such a negative communication seemed a natural choice for the university because it was a controversial topic in the academic circle until today. During 2013 and 2014, several scholars were debating tit for tat whether the CI should follow the laws of the host countries in terms of hiring. Marshal Sahlins, a professor of University of Chicago, argued that the requirement of Hanban that the Chinese language instructors couldn't join the Falun Gong had violated against

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<sup>310</sup> Anqi Shen, "McMaster to Close Confucius Institute This Summer", *The Silhouette*, Feb 14, 2013.

<sup>311</sup> Omid Gheoreishi, "Former McMaster Confucius Institute Teacher Files Case with HR Tribunal", *The Epoch Times*, November 15, 2012; Omid Gheoreishi, "Canadian University to Close Confucius Institute", *The Epoch Times*, February 7, 2013.

human rights in the host countries and left the host universities in great legal risk.<sup>312</sup> Christopher Hughes, a professor of London School of Politics and Economy, shared the same position.<sup>313</sup> While Edward McCord, a professor of George Washington University, held an opposite attitude. He argued that “the Chinese language instructors were hired and paid by Chinese government and they were visiting guests of the host universities rather than employees. Therefore, the courts of the host countries had no jurisdiction on the so-called human rights issue”.<sup>314</sup>

The debates above indicated that this was a political issue with endless controversy. For a university who focused on the market value of the CIs, it was reasonable to be not involved.

The McMaster University had been trying to defending its CI by negatively dealing with the human rights disputes. From the perspective of McMaster University, the market value was still the primary interest pursuit. The secondary interest, the concerns on its social reputation did not rise until the legalization of this issue.

### **6.2.2 The Increasing Secondary Interest**

For the McMaster University, the negative stakeholder communication was a helpless choice. But it objectively forced Sonia Zhao to change course. She began to resort to other social association to press McMaster University. Her behaviors soon changed the initially primary and

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<sup>312</sup> Marshall Sahlins, “China U”, *The Nation*, November 2013, pp.36-43; Marshall Sahlins, “On the Defense of Confucius Institutes: at The University of Chicago, For example”, March 25, 2014, <http://savage minds.org/2014/03/25/on-the-defense-of-confucius-institutes-at-the-university-of-chicago-for-example/>, accessed on June 10<sup>th</sup>, 2014.

<sup>313</sup> Christopher Hughes, “Confucius Institutes and the University: Distinguishing the Political Mission from the Cultural,” *Issues and Studies*, 50(4), pp. 45-83.

<sup>314</sup> Edward McCord, “Confucius Institutes in the U.S.: Let A Hundred Flowers Bloom; Let A Hundred Schools of Thought Contend”, <http://lawprofessors.typepad.com/files/response-to-sahlins-5.pdf>. accessed on June 10<sup>th</sup>, 2014.

secondary interest of McMaster University.

Being disappointed with the lack of progress, Sonia Zhao and the Falun Gong Association turned to resort on the other social institutions. In May 2012, Sonia Zhao filled a complaint to the Ontario Human Rights Tribunal (OHRT) and legalized a political issue. This complaint also brought the OHRT into the issue as another important stakeholder.

Although I did not get the complaint document, the news coverage of *The Global and Mail* a mainstream media in Canada, provided us enough details. Sonia Zhao accused the McMaster University for being “giving legitimization to discrimination”.<sup>315</sup> She submitted her contract with Hanban to the OHRT, and it read that she couldn’t join illegal association such as Falun Gong.<sup>316</sup> Sonia Zhao publicized more details about teaching and tried to guide the Tribunal and publics more focused on the so-called censorship issues. She said that:

“If my students asked me about Tibet or about other sensitive topics, I should have the right to talk about them, to express my opinion – but [I wasn’t] allowed to say that freely,” Ms. Zhao said in an interview. “During the training in Beijing, they do tell us: Don’t talk about this. If the student insists, you just try to change the topic, or say something the Chinese Communist Party would prefer”.<sup>317</sup>

As a main stream media, *The Global and Mail* enjoyed more influences in setting social agenda and guiding publics than the news paper of the Falun Gong Association. This report brought more

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<sup>315</sup> Colin Freeze, “Canadian Universities, Colleges Confront Questions about Chinese Ties”, *The Global and Mail*, June 19, 2012.

<sup>316</sup> Ibid.

<sup>317</sup> Ibid.

troubles to the McMaster University and challenged its former stance. The McMaster University had to directly face the growing confrontation against the CI and Hanban. In light of the sensitivity of human rights issue in Canada, the McMaster University had no choice but to give positive response. Otherwise, its social reputation would be badly undermined. In other words, the university began to witness a growing secondary interest on its social reputation.

The illegalization of a political issue changed the stakeholder interest and the following stakeholder communication. Sonia Zhao became the most important adversarial stakeholder, while the OHRT became another critical stakeholder.

The legal complaint embarrassed the McMaster University. On one hand, the university still cherished the market value of the CI which had been working successfully inside the campus and enjoyed good reputation. On the other hand, if the OHRT made any negative judgments on the CI, it would not only announce it to dye but also damage the social reputation of the McMaster University. The great pressure pushed the university to take positive communications with the other stakeholders.

The university firstly tried to persuade the OHRT to not to put issue into trial. The University replied to the OHRT that Sonia Zhao signed her contract with a Chinese agency, therefore the OHRT should not have jurisdiction over this issue. In addition, the university was totally ignorant of the hiring practice in domestic China.<sup>318</sup> For the university, it would be better if the OHRT reject the Sonia Zhao`s claims.

But such arguments did not work in convincing the OHRT and the opponents. In the view of the opponents, it was natural that the university should assume legal responsibility of the CI. Just as

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<sup>318</sup> Omid Gheoreishi, "Former McMaster Confucius Institute Teacher Files Case with HR Tribunal".

mentioned before, the proposal of the CI had stated that the university was the legal owner of the CI. David Matas, the law representative of Sonia Zhao argued that “to the contrary that it was their jurisdiction because it was happening in Ontario and they must have known about it because Hanban (CI headquarters in China) hiring policy was published on its website in English.”<sup>319</sup> At last, the complaint seemed to be put into trial. The McMaster University began to directly face growing concerns on its social reputation. A Canadian university seemed to take responsibility for a Chinese agency` actions.<sup>320</sup> That meant the increase of the secondary interest, namely the concerns on its social reputation.

Consequently, the growing concerns on its social reputation made the university to change its initial stance of firmly defending the CI. The university began to try to negotiate with the BLCU and Hanban to revise the agreement. In the view of McMaster University, if the exclusive terms on the Falun Dafa Association could be canceled, it would meet the local laws and they would get rid of the trouble while keeping the economy interest on the CI. Thus, the university would be able to balance the primary interest and secondary interest.

Based on this consideration, the McMaster University presented its requirements to its Chinese counterparts. In June 2012, a month later after Sonia Zhao raised her complaint, Vice President Andrea Farquahar replied to the media that the university was “looking for clarity” from its Chinese partners on aspects of their agreement, notably hiring practices, and was “raising the concerns that we had, and that had been brought forward to us, and looking to find some solutions to that.”<sup>321</sup> She

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<sup>319</sup> Omid Ghoreishi, “Can Confucius Institutes Follow Both Chinese and Canadian Law?” *The Epoch Times*, October 22, 2012.

<sup>320</sup> Marshall Sahlins, “China U”, *The Nation*, November 2013, pp.36-43

<sup>321</sup> Colin Freeze, “Canadian Universities, Colleges Confront Questions about Chinese Ties”, *The Global and Mail*,

further pointed out the pessimistic future of the CI if no compromise was made from Hanban. She said that “the other part of the dialogue we were having was that if we can’t get a resolution to this, that being able to continue on with the kind of agreement that we have at the moment would be difficult.”<sup>322</sup>

In other words, the university began to view the social reputation as newly primary interest even at the sacrifice of the market value of the CIs. The interest dynamics between the primary interest and the secondary interest had made the university to be resolved to defend its social reputation. The stakeholder interest dynamics seemed to influence the stakeholder communication.

### **6.2.3 The Concerns and Response of Hanban**

Based on the new primary interest on its social reputation, McMaster University changed to seek for negotiation with Hanban. This stance brought challenges to the stakeholder communication between McMaster University and Hanban.

After the rapid global expansion, Hanban began to be far more focused on maintaining the global network of the CIs rather than the survival of an individual CI. On one hand, the sharply growing negative comments and criticisms followed the rapid expansion made the CIs in embarrassed. Hanban had to pay more efforts in defending its reputation. On the other hand, some domestic organizations viewed the criticisms against the CIs as prejudice or bias based on ideology reasons, thus being diametrically opposed to the increasing negative comments. The confrontation actually narrowed the maneuvering space Hanban. In addition, in light of the sensitivity of this issue,

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June 19, 2012.

<sup>322</sup> Ibid.

Hanban had no other choice but to make tough feedback to the adversarial stakeholders.

The illegalization of a political issue also brought great challenge to Hanban. Firstly, Sonia Zhao's case might have hurt the existing relationships between the McMaster University and Hanban. It was rare to see such a sensitive issue in the history of the CIs. According to Chinese practice, some officials might even take responsibilities for this scandal. Accordingly, Hanban would be unsatisfied with the McMaster University and the BLCU. Secondly, from the perspective of Hanban, the concession to the McMaster University would inevitably lead to the same requirements from other CIs. It couldn't stand this chain effect. Thirdly, as a foreign agency, Hanban was not able to impose influence to the jurisdiction of the OHRT. The involvement of the mainstream media even more complicated the situation. It was possible that the negative effect would spill over to other CIs and even undermine the global network of the CIs. Soon, the CI at Iowa University in the U.S. was suffered from the wave of the negative effect. Immediately, the CI at Iowa University received the inquiry for the contract details in terms of the hiring practice and had to publicly defend itself.<sup>323</sup> Although the CI at Iowa University soon got rid of the mud, this case did enhance the worries of Hanban on the global network of the CIs.

For Hanban, Sonia Zhao aimed to apply for the refugee status in Canada. The human rights case was just a mean to an end rather than the final goal. The fermentation of the human rights complaint would shape her to be an anti-China fighter, thus favoring her application. The closure of the CI at McMaster University would be a natural choice for Hanban to stop her from leveraging this topic and then build a firewall against the negative criticisms towards the CIs. Despite the loss of the CI at McMaster University, Hanban could protect the other CIs as soon as possible. Hanban

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<sup>323</sup> Cassidy Riley, "UI Avoids Controversy with Confucius Institute Contract," *The Daily Iowan*, February 28, 2013.



had thought carefully through losses and gains before making the final decision.

Based on the perceptions above, Hanban did not concede to the final notice from the McMaster University in December 2012 saying that the university would close the CI before July 31, 2013 if no resolutions were found. Actually on February 7<sup>th</sup>, 2013 the McMaster University announced to close its CI when it was acknowledged that it was impossible for Hanban to accept its requirements.<sup>324</sup> And Hanban withdrew all Chinese instructors from the McMaster University in March 2013.

### **6.3 Sub Conclusion**

This case provides the following points:

First, the benign stakeholder communications consolidated the foundation of the CI at McMaster University. Even under great social pressures, the local government, City Council and other related faculty members inside the McMaster University did not stand out to oppose the CI. The positive stakeholder communication initiated and conducted by the administration of the McMaster University in the preparation and operation period helped these stakeholders to reach solidarity. And these stances helped the University to take countermeasures to deal with the oppositions at the very beginning.

Second, the changing role of Sonia Zhao from a dispensable instructor to the most important adversarial stakeholder reminds us that any stakeholders should not be neglected.

Third, the involvement of the OHRT turned a political issue into a legal trial and then changed

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<sup>324</sup> “Confucius Institute Will Complete Its Work at McMaster This Summer”, February 7, 2013,

<http://dailynews.mcmaster.ca/worth-mentioning/confucius-institute-will-complete-its-work-at-mcmaster-this-summer/>.accessed on December 20<sup>th</sup> 2015.

the character of all things. It soon imposed great legal and social pressures on the McMaster University and forced it to give priority to its social reputation rather than maintaining the market value of the CI. Consequently, this interest dynamic made Hanban to be far more focused on the global network even at the expense of the CI at McMaster University.

In addition, after this opposition, this case soon became a typical example for the disputes of the CIs in European and the U.S. in particular. It was included in the petition of Canadian Association of University Teachers in December 2013 and US Association of University Professors in June 2014.<sup>325</sup> In other words, this case remarked the trend that Hanban began to focus its primary interest on maintaining the global network of the CIs in the growing adversarial environment.

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<sup>325</sup> The American Association of University Professors(AAUP), “On Partnerships with Foreign Governments: The Case of Confucius Institutes,” June 2014, <http://www.aaup.org/report/confucius-institutes>, accessed on 2014-12-10; The Canadian Association of University Teachers, “The Minutes of 75th Meeting of Canadian Association of University Teachers (CAUT),” November 29-December 1, 2013, [http://www.caut.ca/docs/default-source/Minutes-of-meetings/75th-council-meeting-\(november-2013\).pdf](http://www.caut.ca/docs/default-source/Minutes-of-meetings/75th-council-meeting-(november-2013).pdf), accessed on 2014-12-10.

## **Chapter 7 The Case of The CI at Toronto District Public School Board (TDSB)**

This chapter will examine the CI at Toronto District Public School Board (TDSB) which is the biggest Board in Canada with 589 public schools and 250 thousand elementary and secondary students, and 38,000 employees. It was announced to be established in April 2014, however soon closed in October 2014. This case would examine the stakeholder communication between the host institution and adversarial stakeholders, and its influence on the survival of TDSB CI. The most important stakeholder is the TDSB. The adversarial stakeholders include some individuals, media and some opponents. There are also some other stakeholders such as the trustees of the TDSB who are not involved in the operation of the TDSB CI at the very beginning.

### **7.1 The Poor Internal Communication inside the TDSB**

The TDSB desired to cooperate with Hanban for its cash-strapped financial condition.

According to Chris Bolton who was the then president of the TDSB, the TDSB suffered from shrinking student sources and low school enrollments in 2009. In 2013, it was reported that 131 public schools had enrollments below 60%.<sup>326</sup> In 2013, the TDSB was required by the local council to cut a total of 50 million Canadian dollars of structural deficit.<sup>327</sup> The TDSB had to tighten their expense policy.

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<sup>326</sup> Chris Bolton, "Retooling Schooling", <http://www.chrisbolton.ca/2009/04/30/retooling-schooling/>, accessed on February 20nd 2016.

<sup>327</sup> Moira Macdonald, "Toronto School Board Opens Beijing Office in Attempt to Lure More Foreign Students", *National Post*, July 17, 2013.

To improve student admission and financial balance, the TDSB was urgent to expand international cooperation. From 2008 to 2013, 1046 international students were admitted into the public schools affiliated into the TDSB and 951 of them were from China. The increasing China market became its prime choice. The TDSB was planning to expand student admission in China by strengthening the ties with Chinese agencies.<sup>328</sup> Chris Bolton had been expressing his expectations on cooperating with China and the establishment of a CI became part of his plan when the demands on Chinese language education encountered dramatic increase in Toronto. Actually, in 2010 the TDSB had initiated a mandatory Mandarin education in Orde Street Junior Public School in which 300 students must learn Chinese language. This program received hot welcome from both students and parents in the prior consultation with them.<sup>329</sup> However, the pace of promoting Chinese language education was limited by the financial condition. Thus, the pragmatic factors above made the TDSB rushed for applying for a CI.

On the contrary, Hanban viewed the TDSB as one of hundreds potential partners and had no special opinion on it. Actually, the lack of interest on TDSB revealed Hanban was ignorant of the history of internal operation inside TDSB.

The TDSB was consisted of 22 trustees elected by the common publics. The TDSB was designed to monitor the operation of the education system, and principally they were not expected to be involved in the daily operation of the education system. However, they were used to leveraging

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<sup>328</sup> Moira Macdonald, "Toronto School Board Opens Beijing Office in Attempt to Lure More Foreign Students", *National Post*, July 17, 2013.

<sup>329</sup> Chris Bolton, "Mandatory Mandarin",

<http://www.chrisbolton.ca/2010/09/13/mandatory-mandarin/>, accessed on February 20nd 2016.

their power to intervene the development of course system and program and introduce new programs to the TDSB according their own preference. This was criticized by the Ontario Ministry of Education several times.<sup>330</sup> In the report issued in 2015 by the Ontario Ministry of Education, it said that:

“TDSB trustees, as individuals and as committee members, become directly involved in curriculum and program development. For instance, there do not seem to be any constraints on a trustee who wishes to involve the Board in a pet project. The CI was the favoured project of a former chair of the Board.”<sup>331</sup>

But it seemed that Hanban and the Chinese partner failed to know the details of the internal chaos of TDSB. Such ignorance meant the potential threat was rooted in the CI from the beginning. Consequently, the TDSB CI did not fully engage a necessary stakeholder.

From 2010, Chris Bolton on behalf of the TDSB began to contact Hanban to discuss the possibility of establishing a CI. However, he did not share information with other trustees. The spokeswoman of the TDSB, Shari Schaertz-Maltz, confirmed that the trustees did not participate in the consultation and the negotiation with Hanban.<sup>332</sup> Chris Bolton released 4 brief notes to the rest of the trustees informing them the process of the negotiation without any details.

I did not get the original copy of these 4 notes, but the news coverage provided some information about the notes. On January 20nd, 2010, Bolton told the trustees that he was discussing

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<sup>330</sup> Margaret Wilson, “Review of the Toronto District School Board: Submitted to the Honourable Liz Sandals, Ministry of Education”, January 15, 2015, p.15.

<sup>331</sup> Ibid.

<sup>332</sup> “Toronto Trustees Had No Say in Confucius Institute Agreement“, *The Global and Mail*, June 30 2014

the possibility of establishing a CI with Hanban, the Chinese counterpart. The second note which was the longest with 2 pages stated that Chris Bolton had signed the preliminary agreement on CI with Hanban on November 3rd, 2010 and the agreement were undergoing a further research by the lawyers of the TDSB. The third note indicated that Bolton told the trustees on a meeting in May 2012 that he had signed the formal contract with Hanban.<sup>333</sup> In other words, the TDSB CI was initiated and promoted by Chris Bolton himself rather than the TDSB as a whole.

The other trustees had known little about the program even when the final contract had been signed. The little involvement of other trustees in the decision making process seemed to make the agreement be reached however left a problem of lacking openness. Consequently, the TDSB did not forge internal consensus and engaged the internal stakeholders who were necessary for the CI program. This weakness seemed to become the most important uncertainty for the CI.

The following reasons can explain Bolton`s exclusive behaviors in the decision making process. First, it is a custom in the TDSB that not all of the international cooperation programs must be passed by all trustees. The other trustees shared this stance and actually they did not have interest in the program introduced by Chris Bolton. Second, it is Chris Bolton`s personality to promote a program by himself instead of collective consultation. This characteristic could also be found in other programs.<sup>334</sup>

Most interestingly, the other trustees showed little interest in the details of the coming CI program. On one hand, they were not able to impose influences on the program dominated by Chris Bolton himself. On the other hand, they had no incentives to explore the details because there were

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<sup>333</sup> "Toronto Trustees Had No Say in Confucius Institute Agreement", *The Global and Mail*, June 30 2014

<sup>334</sup> Margaret Wilson, "Review of the Toronto District School Board: Submitted to the Honourable Liz Sandals, Ministry of Education", January 15, 2015, p.24.

not any social pressures forcing them to do so. However, the situation was gradually deteriorating when the social pressures began to rise.

As Chinese stakeholders, Hanban and the Hunan Provincial Education Department, they should have made duty diligence to confirm that the TDSB was a qualified partner in prior to the formal negotiation. However, it seemed that they were ignorant of the internal communication inside the TDSB. In September 2014 when the TDSB CI was going to be closed, Tang Xiuli, the Chinese director of the CI, expressed her confusion as the following:

“The contract has signed two years ago. Why so many people are opposing to this program today? The opponents are not only external organizations but also some trustees of the TDSB. It is confusing?”<sup>335</sup>

In Tang`s view, the social publics and the other trustees should have known the details of the CI earlier. But the TDSB did not pay any attention on communicating with them and unfortunately the Chinese stakeholders were totally ignorant of this fact. The poor stakeholder communications between Chinese stakeholders and the TDSB and among the stakeholders inside the TDSB inevitably lead to the weak foundation of the CI.

Thus, Chris Bolton put his primary interest in the market value of the CI without considering the potential social reputation problem. While the little involvement made the other trustees indifferent to the CI program. The absence of the duty diligence of Chinese stakeholder made the CI out of monitor.

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<sup>335</sup> “Hunan Sheng Jiaoyuting Fahan Duolunduo Gongxiao Jiaoyuju Jieshu Kongzi Xueyuan Hezuo”[Hunan Provincial Education Department Sent a Letter to the TDSB to End the Partnership on CIs], October 25<sup>th</sup>, 2014, [http://www.guancha.cn/america/2014\\_10\\_25\\_279456.shtml](http://www.guancha.cn/america/2014_10_25_279456.shtml), accessed on 2016-02-04

## **7.2 Adversarial Environment and Negative Stakeholder Communication**

### **7.2.1 Poor Stakeholder Communication with Adversarial Stakeholders**

In the analysis above, we witnessed the poor stakeholder communication with adversarial stakeholder and the increasingly adversarial environment. Actually, this change immediately influenced the stakeholder interest dynamics and then highlighted the role of stakeholder communication.

In May 2014, the TDSB announced to establish a CI in September. And the announcement soon provoked social concerns in the local society. The Canadian University Teachers Association who had publicized its negative comments and concerns on the CIs several months ago, requested the TDSB to review whether the CIs would intervene the academic freedom.<sup>336</sup>

The TDSB continued its tradition of negative communication and expanded it to the communication with the adversarial stakeholders. On May 14th, the TDSB casted a vote and rejected to investigate the validity of the allegations that the CI would limit free discussion about China because of control by the Chinese government.<sup>337</sup> One of the trustees, Shaun Chen argued that it was not reasonable to “ask TDSB staff to try to determine the validity of such concerns” because the trustees were able to guarantee the CI to follow their regulation.<sup>338</sup> Trustee Shelia Ward

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<sup>336</sup> Karen Howlett and Colin Freeze, “Toronto Confucius Institute Spurs Moral Debate”, *The Global and Mail*, May 22, 2014.

<sup>337</sup> Louise Brown, “TDSB Tightens Trustee Expenses Policy,” *The Star*, May 14, 2014.

<sup>338</sup> Louise Brown, “TDSB Tightens Trustee Expenses Policy,” *The Star*, May 14, 2014.



criticized the requirement as wasting the time.<sup>339</sup> I did not get the details of the motion. However, it is safe to say at least half of the trustees did not have any concerns on their social reputation.<sup>340</sup> This meant that the TDSB was not aware of the possible negative consequences of their negative communication with adversarial stakeholders.

## 7.2 The Increasing Social Pressure

The attitude of the TDSB immediately provoked public angry on the TDSB and the CI. For the opponents, the TDSB`s irresponsible decision would expose the students to the program dominated by Chinese government.<sup>341</sup> The accumulation of the public concerns made the social environment more adversarial and the trustees began to feel more social pressures. They were bombarded by the emails and letters from the opponents and student parents.<sup>342</sup> Trustee Mari Rutka described the social concerns as “compelling concerns”.<sup>343</sup> Trustee Sheila Cary-Meagher expressed that she was facing “a tsunami of pressure”.<sup>344</sup> The trustees had obligations to respond to the concerns of their voters. However, the less openness of the CI made them fail to complete this job. Under such circumstances, their stances began to change.

On June 11st, 2014, “the Planning and Priorities Committee” affiliated to the TDSB passed a motion requesting the TDSB to suspend the CI program before investigating and reviewing the

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<sup>339</sup> Ibid.

<sup>340</sup> Margaret Wilson, “Review of the Toronto District School Board: Submitted to the Honourable Liz Sandals, Ministry of Education”, January 15, 2015, pp.24-25

<sup>341</sup> Karen Howlett and Colin Freeze, “Toronto Confucius Institute Spurs Moral Debate”, *The Global and Mail*, May 22, 2014.

<sup>342</sup> Caroline Alphonso and Karen Howlett, “Beijing-Backed Toronto School Program Comes Under Fire”, *The Global and Mail*, June 11 2014.

<sup>343</sup> Ibid.

<sup>344</sup> Louise Brown, “Departing Toronto School Board Drops Confucius Deal”, *The Star*, October 29, 2014

future of the CI program.<sup>345</sup> The lack of information transparency was firstly noticed by the TDSB. However, the following consequences proved that it was a little late especially in the growing adversarial social environment.

The trustees were busy in dealing with growing complaints from the adversarial stakeholders while failing to guide the rational voices in the local society. Although most of the opinions on the CIs were negative at that time, the local media *The Star* tried to air up their rational thinking on the CI program. On June 11st, it reported the CI controversy and argued that it was a comprehensive problem rather than a pure human rights issue and the following questions should be taken into account:

“1) How much money is TDSB spending on an afterschool and weekend program that is not part of the ministry based school day curriculum?

2) How can the board afford this when it claims it cannot afford to provide students with special education needs with the educational assistant supports they require?

3) How can TDSB prove “undue hardship” when not providing essential services to students with special needs if they have money for this undertaking?

4) TDSB says it believes in community involvement in decision-making but when was this discussed with the community?

5) If this is being provided to the Chinese community, does that mean the board for equity policy purposes should be held responsible for providing a partnership with other countries for delivering services for afterschool and weekend programs in relation to other language classes?

In addition, families of children with special needs want their children to receive the services they are legally entitled to based on legislation and Ministry of Education directives. What will it take?”<sup>346</sup>

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<sup>345</sup> Caroline Alphonso and Karen Howlett, “Beijing-Backed Toronto School Program Comes Under Fire,” *The Global and Mail*, June 11 2014.

<sup>346</sup> Janis Jaffe-White and Reva Schafer, “The Confucius Controversy,” *The Star*, June 11 2014.

These questions indicated that most of the rational public was unsatisfied with the lack of information transparency rather than the CI program itself. That did not mean they were definitely not interested in the market value of the CI program. It seemed that the social environment would be turned towards positive direction if the TDSB could persuade the rational social public and mobilize them to defend the CI. However, the trustees who knew little about the CI and suffered great social pressures failed to do this job. Although some direct participators tried to make the operation of the CI clearer. For example, Karen Falconer who was the TDSB's executive superintendent of continuing and international education tried to convince the public that the CI would be supervised by the TDSB. However, his words seemed less persuasive in front of dramatically changing adversarial environment. Consequently, the TDSB lost a chance to win the supports from the social public and the rational voices were soon buried by the emotional anti-CI voices. The social environment for the CI definitely went downwards.

### **7.3 The Changing Stances of the Trustees**

The increasingly adversarial environment had a further influence on stakeholder interest dynamics. Specifically, the concerns on social reputation began to become the primary interest among most of the TDSB trustees and forced them to change their stances on the CI.

On June 13rd, Chris Bolton resigned from the president of the TDSB with "personal and professional reasons". His quit meant that the stakeholder who was firmly recognized the market value of the CI had left and then speeded up the pace of his former alliances, other stakeholders, to

change their stances on the CI.<sup>347</sup> Trustee Stephnie Payne complained that Chris Bolton “did all of us an injustice” when dozens of parents and others packed the public gallery to protest the initiative. She also said that “he’s gone and we have to clean up his mess. We’re the ones who have to face [people] opposing this. We shouldn’t have had to do that.”<sup>348</sup> Maybe Trustee Payne supported the CI program from the beginning therefore she was thinking how to deal with the opponents. But for most of the trustees, they cared nothing but their social reputation among their voters. By contrast, the CI program had nothing to do them from the beginning and they immediately began to view the CI as a big burden.

On June 18th, the TDSB convened a meeting to resolve the information transparency problem. Due to Chris Bolton who were most familiar with the details had resigned, some staff involved in the CI program had to directly deal with the inquiries from the trustees. The trustees asked that whether the TDSB or TDSB CI would hire Chinese language instructors? What kind of responsibilities the TDSB would take if the CI contract was canceled? Whether the Chinese language teachers were trained to control the class discussions?<sup>349</sup> These questions are all about basic knowledge of the CI. However the staff could only provide some information that could be accessible on internet. And the trustees were not satisfied with this result. The TDSB passed a motion to delay implementing the deal until they and board staff could investigate the review information. Actually, this motion also hurt some trustees` face because they rejected an earlier call to re-examine the concerns last month.

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<sup>347</sup> Margaret Wilson, “Review of the Toronto District School Board: Submitted to the Honourable Liz Sandals, Ministry of Education”, January 15, 2015, p.16

<sup>348</sup> “Toronto Trustees Had No Say in Confucius Institute Agreement,” *The Global and Mail*, June 30 2014.

<sup>349</sup> Ibid.

The debates on June 18 meant that few trustees still focused on the market value of the CI because most of them began to explore what kinds of responsibilities they would take if they end the CI contract. In other words, most of the trustees were viewing their social concerns as primary interest while the former primary interest on the CI began to be forgotten.

In September, some anti-China forces began to intervene in more opposition against the CI. Meanwhile some Chinese ethnics rallied to support the CI. The two sides even confronted in front of the TDSB building. The growing confrontation made the trustees to worry more about the public trust on themselves. Therefore, they hoped to terminate the dispute as soon as possible. In their minds, the market value of the CI was totally replaced by their social concerns. The interest dynamics changed the attitudes of most TDSB trustees.

On October 1st, 10 community organizations were invited to attend the meeting convened by the “Planning and Priority Committee”. Among of them, half were against the CI deal and half in favor. The social opinions on the CI program were still sharply divided. However, most of the trustees had decided to abandon the CI contract. Trustee Gerri Gershon insisted that the decision to cancel the CI contract would “fly the face of the board decision to ask for more information” according the motion on June 18th.<sup>350</sup> It would be the “most horrible, horrible precedent”.<sup>351</sup> Although Trustee Gershon voted against ending the CI program in October, he could not find more reasons to defend the CI. What he argued seemed a tacit to delay the final ending as later as he could.

On the contrary, the negative comments on the CI prevailed among the trustees. Some trustees

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<sup>350</sup> Kristin Rushowy, “TDSB Committee Votes to Cut Ties with Controversial Confucius Institute,” *The Star*, October 1, 2014.

<sup>351</sup> Kristin Rushowy, “TDSB Committee Votes to Cut Ties with Controversial Confucius Institute,” *The Star*, October 1, 2014.

shared the position that the cooperation with China would undermine the reputation of the TDSB. Trustee Sam Sotiropoulos said that the cooperation “with an authoritarian, totalitarian regime” would bring troubles to the board. And Trustee Howard Goodman said that “we should not be making partnerships with foreign governments without full oversight.”<sup>352</sup> Trustee Irene Atkinson and Cathy Dandy shared the same position that “people are tired of waiting” and the overwhelming evidences were enough to make the final decision.<sup>353</sup> These words indicated that social pressures were the decisive factor for the trustees to change their support for the CI. The social pressure was so huge that the trustees had to put their social reputation as primacy at the expense of sacrificing the market value of the CI. Therefore, the “Planning and Priorities Committee” decided to make a vote that day rather than waiting until the report in November. Finally, the Committee overwhelmingly passed a motion to suggest the TDSB to terminate the CI program in October.

On the other side, the Chinese stakeholder had to accept this ending and chose to finish the drama in a way of saving its face. The Hunan Provincial Education Department sent a letter the TDSB to announce the ending of the CI deal. The letter said that:

“Given that the TDSB failed to fulfill our agreement on the Confucius Institute, the co-operation between two parties cannot proceed, so I officially propose that we terminate our partnership on the Confucius Institute as from today.”<sup>354</sup>

On October 29, the TDSB voted to cancel the CI deal. Among 22 trustees, only Trustee Geri

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<sup>352</sup> Louise Brown, “Departing Toronto School Board Drops Confucius Deal,” *The Star*, October 29, 2014.

<sup>353</sup> Ibid.

<sup>354</sup> Kristin Rushowy, “China Seeks to End Confucius Deal with Toronto School Board,” *The Star*, October 23, 2014

Gershon and Trustee Howard Kaplan voted against ending the CI deal while the rest 20 trustees were in favor.<sup>355</sup> In May, more than half of the trustees supported the CI program and they even did not take the communication with the adversarial communication into account. However, finally there were only 2 trustees insisting their initial stances in October. The changing position of the trustees reflected their interest dynamics under gradually increasing social pressure.

### **7.3 Sub Conclusion**

In this case, the TDSB had urgent need to exploit the Chinese market and improve its financial balance by establishing a CI. However, the President of the TDSB, Chris Bolton made negative internal communication with other trustees and lead to their lack of the perception on the market value of the CI and the lack of information transparency. When encountered social skepticism, the TDSB directly rejected to communicate with the adversarial stakeholders and provoked fiercer social petitions. Under increasing social pressures, some rational voices were easily buried in the emotional and ideological petitions. The TDSB lost a chance to guide and manage the social comment into a more rational channel. More and more trustees began to take their social reputation as their primary interest while their little perception on the market value of the CI was gradually forgotten. Even the trustees who supported the CI at the very beginning had to withdraw their endorsements for the CI. Finally, the number of supporters for the CI in the TDSB dropped from more than 11 to only 2.

In addition, the poor communication between the Chinese stakeholders and the TDSB is another important factor for the closure of the TDSB CI. Hanban and the Chinese partner institution

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<sup>355</sup> Louise Brown, "Departing Toronto School Board Drops Confucius Deal," *The Star*, October 29, 2014.

did not make field survey and chose an unqualified partner in terms of internal chaos and poor communication skills.



## **Chapter 8 The Case of the CI at University of Chicago (CIUC)**

This chapter will examine the case of Confucius Institute at University of Chicago (CIUC).

The CIUC was established in June 2010, and closed in December 2014 due to the failure of agreement extension negotiation. This chapter would examine the stakeholder communication among the administration, the related faculty members and the adversarial stakeholder, the CORES<sup>356</sup>, inside the UC, and the stakeholder communication between the administration of the UC and Hanban.

A comparative case study approach will be employed in this chapter to analyze why the CIUC was closed by comparing the CIUC with another institute at the UC, the MFI/MFIRE who was also ever protested but finally survived. The reasons why I choose the MFI/MFIRE to make the comparison are as followings: in the recent years, there were three petitions which were initiated by the same opponent, CORES, towards research institutes inside the UC, the petition towards the MFI in 2008, the petition towards the MFIRE and the CIUC in 2010, and the petition against the CIUC in 2014. Two institutes were protested by the same opponents almost during same period, but their results were totally different. So, it is worthy of a comparative study. I will start this chapter from the petitions against the MFI.

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<sup>356</sup> Committee for Open Research on Economy and Society (CORES) is a faculty group which was initiated by some professors of University of Chicago in 2008. Professor Bruce Lincoln is the leader of CORES.

## **8.1 The Petition against the MFI and the Stakeholder Communication in 2008**

The Economy Department of the UC enjoyed its global reputation. To keep the leading position of this major, the administration of the UC appreciated the increasing financial support for the Economy Department. On May 5th, 2008, the UC announced to invest 200 million to establish the MFI, and most of the funds would be raised from the donations of alumni and business leaders all around the world. The administration of the UC also declared that the MFI and Economy Department of the UC would be hosted in a building located at the center of the central campus. The administration of the UC expressed its emphasis on the market value of a new institute.

However, this decision provoked fierce opposition from some professors. On June 6th 2008, the opponents released a letter against the MFI. The adversarial stakeholders appeared from the very beginning and they forged a group of CORES which had been positive in the following several years.

The opponents were concerned that the institute would be “a partisan, elitist organization” and that it shouldn't be “under the auspices of a university”.<sup>357</sup> The opponents thought it was inappropriate for the university to invest “so heavily in culturally and politically conservative thought”.<sup>358</sup> They worried about that “this endeavor could reinforce among the public a perception that the University's faculty lacks intellectual and ideological diversity”.<sup>359</sup> They argued that such

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<sup>357</sup> “University of Chicago Faculty Letter on The Milton Friedman Institute”, [http://faculty.chicagobooth.edu/john.cochrane/research/papers/friedman\\_letter.htm](http://faculty.chicagobooth.edu/john.cochrane/research/papers/friedman_letter.htm), accessed on December 20<sup>th</sup> 2014.

<sup>358</sup> Ibid.

<sup>359</sup> “University of Chicago Faculty Letter on The Milton Friedman Institute”,

large-scale investment by the university “could be better utilized by spreading it among a range of disciplines”.<sup>360</sup> So, they suggested that the University ought to reconsider contributing to MFI for the interests of equity and balance. In addition, the petition also voiced concerns that wealthy donors would have inordinate influence over the research of the new institute.<sup>361</sup> At last, they also complained that they were absent from the decision discussion and vote for the establishment of MFI.<sup>362</sup> Based on the arguments before, they asked to hold Senate meeting with the President and the Provost and make full faculty vote for the establishment of MFI.<sup>363</sup>

The requests of the opponents proved the decisive role of the administration of the UC in the procedure of establishing a new institute. The adversarial stakeholders did not involve in the daily operation of the new institute, and the way they played a role in influencing the new institute was to try to press the administration of the UC.

This also modeled the basic framework of the stakeholder communication inside the UC. Specifically, the related faculty members sought to explore the market value of a new institute, and they were often supported by the administration of the UC; the opponents could not determine the future of a new institute but they could impose pressures to the administration of the UC. Thus, the administration became a hub of stakeholder communication and had to tactically or skillfully balance the interest pursuit of the related faculty members and the opponents.

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[http://faculty.chicagobooth.edu/john.cochrane/research/papers/friedman\\_letter.htm](http://faculty.chicagobooth.edu/john.cochrane/research/papers/friedman_letter.htm), accessed on December 20<sup>th</sup> 2014.

<sup>360</sup> “University's Plans for Milton Friedman Institute Spark Outcry”, [http://www.washingtonpost.com/wp-dyn/content/article/2008/08/27/AR2008082703193\\_2.html](http://www.washingtonpost.com/wp-dyn/content/article/2008/08/27/AR2008082703193_2.html), accessed on December 20<sup>th</sup> 2014.

<sup>361</sup> Ibid.

<sup>362</sup> Ibid.

<sup>363</sup> Ibid.

For the related faculty members of the MFI who proposed to establish the institute and then being involved in the operation of the institute, the establishment of the MFI had followed the tradition of the UC. Based on their belief in this tradition, they immediately released a response letter to defend the MFI. Professor John Cochrane, the Director of MFI, claimed that the MFI had gone through discussions and been approved by the Committee of the Senate Council, so it followed the UC's tradition. He also denied that the MFI would undermine the UC's reputation because of Milton Friedman's legacy.<sup>364</sup>

At that time, the administration showed their resolve to support the MFI and viewed the market value of the MFI as primary interest. Although the administration of the UC agreed to meet the CORES, they refused to reconsider the establishment of the MFI. As a response to the petition, the President Robert Zimmer held two meetings with the opponents in the summer and autumn 2008. In the summer meeting, the administration did not change their stances towards MFI and refused to reconsider the establishment of the MFI.<sup>365</sup> The administration thought that the MFI was worth keeping. The Provost Thomas Rosenbaum defended the MFI by arguing that "the fears of the opponents are unfounded."<sup>366</sup> He also claimed that "the donors can receive reports and attend

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<sup>364</sup> John Cochrane, "Comments on the Milton Friedman Institute Protest Letter", [http://faculty.chicagobooth.edu/john.cochrane/research/papers/friedman letter comments.htm](http://faculty.chicagobooth.edu/john.cochrane/research/papers/friedman%20letter%20comments.htm), accessed on December 10 2014; John Cochrane, "Raise the Right Issues", <http://chicagomaroon.com/2008/10/14/raise-the-right-issues>, accessed on December 10 2014.

<sup>365</sup> "Faculty Senate Meets to Discuss Friedman Institute", <http://chicagomaroon.com/2008/10/17/faculty-senate-meets-to-discuss-friedman-institute/>, accessed on December 20<sup>th</sup> 2014.

<sup>366</sup> "University's Plans for Milton Friedman Institute Spark Outcry", [http://www.washingtonpost.com/wp-dyn/content/article/2008/08/27/AR2008082703193\\_2.html](http://www.washingtonpost.com/wp-dyn/content/article/2008/08/27/AR2008082703193_2.html), accessed on December 20<sup>th</sup> 2014.

lectures, but they can't impose their influences on the research."<sup>367</sup> In addition, the Provost argued that they did not "take pre-conditioned stance on the selection of research topics, and they would bring in people from all over the world with all different approaches."<sup>368</sup>

The opponents were unsatisfied with the meeting. They still demanded the issue to be tabled in a meeting of the faculty senate. Although the President Zimmer agreed to convene the senate in the autumn, according to the Provost, the senate meeting did not necessarily result in the concrete changes to the MFI. The senate meeting was designed to involve "talking more broadly about the intellectual portfolio of the university."<sup>369</sup>

The interest pursuit of the stakeholders became clear. The related faculty members tried to raise funds to support their academic research. The opponents were against the MFI in the name of defending the reputation of the UC. In essence, the administration of the UC stood along with the related faculty members who were seeking to explore the market value of a new institute while the administration of the UC had to balance the opponents to calm the oppositions.

To improve the serious situation, the administration and the related faculty members of the MFI began to show their flexibility. In the senate meeting, the CORES argued that naming the Institute after Friedman would "convey an academic bias in favor of the economists' views", which advocated market alternatives to public policy.<sup>370</sup> In this case, the members of the MFI began to

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<sup>367</sup> Ibid.

<sup>368</sup> Ibid.

<sup>369</sup> "University's Plans for Milton Friedman Institute Spark Outcry", [http://www.washingtonpost.com/wp-dyn/content/article/2008/08/27/AR2008082703193\\_2.html](http://www.washingtonpost.com/wp-dyn/content/article/2008/08/27/AR2008082703193_2.html), accessed on December 20<sup>th</sup> 2014.

<sup>370</sup> "Faculty Senate Meets to Discuss Friedman Institute", <http://chicagomaroon.com/2008/10/17/faculty-senate-meets-to-discuss-friedman-institute/>, accessed on December 20<sup>th</sup> 2014.

show their flexibility by welcoming a name change to ease the tension. The opponents welcomed this change. Professor Bruce Lincoln, the leader of the petition, admitted that “if the institute didn’t use the name of Milton Friedman, a lot of people would be happy about that.”<sup>371</sup>

After the communication with the related faculty members, the administration supported this change either. In November 2008, a name change was put into practice. The Milton Friedman Institute for Research in Economics (MFIRE), “a shift that the university hoped would emphasize the center’s focus on academic research over the legacy of a single scholar”.<sup>372</sup> The Provost Rosenbaum explained to faculty by an email that “during the [Faculty Senate] meeting and in subsequent discussions, faculty has suggested augmenting the Institute’s name to make clear that it is solely an economics research institute.”<sup>373</sup> “The faculty and deans who were instrumental in establishing the Institute agreed that this would be a useful direction to pursue.... We have accepted this proposal and we will be using this official title henceforth.”<sup>374</sup>

The Provost Rosenbaum’s email has two indications as followings: first, the related faculty members of the MFI had more influences on Administrator’s decision, and the decision of the name changing was a product of the consensus between them; second, the influences of the opponents were limited, because the new name still used the name of Milton Friedman, rather than canceling it according to the request of the CORES. And that was the reason why the leader of the CORES,

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<sup>371</sup> Ibid

<sup>372</sup> Andy Guess, “A (Slight) Name Change for Milton Friedman Institute”, <https://www.insidehighered.com/news/2008/11/04/friedman>, accessed on December 20<sup>th</sup> 2014.

<sup>373</sup> Ibid.

<sup>374</sup> Ibid.

Professor Bruce Lincoln continued to express his dissatisfaction after the name change.<sup>375</sup>

The petition in 2008 indicated that the administration was inclined to support the related faculty members. And the influence from the opponents on the operation was limited.

## **8.2 The Petition against the MFI and the Stakeholder Communication in 2010**

On May 15 2010, the university announced the plan of renovating the building of the Chicago Theological Seminary's main building to host Economic Department and MFIRE. The CORES viewed the decision as "a sign of renewed aggressive fund-raising activity for the controversial institute".<sup>376</sup> They were unsatisfied with the fact that their petitions in 2008 seemed to be overlooked. Immediately, the CORES presented petition again in the name of opposing the "so-called corporatization" of the UC.<sup>377</sup>

The concerns of the opponents can be categorized into two kinds. First, the administration of the UC tended to manage the university as a corporation. According to Bruce Lincoln, the move of the MFIRE represented "an ever more aggressive pursuit of outside funding, and with that we have seen evermore willingness to abridge faculty governance and compromise our [the University's] principles of academic integrity."<sup>378</sup> The CORES argued that "the same kind of

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<sup>375</sup> Andy Guess, "A (Slight) Name Change for Milton Friedman Institute", <https://www.insidehighered.com/news/2008/11/04/friedman>, accessed on December 20<sup>th</sup> 2014.

<sup>376</sup> "Renovation Plans for MFI Spook Faculty", <http://chicagomaroon.com/2010/5/21/mfi-renovation-plans-spook-faculty/>, accessed on December 20<sup>th</sup> 2014.

<sup>377</sup> Ibid.

<sup>378</sup> "New Controversy over Milton Friedman Institute", <https://www.insidehighered.com/quicktakes/2010/05/21/new-controversy-over-milton-friedman-institute>, accessed on December 20<sup>th</sup> 2014.

process-administrative centralization, entrepreneurial pursuit of profit, evasion and effacement of faculty control-now threaten the University as a whole”.<sup>379</sup> And they thought the institute named after Milton Friedman would affect the UC’s reputation because he once served as economy consultant of Chile military government.<sup>380</sup>

Second, they complained the imbalance distribution of the donation funds once again. In the petition, the CORES expressed their surprise that the MFI remained one of the University’s top fundraising priorities.<sup>381</sup> Someone complained that “the University has been moving towards giving preference to those departments that will bring in the most alumni donations”, and “business and economics are the new religion at the University.”<sup>382</sup>

They suggested the administration to reverse the course of corporatization and began “by halting development of the Friedman Institute and changing its name”.<sup>383</sup> And then, “a full reorientation is necessary to extricate the University from a misguided and destructive corporate model, and to restore it to its rightful tradition and mission.”<sup>384</sup>

In nature, this petition was not different from the petition in 2008. The adversarial stakeholders insisted to expel the MFIRE with ideological concerns. They also tried to attract more professors to join this petition with the reason of unfair distribution reason. However, they did not offer hard evidences to support their arguments mentioned above even when the MFIRE had been put into practice for two years.

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<sup>379</sup> “Petition”, June 2010, <https://uchicagocores.wordpress.com/petition/>, accessed on December 20th 2014.

<sup>380</sup> Ibid.

<sup>381</sup> “Petition”, June 2010, <https://uchicagocores.wordpress.com/petition/>, accessed on December 20th 2014.

<sup>382</sup> Ibid.

<sup>383</sup> Ibid.

<sup>384</sup> Ibid.



By contrast, with two years daily operations, the related faculty members became more confident to defend the MFIRE. After the protest, Professor Lars Peter Hansen, the Director of the MFIRE released a statement denying the charges. He argued that the petition was not convincing because the CORES “did not trace any academic records of the MFIRE even though it had been operating for 2 years”.<sup>385</sup>

The administration of the UC was resolved to support the MFIRE but had to pay more attention to respond to the charges of the opponents and defend its social reputation. The administration of the UC firstly denied the charge of corporatization and characterized the petition as “incorrect and unfair in its sweeping characterization of the administration as consistently motivated by the pursuit of the financial advantage.”<sup>386</sup> The administration also felt the potential social pressure. To deal with the accusation of corporatization, the administration released a letter to explain to the faculty members of the university. The administration explained that “it has been standard practice for many years not to take votes on most proposed institutes and foreign centers, unless these institutes or centers grant degrees and/or make faculty appointments.”<sup>387</sup> They called it as distributed authority system. This tradition has the following characteristics:

First, every proposal for a new center or institute is initiated by some related faculty members, a department or even a bloc;

Second, the administration should support their idea presented by the related faculty

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<sup>385</sup> Lars Peter Hansen, <http://home.uchicago.edu/~lhansen/hansen-mfi-060110.pdf>, accessed on December 20th 2014.

<sup>386</sup> “Cores/Admin Meeting-June 4”, [https://uchicagocores.wordpress.com/debate/june4\\_minutes/](https://uchicagocores.wordpress.com/debate/june4_minutes/), accessed on December 20th 2014.

<sup>387</sup> “Faculty Engagement at the University”, <http://president.uchicago.edu/page/faculty-engagement-university>, accessed on December 20th 2014.

members and the new center or institute will be under their control;

Third, the administration should not subject the research of faculty or groups of faculty to the control of others.<sup>388</sup>

The administration's explanation was echoed by some other professors. Professor Abbott, the spokesman of the Committee of the Council of the Senate, a seven member group that informs the larger Council, affirmed the statements above. He said that "the Milton Friedman Institute is not a piece of the University that will grant degrees, and since it's not going to grant degrees, and it's not going to appoint faculty...it's not really clear that the council has any particular jurisdiction on it."<sup>389</sup> His words meant that the administration's points were more widely recognized and accepted by the faculty members of the university.

At last, the administrators reaffirmed their commitment "to promote and preserve this distinctive culture".<sup>390</sup> The administration highlighted the significance of this system maintaining the partnership of administrative and faculty effort, and of local initiative and central support. It said that:

"The set of relationships and the resulting distributed authority have served the University well for decades. They have allowed for appropriate respect to groups of faculty with particular academic interests and appropriate deference to departments, divisions, and schools in the development of their

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<sup>388</sup> Ibid

<sup>389</sup> "MFIRE plan renews faculty clash with admin", <http://chicagomaroon.com/2010/05/28/mfire-plan-renews-faculty-clash-with-admin/>, accessed on December 20<sup>th</sup> 2014.

<sup>390</sup> "Faculty Engagement at the University", <http://president.uchicago.edu/page/faculty-engagement-university>, accessed on December 20<sup>th</sup> 2014.

programs. And they have provided for full faculty engagement on the establishment of new degree programs or new bodies with faculty appointive powers, but not on the decisions of how such programs then operate and are organized, matters properly left to the related faculty in the programs/bodies themselves.<sup>391</sup> As a result, many units that are controversial (but which they themselves fully support) – like the Chicago Center for Contemporary Theory, the Center for the Study of Race, Politics, and Culture, or the Center for Gender Studies – would also have to receive votes and might be in danger.”<sup>392</sup>

The statement of the administration indicated that the administration shared same interest pursuit with the faculty members who proposed to establish a new institute to facilitate the academic research. In other words, the administration of the UC had been encouraging the faculty members to explore more market value of a new institute. Although the opponents put forward their petition in the name of defending the reputation of the UC, the administration insisted the primary interest with the faculty members of the MFIRE. Considering the social reputation, the administration paid attention on dealing with the petitions, but the influences from the opponents were still limited. The following points could prove that fact.

First, the opponents released a written letter on June 14 as a response to the statement of the administration. They argued that any proposals that would affect more than one division or school should be approved by full faculty senate rather than some related faculty members.<sup>393</sup> But this

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<sup>391</sup> Ibid

<sup>392</sup> “Cores/Admin Meeting-June 4”, [https://uchicagocores.wordpress.com/debate/june4\\_minutes/](https://uchicagocores.wordpress.com/debate/june4_minutes/), accessed on December 20<sup>th</sup>, 2014.

<sup>393</sup> Ibid

statement did not get any responses from the UC's administration any more. Consequently, the petition in 2010 did not affect the operation of the MFIRE. In June 2011, the MFIRE quietly emerged with the Becker Center on Chicago Price Theory to form the Gary Becker Milton Friedman Institute for Research in Economics. I did not see obvious functional changes of the institute, and it survived.

Second, another evidence for the limited effectiveness of the petition is the opponents' continuous complaints even after the establishment of the new institute. In October 2013, Professor Marshall Sahlins published his criticism towards the MFIRE in his article criticizing Confucius Institute.<sup>394</sup> In May 2014, Professor Bruce Lincoln complained that the naming of the Becker Friedman Institute was a move to attract wealthy donors who "enjoyed the ideas of Milton Friedman" in his interview with *Chicago Maroon*, the news paper of the UC.<sup>395</sup> However, these criticisms did not influence the new institute.

### 8.3 The Establishment of the CIUC

Actually, the CIUC was another target institute of the petitions raised by the CORES in 2010. I will examine the stakeholder communication of the CIUC in face of the petitions. I will start my examination from the establishment of the CIUC focusing on the initial interest of the stakeholders.

The CIUC was initiated by the faculty members of the Chinese Studies Committee of the Center for East Asian Studies (CEAS). Some professors tried to strengthen the academic linkages with China. The initiator of the CIUC was then Director of the CEAS, professor Yang Dali. After

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<sup>394</sup> Marshall Sahlins, "China U", *The Nation*, November 2013, pp. 36-43

<sup>395</sup> Raymond Fang, "Signers of Faculty Petition Raise Concerns on Confucius Institute, Faculty Freedom", *Chicago Maroon*, May 13rd 2014.

taking office of the Director of the CEAS, he brought the vice director Theodore Foss to the Consulate-General of PRC in Chicago to discuss the possibility of establishing a CI. The application was supported by the administration of the UC who viewed China as an important academic market. Although I did not get the detailed information between the related faculty members and the administration, the application documents for the UC Beijing Center in 2008 could be helpful for us to understand the basic interest pursuits of these two stakeholders. The UC Beijing Center was viewed as another sign of the UC's wishes to strengthen the linkages with China, and it was presented by the same faculty members of the CEAS. And the time when it was applied emerged when the CIUC was undergone negotiation between the UC and Hanban. Therefore, it was of significance for us to take an insight into the establishment of the CIUC.

In the report to the President and the Provost of the UC on October 29th 2008, the Ad Hoc Committee on China provided a list of significances of the Beijing Center.

First, the Beijing Center would facilitate in “increasing interaction with the local intellectual ecology of academic institutions and intellectual activities”.<sup>396</sup>

Second, the Beijing Center would “increase the University’s ability to recruit and retain the strongest Chinese students and faculty, and other faculty whose work would be enhanced through a greater University presence in China”.<sup>397</sup>

Third, “the establishment of a University facility in China is seen as a way to improve visibility in a way that is not feasible without a sustained and physical presence in-country. Particularly as our peer institutions have varied levels of presence in China and are poised to expand, it is essential that

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<sup>396</sup> The Ad Hoc Committee on China, “Proposal for a University of Chicago Center in Beijing: A Report to the President and Provost”, October 29, 2008, pp. 4-7.

<sup>397</sup> Ibid

the University demonstrate its commitment to active engagement in China and not to cede these opportunities to others”.<sup>398</sup>

In the reply to the Ad Hoc Committee on China on December 12<sup>th</sup> 2008, the President and the Provost appreciated the significances mentioned above and strongly supported this proposal. In the interests of quickly moving into the implementation of the proposal, the administration formed two groups to promote the establishment of Beijing Center.<sup>399</sup>

The documents mentioned above indicated that the administration and the related faculty members of the CIUC shared the same interest pursuit. These two stakeholders viewed the market value of the COUC as the primary interest.

On the side of Hanban, it viewed the establishment of the CIUC as an important progress of CIs` global promotion. Hanban had been trying to increase its global presence and reputation by cooperating with the world prestigious universities. In the view of Hanban, the establishment of a CI at a world top university would definitely sharp the brand of the CI all around the world. However, not every famous university cherished the chance to establish a CI. Instead, they shared more concerns on the official background of the CI and worried about the potential negative influences on their social reputation. To fulfill such kind of cooperation, Hanban always made some compromises to the host university. For example, at Stanford University, Hanban provided endowment to Confucius Institutes at Stanford University without supervising the annual budget and appointing a Chinese director.<sup>400</sup> In the case of the CIUC, Hanban granted a total of 2 million dollars contract in

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<sup>398</sup> Ibid.

<sup>399</sup> University of Chicago, “Memo\_to\_the\_Ad\_hoc\_Committee\_on\_China”, December 12, 2008.

<sup>400</sup> The Email Interviews with Richard Saller who is the director of Confucius Institute at Stanford University, in September 2015.

4 years. However, the average of the total grant Hanban approved to other common CIs was 150 hundred dollars per year. The favorable offer expressed Hanban`s sincerity and the urgent need.

## **8.4 The Petition against the CIUC and Stakeholder Communication in 2010**

Due to the positive communication between the administration of the UC and the adversarial stakeholders, the CORES, the petitions in 2008 did not change the stakeholder interest of the administration and the related faculty members. Therefore, the CIUC could be established.

Hanban and the UC signed the agreement in September 2009, and on June 1st 2010, the opening ceremony of the CIUC was held at the UC. However, soon after its establishment, the CIUC faced its first protest by the CORES. 174 Chicago faculty members signed a petition protesting the growing “corporatization” of the University,<sup>401</sup> and they took the failure to consult faculty governing bodies on the establishment of the Confucius Institute as an example.<sup>402</sup>

However, there was only one paragraph about the CIUC in the petition, and the main point against the CIUC was the poor communication with other scholars in the decision making process.<sup>403</sup> The Director of the CIUC, Yang Dali, argued that the executive committee of the CEAS had discussed the CI in the year leading up to its founding, but at least one member of this small committee, Bruce Cumings, “did not learn of the CI’s existence until a good six months after the

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<sup>401</sup> Elizabeth Redden, “Rejecting Confucius Funding”, <https://www.insidehighered.com/news/2014/04/29/chicago-faculty-object-their-campus-confucius-institute>, accessed on December 20<sup>th</sup> 2014.

<sup>402</sup> Ibid.

<sup>403</sup> Petition, June 2010, <https://uchicagocores.wordpress.com/petition/>, accessed on December 20<sup>th</sup> 2014.

deal had been signed and sealed in Beijing”.<sup>404</sup> And, according to the vice Director, Theodore Foss, the executive committee of the center met very infrequently, “even less than once a year”.<sup>405</sup> In addition, they also expressed their concerns that the Chinese government would play a significant role in determining what is taught about China at UC through the CIUC’s presence.<sup>406</sup>

The debates above not only reflected the discrepancy on the procedure of establishing a new institute, but also the related faculty members’ overlook on the adversarial stakeholders even against the background of the petitions in 2008. In other words, the related faculty members did not take the existence of adversarial stakeholders inside the campus into account. Instead, the supportive attitude of the administration on the institute encouraged them to promote the CIUC on their own schedule without being sensitive to other possible adversarial stakeholders.

Even so, these arguments did not change the administration’s support for the CIUC. On June 4th, the President and the Provost had a meeting with representatives of the CORES, during which the CI came under discussion. “Messrs. Zimmer and Rosenbaum acknowledged their lack of information on this matter and expressed bewilderment and regret at how this had happened.”<sup>407</sup> According to Professor Bruce Lincoln, “the administration acknowledged that they had not given sufficiently serious consideration to the issue when the contract was signed and they agreed to revisit the question when the contract expired.”<sup>408</sup> But the President and the Provost still insisted

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<sup>404</sup> “Cores/Admin Meeting-June 4”, [https://uchicagocores.wordpress.com/debate/june4\\_minutes/](https://uchicagocores.wordpress.com/debate/june4_minutes/), accessed on December 20<sup>th</sup> 2014.

<sup>405</sup> Marshall Sahlins, “China U”, *The Nation*, November 18, 2013, pp. 36-43

<sup>406</sup> “Cores/Admin Meeting-June 4”, [https://uchicagocores.wordpress.com/debate/june4\\_minutes/](https://uchicagocores.wordpress.com/debate/june4_minutes/), accessed on December 20<sup>th</sup> 2014.

<sup>407</sup> “Cores/Admin Meeting-June 4”, [https://uchicagocores.wordpress.com/debate/june4\\_minutes/](https://uchicagocores.wordpress.com/debate/june4_minutes/), accessed on December 20<sup>th</sup> 2014.

<sup>408</sup> The Email Interviews with Bruce Lincoln in April 2015.



that CIUC had followed the standard tradition of establishing a new institute and they should respect the related faculty members who proposed to establish the CIUC. The CORES made a record for the meeting as the followings:

“There had been consultation, with those faculty members whose research is most immediately focused on China and consultation of this sort – i.e., with select faculty groups most concerned with a project – has been the standard practice. Projects normally do not originate with administration, but rather with interested faculty, as in the case of the Molecular Engineering initiative, for example.”<sup>409</sup>

The administration stated their determinations to defend the standard process of establishing institute or distributed authority system, even though they agreed to hold meeting with the opponents. So, it seems that the first petition had no influence on the operation of CIUC, as same as the MFI/MFIRE issues. And there were not any external influencing factor—the influences from Hanban. There were not public materials to prove that Hanban had intervened in the dealing with the opponents. Or, the host university and the directors did not share too much information with them.

The administration of the UC showed its identification with the market value of the CIUC. And it also sent a signal to the operator of the CIUC that the CIUC could survive as long as they could get supported by the administration. Thus they easily went to the extreme way to come round the administration while neglecting the other stakeholders even some related professor in the CEAS

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<sup>409</sup> “Cores/Admin Meeting-June 4”, [https://uchicagocores.wordpress.com/debate/june4\\_minutes/](https://uchicagocores.wordpress.com/debate/june4_minutes/), accessed on December 20<sup>th</sup> 2014.

who supported the CIUC at the very beginning.

## **8.5 The Petition against the CIUC and Stakeholder Communication in 2014**

Despite the positive communication initiated by the administration, the operator of the CIUC, some related faculty members, did not seriously take the communication with other related faculty members who were not involved in the operation of the CIUC into account. Consequently, most of the related faculty members lacked the incentives to defend the CIUC. In addition, the improper handling of the news coverage of Hanban narrowed the maneuvering space of the administration and made them to close the CIUC.

After the establishment, the operator of the CIUC focused on enhancing the relationships with the administration of the UC. Through the establishment of the UC Beijing Center in October 2010, four month later than the CIUC, the UC increased its presence in China. It conformed to the interest of the UC administration. In 2013, the UC also held the Forum of Chinese and American University President and invited the Chinese vice Prime Minister Liu Yandong to attend the forum. In the administration's view, this forum provided a golden chance for them to build relationships with famous Chinese academic institutions and even with the Chinese top leaders. The CIUC's director, Professor Yang Dali seemed to play an important role in organizing this forum.

However, the operators of the CIUC neglected the other stakeholders, some related faculty members who were not involved in the operation of the CIUC. They did not expand the common interest perception even among the related faculty members. Consequently, most of the related

faculty members of the CIUC did not benefit from the CIUC. According to *Annual Report 2012-2013 of CIUC*, only two of the total eight projects were related with the members of the Committee of China Studies, CEAS, and there were another two projects being conducted with Director Yang Dali while the other four projects were conducted by professors from other Chinese institutions.<sup>410</sup> Moreover, the grants to research students provided by the CIUC only took little proportion of the total grants provided by the CEAS.<sup>411</sup> Just as the former vice director of the CEAS, Theodore Foss, has put it, “thank goodness we have money for the CEAS”; so, the CEAS “can do what they want to do without the restraints” from the CIUC.<sup>412</sup> The related faculty members’ low dependence on the CIUC inevitably led to their low expectations on the CIUC and low incentives to defend the CIUC in face of petitions.

Just as mentioned before, in December 2013, the CAUT issued their petitions against the CIs expressing their concerns on the CIs and calling for the universities to review the CI contract. The adversarial environment also affected the UC especially when the CIUC contract entered its final year in 2014. To impose more pressures to the administration of the UC, the opponents mobilized other professors again and put forward their petition with 108 signatures.

In April 2014, 108 professors signed a petition to the President and the Provost to ask the Council of the Senate to terminate the contract with the Confucius Institutes.<sup>413</sup> Compared with the

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<sup>410</sup> CIUC, *Annual Report 2012-2013 of CIUC*, pp.2-9.

<sup>411</sup> Grants and Fellowships, <https://ceas.uchicago.edu/page/grants-and-fellowships>, accessed on January 10<sup>th</sup>, 2015.

<sup>412</sup> Marshall Sahlins, “China U.”, *The Nation*, November 18, 2013, pp. 36-43

<sup>413</sup> “Petition to the Committee of the Council”,

[https://www.google.com.hk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&ved=0CCUQFjAB&url=https%3A%2F%2Fwww.insidehighered.com%2Fsites%2Fdefault%2Fserver\\_files%2Ffiles%2FChicago%2520Petition%2520re%2520Confucius%2520Institute%2520%25282%2529.docx&ei=5WXTVKTuG-G8mgWKl4GICQ&usg=AFQjCNGqrwdjt8DWBrcXFY\\_jGt39fEck2g](https://www.google.com.hk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&ved=0CCUQFjAB&url=https%3A%2F%2Fwww.insidehighered.com%2Fsites%2Fdefault%2Fserver_files%2Ffiles%2FChicago%2520Petition%2520re%2520Confucius%2520Institute%2520%25282%2529.docx&ei=5WXTVKTuG-G8mgWKl4GICQ&usg=AFQjCNGqrwdjt8DWBrcXFY_jGt39fEck2g), accessed on January 10<sup>th</sup> 2015.

petition in 2010, this petition mainly expressed their concerns on the CIs' official background and the subsequent interference on the academic freedom of the UC.<sup>414</sup> They thought the CIUC had influences on the Chinese language curriculum and had controlled the hiring or training of the language teachers. In addition, they were concerned that the UC had been involved in Hanban's global project that was contrary in many respects to its own academic values.

As same as the petition in 2008 and 2010, the opponents couldn't provide substantial evidences to support their charges. The then-vice director of the CEAS, Theodore Foss confessed that "there hasn't been any direct interference".<sup>415</sup> Even the opponents Professor Sahlins had to admit that "the direct evidence of restraints on academic discourse is not easy to come by".<sup>416</sup> Compared with the petition in 2008 and 2010, the opponents didn't mention the imbalance distribution for the donation funds. This fact can indicate that the funds provided by Hanban were not important for the UC.

The closure of the CI at McMaster University in 2013 and the following statement of the CAUT in December 2013 provoked the wide public attention on the CIs. The petition in the UC followed this trend and soon became a hot topic in the U.S. The extensive news coverage helped us to take an insight into the issue.

For some operators of the CIUC who had benefited from the CIUC, they had abundant incentives to defend the CIUC. The former Director of the Department of East Asian Languages and Civilization (EALC) Professor Shaughnessy said that the EALC was "fully responsible for all Chinese language teaching that goes on campus".<sup>417</sup> He also said "the department interviews the

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<sup>414</sup> Ibid.

<sup>415</sup> Marshall Sahlins, "China U.", *The Nation*, November 18, 2013, pp. 36-43

<sup>416</sup> Ibid.

<sup>417</sup> Elizabeth Redden, "Rejecting Confucius Funding",

visiting instructor candidates proposed by Hanban and then votes on their appointments. The instructors teach courses under the auspices of the department”.<sup>418</sup> Director of the CIUC Yang Dali denied that the CIUC had affected the research topics of the UC’s professors. Instead, the CIUC has “instituted processes to be sure that the research agenda is led by our faculty.”<sup>419</sup> “A faculty committee vets the research proposals, and while a budget listing the selected projects is sent to Hanban for approval,” and “in all cases the projects selected by the faculty committee have been funded.”<sup>420</sup> Yang Dali also gave comments on the hiring issues. The university faculty had the right to reject nominated Confucius Institute instructors and prevent them from being hired, but the petition stated that that right had not been exercised.<sup>421</sup>

Compared with the protests in 2008 and 2010, Hanban began to show its presence. The General Director of Hanban, Xu Lin, wrote a letter to the University’s dean and called the University’s representative in Beijing. She told them that “if your University decides not to quit, I will not object.”<sup>422</sup> According to the news coverage, “her attitude worried the University authorities, and they quickly responded that they still planned to continue the contract.”<sup>423</sup> This answer indicated that the administration did not change its attitude toward the CIUC, instead, the administration

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<https://www.insidehighered.com/news/2014/04/29/chicago-faculty-object-their-campus-confucius-institute><https://www.insidehighered.com/news/2014/04/29/chicago-faculty-object-their-campus-confucius-institute>, accessed on December 20<sup>th</sup> 2014.

<sup>418</sup> Ibid.

<sup>419</sup> Ibid.

<sup>420</sup> Ibid.

<sup>421</sup> Harini Jaganathan and [Alice Xiao](#), “Confucius Institute protested by faculty”, <http://chicagomaroon.com/2014/05/02/confucius-insitute-protested-by-faculty/>, accessed on January 10<sup>th</sup> 2015.

<sup>422</sup> “Wenhua de Kunjing Zaiyu Buzhibujue---Dujia Duihua Guojia Hanban Zhuren, Kongzi Xueyuan Zongganshi Xu Lin” [The Difficulty of Culture Lies in a Lack of Consciousness: the Exclusive Interview with Xu Lin, the Director of Hanban], *Jiefang Daily*, September 19, 2014.

<sup>423</sup> Ibid.

would like to simultaneously proceed the evaluation of the CIUC, the discussion with the CIUC faculty members and the negotiation with Hanban.<sup>424</sup> It is safe to say the primary interest of the administration of the UC did not change at that time.

The increasingly serious social environment for the CIUC reminded the administration of the UC of its commitment to engage more consultations with the adversarial stakeholders when the CI contract needed to be re-negotiated. In February 2014, a three-member committee aiming to evaluate the renewable of Confucius Institute agreement was established by the Board of the CIUC on behalf of the Provost. The three members, anthropology professor Judith Farquhar, history professor Ken Pomeranz, and East Asian languages and civilizations professor Judith Zeitlin, are all from the China Study Committee of the CEAS, and first two of them are the members of Academic Board of the CIUC. These three professors are all related faculty members of the CIUC, or important stakeholders of the CIUC.

In May 2014, the three-member committee submitted the recommendation report to the Faculty Council meetings.<sup>425</sup> Due to the low involvement, some related faculty members began to change their attitudes to the CIUC and such changes could be reflected in the report submitted by the committee above.

The report first denied the charge that UC had lost the control of the CIUC. “We found no reason to share the concern that U of C had lost control of its language program to an outside entity,” the committee members wrote, “nothing that they had confidence in both the sources from which

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<sup>424</sup> [Elizabeth Redden](https://www.insidehighered.com/news/2014/04/29/chicago-faculty-object-their-campus-confucius-institute), “Rejecting Confucius Funding”, <https://www.insidehighered.com/news/2014/04/29/chicago-faculty-object-their-campus-confucius-institute>, accessed on December 20<sup>th</sup> 2014.

<sup>425</sup> Raymond Fang, “Confucius Institute Board Defends Campus Presence”, *Chicago Maroon*, June 3<sup>rd</sup> 2014.

the instructors are drawn and in their training and supervision once they arrived on campus”.<sup>426</sup>

However, the report describes a high administrative and supervisory burden on the EALC department in regards to the visiting instructors and concludes that “a permanently renewable and adequately large group of locally hired, trained, and supervised Chinese language instructors would be preferable to these temporary, ‘outsourced’ teachers.”<sup>427</sup> The outsourced instructor “is often more trouble than it is worth”.<sup>428</sup>

To response to the petition, especially the concerns on sacrificing academic freedom, the report suggested to renew the agreement “but only if some serious changes are made”.<sup>429</sup> Among the most significant of the changes the committee proposed: “making explicit that Hanban does not have a line item veto over the Confucius Institute’s annual budget requests and replacing the three instructors hired through the Confucius Institute and Hanban with instructors hired by the East Asian languages department.”<sup>430</sup>

Obviously, the related faculty members of the CIUC paid great attention on the pressure or burden resulted from the petitions. And that meant the primary interest of the related faculty members began to change.

It was not strange that the committee suggested replace the Chinese language instructors, because they had mentioned the ‘extra burden’ in the report. However, there were not any contents

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<sup>426</sup> Elizabeth Redden, “Confucius Controversies”, <https://www.insidehighered.com/news/2014/07/24/debate-renews-over-confucius-institutes>, accessed on December 20<sup>th</sup> 2014.

<sup>427</sup> Ibid.

<sup>428</sup> Ibid.

<sup>429</sup> Ibid.

<sup>430</sup> Elizabeth Redden, “Confucius Controversies”, <https://www.insidehighered.com/news/2014/07/24/debate-renews-over-confucius-institutes>, accessed on December 20<sup>th</sup> 2014.

about the annual budget in the report.<sup>431</sup> Therefore, it seemed that this suggestion was designed to ease the concerns of the opponents, by showing the complete independence of the CIUC.

The beneficiaries were inclined to defend the CIUC for they still viewed the market value of the CIUC as primary interest. While the other related faculty members who had little or no benefit from the CIUC preferred to view the CIUC as a burden. In other words, some related faculty members of the CIUC did not recognize the market value of the CIUC. Instead, they took their social reputation as primary interest. This trend began to be clearer in the discussion on the report among the related faculty members.

The opinion of the related faculty members became more divergent when they discussed the committee report. Professor Martha Roth, Dean of the Humanities, who also served as the chief representative of the administration on the CIUC board, refused to admit any problems.<sup>432</sup> The chair of the committee, Professor Judith Farquhar, “backed away from the recommendation on language teaching”. She said that “the committee report is the committee’s report. I personally don’t see any particular problems with continuing to accept teachers from Hanban, with or without a CI agreement covering appointment.”<sup>433</sup> However, the other two members of the committee “reaffirmed what had been written”.<sup>434</sup>

I can’t get the direct responses from the above faculty members. But according to Professor Bruce Lincoln’s communication with Professor Farquhar, he sensed that “Dean Roth leaned on

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<sup>431</sup> The Email Interviews with Elizabeth Redden in April 2015.

<sup>432</sup> The Email Interviews with Bruce Lincoln in April 2015.

<sup>433</sup> [Elizabeth Redden](https://www.insidehighered.com/news/2014/07/24/debate-renews-over-confucius-institutes), “Confucius Controversies”, <https://www.insidehighered.com/news/2014/07/24/debate-renews-over-confucius-institutes>, accessed on December 20<sup>th</sup> 2014.

<sup>434</sup> The Email Interviews with Bruce Lincoln in April 2015.



Professor Farquahar rather hard to modify the criticisms in the report”, and “Professor Farquahar moved closer to the administration’s position just as articulated by Dean Roth”.<sup>435</sup> In other words, the CIUC board accepted the report and would submit it to the Provost. According to the UC’s tradition, the President and the Provost should respect the opinion of the related faculty members. So, the recommendation report seemed “to balance support and criticism and were seeking middle ground between the assertions of critics and the desires of the administration”.<sup>436</sup> According to this comment from Bruce Lincoln, the administration of the UC was inclined to renew the agreement. The administration initiated the committee not only to prevent from being accused of ill-communication,<sup>437</sup> but also to try to balance the different interest pursuit of the related faculty members and the opponents.

It seemed that the administration of the UC successfully balanced the related faculty members and the opponents of the CIUC once again. This reflected the consistent position of the administration of the UC, namely cherishing its social reputation while not abandoning the market value of the market. In other words, the administration of the UC had been trying to pursue its primary interest on the market value of the CIUC while maintaining its secondary interest on its social reputation.

Therefore, in May 2014, it became a consensus that the UC would continue the CI contract with Hanban. According to *Chicago Maroon*, “the University is likely to follow the recommendation” to renew the contract.<sup>438</sup> And in June, the *University of Chicago Magazine* made

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<sup>435</sup> Ibid.

<sup>436</sup> Ibid.

<sup>437</sup> Ibid.

<sup>438</sup> Eleanor Hyu, “O-Issue 2014: While you were out”,

the Editorial as followings:

“As this issue went to press, no decision had been announced regarding the renewal of the Confucius Institute’s contract, but the University affirmed that the faculty is responsible for all academic programs, saying, “Authority for making these academic decisions is widely distributed. A key part of the culture, history, and processes of the University are that faculty need to be free to pursue research, collaborate on research, recommend faculty appointments, and decide on academic aspects of implementation of educational programs without the oversight of the faculty from outside their areas. Two faculty committees reaffirmed this position in 2012.”<sup>439</sup>

At that time, even the opponents held pessimistic prediction for the future of the petition. Bruce Lincoln admitted that although he hoped to terminate the CIUC, it seemed impossible.<sup>440</sup> Lincoln said that “I’d prefer to see the whole thing terminated- and I don’t think that’s likely”.<sup>441</sup> He also admitted that the final closure of the CIUC was “a pleasant surprise” in the email interview with me in April 2015.<sup>442</sup>

Anyway, at that time, the administration of the UC and the related faculty members of the CIUC had reached consensus on conditionally renewable agreement. Their roles in this case were

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<http://chicagomaroon.com/2014/09/25/o-issue-2014-while-you-were-out/>, accessed on January 10<sup>th</sup> 2015.

<sup>439</sup> *The University of Chicago Magazine*, July-Aug 2014, Vol.106, No.6.

<sup>440</sup> Elizabeth Redden, “Confucius Controversies”,  
<https://www.insidehighered.com/news/2014/07/24/debate-renews-over-confucius-institutes>, accessed on December 20<sup>th</sup> 2014.

<sup>441</sup> Elizabeth Redden, “Confucius Controversies”,  
<https://www.insidehighered.com/news/2014/07/24/debate-renews-over-confucius-institutes>, accessed on December 20<sup>th</sup> 2014.

<sup>442</sup> The Email Interview with Bruce Lincoln on April 30<sup>th</sup> 2015.

almost as same as what the administration and the related faculty members of the MFI/MFIRE had done in 2008 and 2010. The CIUC board had communicated with the opponents and paid attention to their voices, and then tried to ease opposition by showing the independence of the CIUC. According to the UC's tradition and comments in the campus at time, the administration of the UC had accepted the recommendation submitted by the CIUC board.

However, Hanban's inappropriate handling with the media reversed the trend. At that time, Hanban's presence began to show, and the course was reversed after the news coverage about the exclusive interview with Xu Lin became public. The news coverage made the communication between Xu Lin and the University of Chicago public.

After the petition in April 2014, Xu wrote a letter to University of Chicago and called University's representatives in Beijing. She told them that "if your university decides not to renew the contract, I will not object."<sup>443</sup> To complicate matters even further, the article also said "her attitude worried the University's authorities, and they quickly responded that they would planned to renew the agreement."<sup>444</sup>

Three reasons can be helpful to explain Xu Lin's anger on the administration of the UC and the director Yang Dali. First, from the perspective of Hanban, it would be confused why there were still petitions at the UC where Hanban had provided more grants than any other CIs? Second, during the operation, Hanban might have been used to the report that the CIUC did not encounter any

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<sup>443</sup> "Wenhua de Kunjing Zaiyu Buzhibujue---Dujia Duihua Guojia Hanban Zhuren, Kongzi Xueyuan Zongganshi Xu Lin" [The Difficulty of Culture Lies in a Lack of Consciousness: the Exclusive Interview with Xu Lin, the Director of Hanban], *Jiefang Daily*, September 19, 2014.

<sup>444</sup> "Wenhua de Kunjing Zaiyu Buzhibujue---Dujia Duihua Guojia Hanban Zhuren, Kongzi Xueyuan Zongganshi Xu Lin" [The Difficulty of Culture Lies in a Lack of Consciousness: the Exclusive Interview with Xu Lin, the Director of Hanban], *Jiefang Daily*, September 19, 2014.

opposition inside the campus. However, Hanban had to directly and suddenly face the seemingly dramatic changes at that time. Third, from the perspective of personality, Xu Lin had been a tough fighter against any accusation on the CIs.

Due to the attention on the market value of the CIUC, the administration of the UC promised to keep the CIUC in April and tried its best to balance the related faculty members and the opponents. However, the publication of the originally secret communication in such way changed its stances. The administration of the UC had to take the its social reputation as their primary interest.

In spite of favoring the funds or channels with China from the cooperation with Hanban, the administration of the host universities still pay attention to their reputation. They are alert of being described as China`s propaganda tool.<sup>445</sup> However, even foreigner can read the sense of challenging in the report mentioned above. If the UC announced to renew the agreement with Hanban after this article, they must be perceived to yield to Hanban`s pressure for the sake of the funds. If so, the charge of corporatization seemed to be confirmed. Subsequently, the reputation of the UC could be undermined too. In another words, the UC`s concerns on its reputation was increasing because of Hanban`s influences.

According to a spokesman of the UC, after the article public, the administration consulted with the related faculty members of the CIUC, and then made the decision to close the CIUC.<sup>446</sup> On September 25th, Chicago University announced the statement as followings:

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<sup>445</sup> Amy Stambach, *Confucius and Crisis in American Universities: Culture, Capital and Diplomacy in US Public Higher Education*, Routledge, 2014, pp. 72-75.

<sup>446</sup> [Christine Schmidt](#), "University to end partnership with Confucius Institute", Chicago Maroon, September 30<sup>th</sup> 2014.

“Since 2009 the University of Chicago and Hanban have worked in partnership to develop the CIUC, which has benefited research on China and collaboration between the University of Chicago and academic institutions in China. The University and Hanban have engaged in several months of good faith efforts and steady progress toward a new agreement. However, recently published comments about UChicago in an article about the director-general of Hanban are incompatible with a continued equal partnership.”<sup>447</sup>

So far, I can't get the replies from the administration of the UC. Based on the materials available, there are two possible reasons why the confidential negotiation failed:

First, Hanban couldn't accept the terms asking Hanban to cancel a line item veto over the annual budget requests of the CIUC. Many practitioners have stated that Hanban had approved almost all of their budget requests, and the budget review serves as symbolic procedure. But that does not mean Hanban could give up, because Hanban take it as “the symbol of the sovereignty”.<sup>448</sup>

Second, Hanban and the UC really made a steady progress for a new agreement, but the influences from Hanban really affected the administration of the UC. For the opinion differences existing among the related faculty members of the CIUC, the administration was able to persuade them and reached the consensus to close the CIUC.

In my opinion, the second one is more likely. First, Hanban really appreciates the presence in prestigious universities, so Hanban was likely to make compromises to maintain the CIUC.

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<sup>447</sup> “Statement on the Confucius Institute at the University of Chicago”, <http://news.uchicago.edu/article/2014/09/25/statement-confucius-institute-university-chicago#sthash.7FSu8T8Q.dpuf>, accessed on November 30<sup>th</sup> 2014.

<sup>448</sup> The Interview with a Chinese CIs director who once worked in U.S, in March 2015.

Considering the sensitive time for renewing the agreement, Xu Lin`s communication with the administration of the UC and Director Yang Dali was really out of ordinary, because Hanban usually provides principal guidance to the CIs and does not involve in the practices.<sup>449</sup> Furthermore, there is a precedent for giving up the rights for approving annual budget. At Stanford University, Hanban provides endowment to Confucius Institutes at Stanford University without supervising the annual budget and appointing a Chinese director.<sup>450</sup>

Second, it was not in favor of Hanban`s interests if Hanban made an unsuccessful case public, considering the 10<sup>th</sup> anniversary meeting would be held on September 28th 2014, just nine days after the news was published. In addition, September was a very sensitive time. Because “the five-year contract which expires in September 2014, will be automatically renewed for another five years unless either party notifies the other of intent to terminate at least 90 days before the agreement`s end”.<sup>451</sup> In another words, the final decision must be made before the end of the September 2014. Therefore, the exclusive interview seems to be a chance for Xu Lin to publicize the achievements of Confucius Institutes and the case of the CIUC may be taken as a successful example.

But the administration of the UC had a different perception for this article. The indication that the tough negotiator Xu Lin got what she wanted through tough negotiating style irked the administration of the UC.<sup>452</sup> Obviously, for the University of Chicago, this is not compatible with

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<sup>449</sup> The Interview with a Chinese CIs director who once worked in U.S, in March 2015.

<sup>450</sup> The Email Interviews with Richard Saller who is the director of Confucius Institute at Stanford University, in September 2015.

<sup>451</sup> [Elizabeth Redden](http://www.insidehighered.com/news/2014/04/29/chicago-faculty-object-their-campus-confucius-institute), “Rejecting Confucius Funding”, [https://www.insidehighered.com/news/2014/04/29/chicago-faculty-object-their-campus-confucius-institute](http://www.insidehighered.com/news/2014/04/29/chicago-faculty-object-their-campus-confucius-institute), accessed on December 20<sup>th</sup> 2014.

<sup>452</sup> [Christine Schmidt](http://www.insidehighered.com/news/2014/04/29/chicago-faculty-object-their-campus-confucius-institute), “University to end partnership with Confucius Institute”, Chicago Maroon, September 30<sup>th</sup> 2014.

the equal partnership and would undoubtedly undermine its social reputation.

I am not sure whether the comment reflect Hanban`s real intention, and there may be some mistaken understandings. On September 26th 2014, the vice Director of Hanban, Hu Zhiping gave a response in an email to a Hongkong media, saying that “Hanban expresses its regrets at the University of Chicago`s decision which was taken before the true factors of matter were established.”<sup>453</sup> This email seemed to indicate that the article was the self interpretation of the journalist. After all, the comment appeared in the part of reporter`s notes rather than the part of Questions & Answers. But no matter whether that was Xu Lin`s original intention, the article seemed to affect the attitude of the administration of the UC. Then, the administration consulted with the related faculty members of the CIUC and decided to close the CIUC in a week after the article was published. To some extent, closing the CIUC would be “the university`s face-saving way”.<sup>454</sup>

## 8.6 Sub Conclusion

This chapter reviewed the stakeholder communications inside the UC to analyze why the CIUC was closed while the MFI survived.

The administration of the UC has been encouraging the related faculty members to explore the market value of a new institute. They followed the so-called “distribution authority system” to support the related faculty members. According this tradition, any research institutes inside the UC

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<sup>453</sup> Didi Kirsten Tatlow, “University of Chicago`s Relations with Confucius Institute Sour”, [http://sinosphere.blogs.nytimes.com/2014/09/26/university-of-chicagos-relations-with-confucius-institute-sour/?\\_r=0](http://sinosphere.blogs.nytimes.com/2014/09/26/university-of-chicagos-relations-with-confucius-institute-sour/?_r=0), accessed on December 20<sup>th</sup> 2014.

<sup>454</sup> “Confucius Institutes: About Face”, <http://www.economists.com/blogs/analects/2014/09/confucius-institutes>, accessed on December 20<sup>th</sup> 2014.

were initiated and operated by the related faculty members. This system was believed by the administration to assure the diversity of the academic research and was recognized by most of the professors. It is safe to say that a new institute would survive as long as the administration and the related faculty members shared same stance.

Meanwhile, the opponents were against this tradition in the name of defending the social reputation of the UC. They formulated an organization, CORES, to pressure the administration to cast a full faculty vote to replace the existing tradition. This determines that the opponents could only impose influences to the operation of a new institute through pressing the administration. Thus, the administration of the UC became the hub of the stakeholder communication.

In the case of MFI/MFIRE, the administration of the UC and the related faculty members converged on the market value of the MFI/MFIRE at the very beginning. The adversarial imposed pressures to the administration by arguing that the MFI/MFIRE would undermine the social reputation of the UC. Although the administration insisted on the market value of the MFI/MFIRE, it had to deal with the adversarial stakeholders. The administration of the UC and the related faculty members kept positive communication with the adversarial stakeholders when encountered petition. They properly showed their flexibility to calm the petition inside the campus. Finally, the administration of the UC successfully balanced the interest pursuits of the related faculty members and the opponents, and maintained their convergence on the market value of the MFI/MFRE.

With regard to the case of the CIUC, the related faculty members did not take the adversarial stakeholders inside the UC into account even there had already been a petition against the MFI/MFIRE in 2008. The CIUC encountered petition after the announcement of its establishment.



Due to the support of the administration of the UC, the CIUC was not affected by the petition in 2010. However, this survival sent the related faculty members a message that the CIUC would survive as long as they could get support from the administration of the UC. Consequently, they neglected to communicate with other stakeholders inside the UC, such as the adversarial stakeholders and even most of the related faculty members. Few operators tried to strengthen the ties between the UC and the Chinese institutions to consolidate the administration's perception on the market value of the CIUC. But most of the related faculty members of the CIUC did not shared such perception. When encountered the petition in 2014, most of the faculty members changed their attitude on the CIUC and began to view their social reputation as the primary interest. The increasing adversarial environment also made the administration of the UC felt the pressure on its social reputation. To defend the market value of the CIUC, the administration initiated a committee to collect advices. In essence, this action aimed to balance the interest pursuits of the related faculty members and the opponents. Despite the discrepancy, the related faculty members finally achieved consensus on conditional renewable CI agreement. And it seemed that the administration of the UC had accepted this proposal. At that time, even the opponents held pessimistic prediction on the future of the petition.

However, the poor communication between Hanban and the administration of the UC led to the divergence of their perceptions on the CIUC. The news coverage of the exclusive interview with Xu Lin reversed the situation. Although the administration of the UC had been emphasizing the market value of the CIUC, they also paid attention on their social reputation. But Hanban's inappropriate handling of media reports made the efforts of the administration of the UC to balance

the market value and the social reputation failed. The administration of the UC had to defend their social reputation while abandoning the market value of the CIUC.

## Chapter 9 Conclusions

Compared with other international language institutes, such as British Council, Francise Alliance and the Goethe Institute, the CIs encountered more adversarial environments. Different from these institutes, the CIs have much closer engagement with local stakeholders and directly depend on the host universities. The CIs program is a social relationship platform connecting multiple Chinese and overseas stakeholders. We could not make precise analysis on the reasons why some CIs were closed without taking insight into the interactions or communications among these stakeholders. In this paper, 6 case studies are provided to analyze the dynamic of the stakeholder interest and their communications, by introducing the stakeholder theory. The aim of this paper is to explain why different CIs in similar adversarial environments had totally different endings.

After the analysis on the 6 selected case studies, this research argues that the fact of stakeholder communications lagging behind the change of interest plays a decisive role in determining the establishment and the survival of the CIs. The following explanations would provide us some further understandings of the basic argument above:

(1). An individual program of the public diplomacy in the adversarial environment would undermine the overall performances of the public diplomacy of the initiating countries. Therefore, the survival of an individual public diplomacy program in the adversarial environment should not be neglected.

Some scholars argue that the failed CIs takes a very proportion of the total number of CIs and

the negative consequences of the closure of some cases should not be exaggerated.<sup>455</sup> However, this research reminds us that the survival of the CIs in the adversarial environment would wield positive effects while the closure of some CIs has undermined China's efforts to improve its international image.

For example, after establishment in the adversarial political environment, the Ritsumeikan CI played a positive role when China expressed the hope to improve bilateral relations between China and Japan by providing stage for Chinese politicians to communicate with Japanese publics. The survival of the NSWED CI improved the negative image of the local publics on the CIs and stopped the negative social atmosphere against China from spreading, to some extent. On the contrary, the closure of some CIs did intensify the negative social atmosphere against China. Some Critics attacked China's human rights and information censorship with the CIs as seemingly hard evidences. The involvement of some main stream media, such as New York Times, and the US Senate did deepen the existing social concerns on the CIs and China. Objectively, all these counterproductive effects did violate China's original intention on improving foreign public sentiment and its international image.

(2). The route how the adversarial environment affect the public diplomacy is as following: the adversarial environment would change the hierarchy of the stakeholder interests and then highlight the role of the stakeholder communications in maintaining the converging primary interest. The converging primary interest of the Chinese and overseas stakeholders would begin to diverge, if the stakeholder communication could not match up the pace with their interest dynamics,

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<sup>455</sup> I have heard this opinion for many times at some academic meetings in China.

thus leading to the closure of the CIs. On the contrary, the positive stakeholder communication would be helpful in keeping the primary interest converging, thus guaranteeing the survival of the CIs.

The adversarial environment would force the host university to put more attention on their social reputation while decreasing their attention on the market value of the CIs. The primary and secondary interest of the overseas stakeholders would be affected and even changeable in the adversarial environment. Under such circumstances, the stakeholder communications, especially the communication between the host universities and the adversarial stakeholders, would be highlighted in the survival of the CIs.

Specifically, the positive communications between the host universities and the adversarial stakeholders would help to win the supports from the other stakeholders who are not involved in the operation of the CIs, thus improving the adversarial environment and consolidating the existing primary interest of the host universities on the market value of the CIs. By contrast, the negative communication between the host universities and the adversarial stakeholders would make the social environment more serious. Consequently, the host universities had to change their primacy on defending their social reputation by abandoning their original primary interest on the market value of the CIs. The CI at NSWED and the TDSB CI provide the different pictures of different stakeholder communication in same adversarial environment. The positive communication with the adversarial stakeholders conducted by the NSWED, not only diluted the petitions, but also won supports from other stakeholders by transferring the adversarial stakeholders into “monitor”. However, the poor communication between the TDSB and the adversarial stakeholders made the

social environment deteriorated and forced the some stakeholders who supported the CIs program withdrew their supports.

Therefore, the converging primary interest of the Chinese and overseas stakeholders would begin to diverge, if the stakeholder communication could not match up the pace with their interest dynamics, thus leading to the closure of the CIs. On the contrary, the positive stakeholder communication would be helpful in keeping the primary interest converging, thus guaranteeing the survival of the CIs.

However, it is common for us to witness the inactive communication between the CIs and other stakeholders of the CIs. Sometimes, the CIs and Hanban even rejected the symposiums held by the neutral organization just as in the case of *Chinafile* symposium in the Chapter 1. Actually, it had lost a chance to increase the understandings of other stakeholders on the CIs. The more effective stakeholder communication can only be realized among the stakeholders sharing the similar primary interest on the market value of the CIs<sup>456</sup>. In other words, the establishment and development of the CI are based on the converging primary stakeholder interest among the Chinese and overseas stakeholders.

(3). The practice of public diplomacy should be started from indentifying qualified foreign partners with high positivity. The more effective stakeholder communication can only be realized among the stakeholders sharing the similar primary interest. In other words, the establishment and development of the CI are based on the converging primary stakeholder interest among the Chinese

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<sup>456</sup> More detailed information for the market value of the CIs has been provided in Chapter 2.

and overseas stakeholders. Therefore, the first step for the stakeholder communication is to identify the qualified overseas stakeholders who shared higher primary interest on the market value of the CIs.

Specifically, a stakeholder may have multiple interest pursuit simultaneously but categorizes them into primary interest and secondary interest. The cooperation would be easier to be realized if the primary interest of the Chinese and overseas stakeholder converged on the market value of the CIs. The stakeholder communication could only be helpful in fulfilling the cooperation if the primary interest of the host university takes more positions in the decision of the host university than the secondary interest on its social reputation. Otherwise, the role of stakeholder communication in fostering the establishment and the development of the CIs is very limited.

In the case of Japan, most of Japanese stakeholders gave priority to their social reputation rather than the market value of the CIs and directly rejected the proposal. With regard to Ritsumeikan University, despite the secondary interest on its social reputation, its higher primary interest on the market value of the CIs provided more maneuvering space for the stakeholder communication. Through flexible communication, the Chinese stakeholder successfully reached consensus on the establishment of the Ritsumeikan CI and consolidated the cooperation. In the case of CI-AUF in Philippines, the higher primary interest of the host university made it positively seek for communication and cooperation with other local stakeholders such as the education department. The CI-AUF finally promoted the Chinese language education into the national education system of Philippines.

Therefore, the first step for the stakeholder communication is to identify the qualified overseas

stakeholders who shared higher primary interest on the market value of the CIs. However, this step seems to be easily forgotten or neglected by the Chinese stakeholders, both Hanban and the Chinese universities. In practice, the Chinese stakeholders are more focused on the increasing quantity of the CIs especially in the period of rapid expansion. They were so busy in dealing with the sharply increasing applications for the CIs that they spent little time on the survey of the partner candidate. This problem can also be reflected in the case of TDSB CI. The Chinese stakeholders, both Hanban and the Chinese institution, seem to be ignorant of the internal chaos of the TDSB due to the lack of duty intelligence. This mistake made the uncertainty to be rooted in from the very beginning

In addition, it is common that the strong government recommendation is playing a bigger role in identifying the qualification of the host university rather than the field survey of the host universities conducted by Hanban or Chinese university. Some Chinese stakeholders even some official institutions rushed to promote the CIs as a political achievement without considering the concerns of the overseas stakeholders on the official background of the CIs. However, the strong recommendation from government level actually provoked counterproductive effect among the overseas stakeholders. Therefore, it would be wiser for the Chinese government to refrain from showing more presence in the CIs program.

(4). There are two main problems for China`s official agencies in promoting public diplomacy.

First, they always neglect the condition of the overseas stakeholder when make communication with domestic stakeholders. The poor stakeholder communication between the host universities and Hanban would also lead to mutual discrepancy on the primary interest and the



closure of the CIs. It would be wiser for the Chinese stakeholder to take the condition of the overseas stakeholder into consideration when make domestic communication.

The poor stakeholder communication between the host universities and Hanban would also lead to mutual discrepancy on the primary interest and the closure of the CIs.

On one hand, just as mentioned before, the adversarial environment would increase the host universities' concerns on their social reputation, but that does not mean that they would immediately abandon the market value of the CIs. After communicating with the adversarial stakeholders, the host universities are possible to seek for communication with the Chinese stakeholders with the expectation to review the agreement to ease the social concerns.

On the other hand, the increasing adversarial environment would also make Hanban change its primary interest on the CIs. Actually, Hanban began to pay more attention on increasing the quality of the CIs after the rapid expansion. In face of the adversarial environment, Hanban put its primacy on the global network of the CIs rather than the survival of an individual CI. The following reasons can be helpful to explain this change. First, Hanban would receive similar requests from other CIs all around the world if it accepts an individual request for revising the agreement. The whole CIs system would be challenged, and the global network of the CIs would be exposed to great risks. Second, the continuous counter strike from other Chinese agencies against the criticisms showed the tough attitude of the Chinese government. And Hanban had no choice but to stand along with the Chinese government who is the most important stakeholder of Hanban. Third, Hanban has to stop the negative news coverage about the CIs from spreading and affecting other CIs. Based on the reasons above, it is natural for Hanban to reject the requests for revising the agreement. Hanban has

to close an individual CI in controversy after thinking through its lose and gains just as the case of the CI at McMaster University.

Sometimes, the inappropriate communication between the Chinese stakeholder would be possible to affect the communication between Chinese and overseas stakeholder. In the case of CIUC, Hanban aimed to publicize its achievements to the Chinese social publics by the interview of Xu Lin, however, the news coverage was thought to undermine the reputation of the UC. The administration of the UC immediately responded by closing the CIUC to maintain their social reputation, despite their lasting efforts on renewable negotiation. Therefore, it would be wiser for the Chinese stakeholder to take the condition of the overseas stakeholder into consideration when make domestic communication.

Second, they have been used to putting emphasis on some key stakeholders, such as the administration of the host university, while neglecting other stakeholders, such as the faculty members of the CIs inside the host university. It is still widely believed that the administration of the host university dominates the CIs in China. While the role of the faculty members inside the host university is easily to be neglected. Therefore, it is necessary to make full communications with more stakeholders such as the faculty members, rather than focusing on the administration of the host university alone.

In the case of the CIUC, the operator of the CIUC highlighted the communication with the administration of the UC while neglecting the communication with some faculty members who were not involved in the CIUC. Consequently, they lacked the incentives to defend the CIUC in face of adversarial environment.

Therefore, it is necessary to make full communications with more stakeholders such as the faculty members, rather than focusing on the administration of the host university alone.

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