

Hungarian–Chinese Tourism Diplomacy from the Perspective of Chinese Outbound Tourism

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1. Introduction

Tourism and travel are the most important cultural and economic exchange between countries, and they have also become one of the largest industries around the world today. International tourism is a multimillion-dollar industry that involves billions of people moving around the globe, therefore more and more countries are interested to develop their tourism diplomacy to show the most appealing side of their countries and to get a bigger share of this huge industry and, in addition, to utilize the positive side effects of tourism in other fields of their economy.

Hungary also has to be ready for this new kind of diplomacy and should put efforts into building good diplomatic relations in tourism with leading countries in this field, such as China. China has now become the largest outbound tourism market and the biggest spender on travel abroad, which made a lot of countries compete in attracting more Chinese tourists.

The study briefly introduces the past and current characteristics of the Hungarian–Chinese tourism relationship, then presents the result of the research on the Hungarian–Chinese tourism diplomacy in the perspective of the rapidly increasing Chinese outbound tourism. Finally, it makes suggestions how to improve tourism diplomacy strategy in the context of Hungary's relations to China in order to enhance competitiveness and make the Hungarian–Chinese tourism diplomacy a win-win cooperation.

2. Tourism and Diplomacy

Today tourism has become one of the biggest industries in the world, and it has also become one of the most important instruments of the diplomatic toolbox of international relations. The globalization process and developing tourism industry make the globe „smaller” and therefore the relations between two countries have also grown

closer. This chapter gives a short introduction to tourism from the perspective of diplomacy and the role of diplomacy in tourism, and finally sums up the concept of tourism diplomacy.

2.1. Tourism

There are numerous definitions for tourism, so the United Nations World Tourism Organization (UNWTO) created a common glossary of terms for tourism: "Tourism is a social, cultural and economic phenomenon which entails the movement of people to countries or places outside their usual environment for personal or business/professional purposes. These people are called visitors (which may be either tourists or excursionists; residents or non-residents) and tourism has to do with their activities, some of which imply tourism expenditure" (UNWTO, 2008).

As we can see from the above definition, tourism is a social, cultural and economic phenomenon, so the movement of travel, especially international tourism, has a big effect on the countries' foreign economic relations as well as on international relations and also influences the public diplomacy between two states.

The roots of tourism go back to the ancient times when commercial traveling and the religious pilgrimages were an important feature of the ancient peoples' life, so it has a long history of development.¹

¹ One of the biggest ancient tourist events was the Greek Olympic Games, which nowadays also plays a very important role in sports tourism and is a significant tool of diplomacy, too. Every country is competing for getting the right to organize the Olympic Games, which allows them to build the brand of their own countries, through which they can have access to more tourists and get a bigger piece of the cake of world tourism.

In the Roman Empire, due to the developed infrastructure, not only the commercial traveling but also visiting entertainments, festivals and cultural events became part of people's lives.

After the collapse of ancient empires in the 5th century, with the development of feudalism, the tourism was hindered for many centuries. Only landlords, priests had the possibility to travel. From the 15th century, with the beginning of the era of great discoveries, the conditions of tourism had slowly been modernized.

During the First Industrial Revolution in England, the foundations of the modern tourism were laid down. This is partly due to the modern and spreading forms of transportation, such as railways and steam engines, and partly due to changes in social conditions. Urbanization has formed the need for recreation in nature, trips, holidays, entertainment, and the development of the economy has created a source of income for traveling, while the reduction in working time has led to an increase in leisure time. All of this affected a growing number of tourists.

At the beginning of the 20th century, the motorization resulted in new vehicles such as cars and buses, which made traveling more convenient. During World War I and II the development of tourism halted, but after the wars, airplanes have brought big boost for the improvement of tourism. Ultimately, modern tourism was born.

High numbers of international travelers encouraged the governments to discuss the regulations on the field of tourism. The tourism also became the interest of world organizations. In 1963, the Rome Conference of the United Nations dealt with the international tourism for the first time, provided conceptual definitions and made recommendations for the development of world tourism.

In 1975, a professional world organization, the World Tourism Organization (WTO) was established, and since 2003, it has become part of the United Nations, called UNWTO. It consists of 153 government members and 350 associate members. The results of the work of the World Tourism Organization appear in the declarations of world conferences, in the accepted programs of general meetings and prominent world events.

The Manila Declaration adopted by WTO's World Tourism Conference in 1980 stated that the right to leisure and, in particular, the right to holidays and to freedom of travel and tourism were recognized as an aspect of the fulfillment of the human being by the Declaration of Human Rights. The themes of the twenty-five statements emphasized are: the social, economic and educational importance of tourism to hosts and visitors; the promotion of international understanding and cooperation brought about by tourism; the creation of employment and new areas of economic and cultural activity; and the role of tourism in promoting the new international economic order. The First Interparliamentary Conference on Tourism was held in The Hague, on April 10-14, 1989, the result of which was the Hague Declaration on Tourism and a set of specific recommendations. The declaration is seen as an instrument of international cooperation and rapprochement between people and as a factor of individual and collective development.

2.2. Diplomacy

According to the Encyclopedia Britannica (Freeman – Marks, n.d.), the word diplomacy is derived via French from the ancient Greek *diploma*—meaning “folded in two”—and the suffix *-ma*—meaning “object”.

The holder of the document had a privilege, usually the right to travel, and the term originates from the documents through which princes gave such benefits. Later it covered all official documents issued by chancelleries, especially those containing agreements between kings. Afterwards, diplomacy was connected to international relations, and the direct link to the documents disappeared. From the 18th century onwards, the French expression *diplomate* (equal to diplomat or diplomatist) referred to a person entitled to represent the state.

Within the foreign policy instruments diplomacy has the most dominant role. The goal of foreign policy is to promote the interest of the state based on geographic status, history, economic and geopolitical powers. Diplomacy aims to strengthen the state, the nation or the organization serving others by promoting the interests.

Diplomats play a major role in diplomacy but are not its only functionaries. They play the role of experts in conveying messages, adjusting relationships and settling disputes between states and nations. The words are their swords, the state or organization they represent is the backup for them. Diplomats support their rulers to understand the intentions and actions of foreigners and to develop strategies and tactics that influence the behavior of foreigners, especially foreign governments. To conclude, we can define diplomacy as the management of relationships between countries.

2.3. Tourism Diplomacy

In the United States (US) and the European countries, the expression for diplomatic activity for building the brand of the country does not exist. In Hungary and in China a similar term is in use for the management of tourism relations between two countries, this is tourism diplomacy. In the western countries, the expression of public diplomacy or people's diplomacy is a common term for this kind of diplomatic activities, however, this phrase covers a bigger field of diplomacy (Hall – Jenkins, 1995, p. 116).

Tourism diplomacy has become one of the most important elements of foreign policy, and every state is working on making their country much more attractive for other countries' outbound tourists. The governments are establishing tourism offices abroad and delegating tourism attachés to other states to win more tourists for their country. In my study, I would like to introduce tourism diplomacy through the example of the Hungarian–Chinese tourism diplomacy.

3. Hungarian and Chinese Tourism Diplomacy

3.1. Hungary's Tourism Diplomacy

At the beginning of the 20th century, international tourism in Hungary was minimal. At the end of the 1920s, however, the government recognized the importance of international tourism, so the Ministry of Trade of Hungary established the National Tourism Committee, and in 1935 the National Tourism Bureau was opened. Yet, World War II and the new regime coming afterwards made international tourism impossible until the 1960s.

The United Nations Conference on International Travel and Tourism held in Rome in 1963 gave a big impetus and support to international tourism, thanks to which international tourism "woke up" again also in Hungary. The government reopened the National Tourism Bureau and the Hungarian tourist service agencies were renewed as well. Until 1990 most foreign tourists in Hungary came from the Soviet Bloc.

From the '90s onwards, international tourism took a great boost. In 1994, the National Tourism Bureau was transformed into the National Tourism Service, and later it became the Hungarian Tourism LLC. In 1998, the position of Deputy State Secretary for Tourism was established by the Ministry of Economy to support the development of tourism industry. From 2002 to 2018, the supervision of tourism was going through a lot of ministries and several changes. The government created a system of tourism attachés for building tourism diplomacy around the world. In 2013, there were already 22 tourism attachés all around the world (Table 1) to build the country image abroad and attract more foreigners to come to Hungary for traveling.

Table 1

Hungarian tourism offices around the world

North America	Europe			Middle East	Far East
United States of America	Austria	France	Spain	Israel	Japan
	Benelux countries	Poland	Slovakia	Arabian region	China
	Czech Republic	Italy	Ukraine		Southeast Asia
	United Kingdom	Russia	Southern neighbor countries		
	Northern Europe and Baltic states	Romania	Germany: Berlin		
			Germany: Munich		

Source: Turizmus Online, 2016a.

In Hungary, by the 21st century, tourism has become one of the most important parts of the national economy; according to the data of the Hungarian Tourism Satellite Accounts, the tourism industry constitutes a big share of the Hungarian GDP (Table 2). The government of Hungary is working on a new concept for the tourism system and has chosen the Cabinet Office of the Prime Minister to supervise the development.

Table 2

Tourism's direct and indirect contribution to GDP in Hungary

	2010	2011	2012	2013	2014	2015	2016
Tourism's direct contribution to GDP	5.4%	5.6%	5.8%	6.1%	6.4%	6.5%	6.8%
Tourism's direct and indirect contribution to GDP	8.7%	9.0%	9.3%	9.6%	10.3%	10.3%	10.7%

Source: Hungarian Central Statistical Office, 2017.

By 2016, the concept of Hungarian tourism policy was successfully accepted by the Hungarian government, the Hungarian Tourism Agency was established, and a Tourism Diplomacy Department was created within the Ministry of Foreign Affairs and Trade (Turizmus Online, 2016a). These establishments represent the mission of tourism diplomacy, however at the same time, they closed the foreign offices of the Tourism Agency, only the Chinese and Russian tourism attachés could continue the work because they originally belonged to the Ministry of Foreign Affairs and Trade (Turizmus Online, 2016b).

In the last few years and in the coming years the government has been making heavy investments for improving the country's tourism industry and to make the country more attractive for the tourists of other states. At the Tourism Summit 2017 Conference held in Budapest, the Prime Minister of Hungary announced that the government would invest EUR 2.7 billion in tourism and that it had accepted the National Tourism Development Strategy 2030 outlining the plan of actions for tourism development for the next 13 years. The strategy also set the target to increase the direct and indirect contribution of tourism to GDP from 10 to 16 percent.

The Prime Minister of Hungary also highlighted the main line of the tourism diplomacy strategy of Hungary: "together with the V4 [Visegrad Four], we have developed a joint marketing plan; and with this plan, together we can present ourselves on the markets of countries from which the largest numbers of people may be expected to visit our region. We are conducting joint Central European campaigns primarily in the United States, Latin America, Russia, former Soviet states, India, China, Southeast Asia and South Korea" (Kormany.hu, 2017).

3.2. China's Outbound Tourism and Tourism Diplomacy

In 1949, the People's Republic of China was formally established. In the past 70 years, the development of tourism industry can be divided into four periods (Liu, 1999, p. 54). From 1949 to 1983, leaving the country was not allowed to the people, only diplomats and members of government could go abroad to deal with another country's diplomacy. For the travels of diplomatic delegations, in 1954 the Chinese government established the China International Travel Service Limited, which is nowadays also one of the biggest tourism agencies. From 1983, the border was opened for Chinese people who had relatives in Hong Kong or Macao. In 1987, the Chinese government allowed the residents of Dandong city (in Liaoning Province) a one-day visit to the North Korean city, Sinuiju. With this permission, "border tourism", the visiting of neighboring countries under a very strict supervision (time, members, money etc.) started. Step by step, the government allowed "border tourism" for Heilongjiang, Inner Mongolia, Liaoning, Jilin, Xinjiang, Yunnan, Guangxi etc. to visit the neighboring countries like Russia, Mongolia, Vietnam etc. (Zhang, 2002, p. 410).

"Traveling abroad" can also be divided into two periods. Between 1988-1997 the Chinese were permitted to go abroad to visit relatives. First, in 1988, Thailand, then in 1992, Singapore, Malaysia and the Philippines became approved travel destinations. This was the beginning of outbound tourism for the Chinese.

The second period is from 1997 to nowadays. In 1997, the Chinese government announced the new law about managing the Chinese citizens' outbound tourism as the "Interim Measures for Chinese citizens to travel abroad at their own expense"². The Chinese government publishes the new list of the Approved Destination Status (ADS) countries every year. In 2003, Hungary and eight more countries got the ADS permission, and in 2004, other 35 countries were listed (Table 3). In addition, outbound tourism became easier and more convenient for the Chinese citizens, and as a result, from 2004 the Chinese outbound tourism has boomed (Figure 1) (Zhang – Lai, 2009).

It was mentioned by Wolfgang Georg Arlt in 2006 (p. 300) that China's foreign policy contained outbound tourism as a policy tool of the central government to strengthen the relations to the Chinese living overseas. Tourism was mainly used for the raising of Chinese national identity around the world for the benefit of the government of the People's Republic of China (PRC), as mentioned above, too. In his work, Arlt had a

² In original: „中国公民自费出国旅游管理暂行办法”.

closer examination of outbound tourism and stated that it was developed along the channels and roads established by overseas Chinese, and the central government made efforts to utilize outbound tourism for rebuilding the ties and connections of overseas Chinese to the mainland.

Ten years later, in 2015, the director of the Chinese Tourism Bureau announced the concept of "tourism diplomacy" (Zhao, 2015, p. 6). After the announcement, China started to organize and advertize several "Year of Tourism" programs in cooperation with other countries. Some of these events organized on this line were the Chinese–Korean, Chinese–Indian, Chinese–American, Chinese–Central and Eastern European (CEE) and Chinese–Mexican "Year of Tourism" programs held during 2015–2016. It marks the magnitude of the program series very well that Chinese government leaders attached high importance to these events, which were realized by high-level politicians who took part in the opening ceremonies of the "Year of Tourism" programs. Out of these it is outstanding that on January 17, 2017 even the president of the PRC, Xi Jinping participated in the opening of the Chinese–Swiss tourism year, and Prime Minister Li Keqiang attended the China–EU tourism year on June 2, 2017.

These events do not only contribute to the increase of the number of tourists, but they also improve political relations, facilitate trade and investment and cultural exchanges. In 2017, tourism diplomacy gained a significant emphasis within the core activities of the Ministry of Foreign Affairs (Mu, 2017, p. 12).

In 2018, on the sessions of the 13th National People's Congress, the Chinese government announced the merge of the Tourism Bureau with the Ministry of Culture, and as a result, the Ministry of Culture and Tourism of the People's Republic of China was created (Xinhua, 2018). Inbound and outbound tourism became an increasingly important industry in China. Nowadays, China is the largest country in outbound tourists ranking (CTA and Ctrip, 2018).

4. Hungarian–Chinese Tourism Diplomacy

In 1949, Hungary was one of the first countries which formally recognized the People's Republic of China. From the establishment of diplomatic relations between the two countries, they have had a strong cooperation in the fields of trade, investment, education, sport, culture, and also in tourism which became one of the most important areas of cooperation between Hungary and China.

Table 3

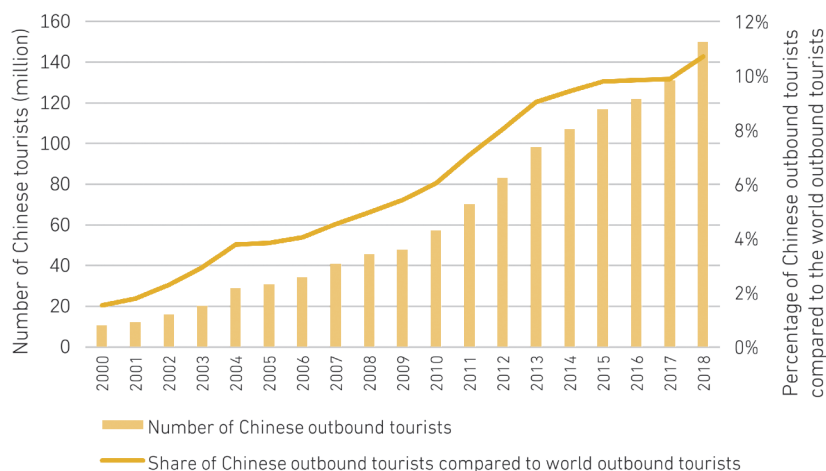
The Chinese list of the Approved Destination Status

Date of approval	Total number of countries	The new approved destinations
1988	1	Thailand
1992	4	Singapore, Malaysia, Philippines
1994	5	Russia
1995	6	Mongolia
1996	7	North Korea
1997	10	Kazakhstan, Kyrgyzstan, Tajikistan
1998	11	South Korea
1999	13	Australia, New Zealand
2000-2001	18	Japan, Vietnam, Cambodia, Myanmar, Brunei
2002	23	Nepal, Indonesia, Malta, Turkey, Egypt
2003	32	Hungary, Germany, Croatia, Sri Lanka, Maldives, India, South Africa, Cuba, Pakistan
2004	67
....		
2018	130	

Source: Ministry of Culture and Tourism of the People's Republic of China, 2018.³

Figure 1

The number of Chinese outbound tourists, 2000-2018



Source: China National Tourism Administration, 2019; UNWTO, 2019.

³ List of the ADS countries by the Ministry of Culture and Tourism of the People's Republic of China. [online] Available at: <http://zt.mct.gov.cn/cjyzl/gtl/201507/U020180724606008331724.jpg>

4.1. Tourism Relations between Hungary and China

The relations between Hungary and China has a long history, especially in the field of tourism.⁴ Formal diplomatic relations were established in the 20th century, in October 1949. From that date we can talk about formal tourism relations. In these past 70 years, the Hungarian–Chinese tourism relations can be divided into five stages (Table 4).

Table 4

Timeline of tourism diplomacy between Hungary and China

Term	Year	Introduction
1.	1949-1988	Most of the travelers were members of the government.
2.	1988-1992	Hungary opened the border for Chinese tourists, they could come to Hungary without visa. The visa-free entrance lasted for two years, then they restored the visa to control the number of tourists between the two countries. After the collapse of the Soviet Union in 1991, Hungary turned to the West.
3.	1992-2000	During this period Chinese tourism started to increase, parallel to the decline of Hungarian tourism due to the dissolution of the Soviet Union.
4.	2000-2010	In 2003, Hungary as the first East-Central European country received the Approved Destination Status (ADS) from China. In February 2004, the Budapest–Beijing flight was launched. In 2004, Hungary joined the EU, and 3 years later became a member of the Schengen countries, so for the Chinese tourists Hungary became a reachable destination. From 2007, high-level delegations held discussions about tourism cooperation between Hungary and China: in 2007, the Hungarian Prime Minister opened the Hungarian Cultural Year in China. In 2008, the Hungarian–Chinese Twin City meeting was held in Budapest.
5.	2010-nowadays	With the announcement of the Hungarian “Opening to the East” policy, the Chinese and Hungarian diplomatic relations grew closer and stronger. From 2010 onwards, Prime Ministerial level meetings were held between China and Hungary every year: in 2010, the Hungarian Prime Minister participated in the World EXPO Shanghai, in 2011, Wen Jiabao Prime Minister visited Hungary, from 2012 onwards, the China-CEE ⁵ Summit was held regularly, hosted by different countries, and in 2017, the summit was hosted by Hungary in Budapest. The Chinese National Tourism Administration opened its regional office in Budapest in March 2016. In 2019, the Budapest–Shanghai direct flight was launched.

Source: author’s own compilation.

⁴ In the 13-14th centuries, there were some Hungarians who traveled to China to discover the country and the roots of the Hungarian and the Hun nation, but already from the 18-19th century, a lot of famous Hungarian explorers, researchers or entrepreneurs went to China to study the culture, the geography as well as the history of the Middle Kingdom. For example, Sándor Kőrösi Csoma (1784-1842) philologist and orientalist went to Tibet and wrote the first Tibetan–English dictionary and grammar book; Lajos Lóczy (1849-1920) geologist and geographer with Béla Széchenyi (1837-1918), the son of the “Greatest Hungarian”, István Széchenyi, as well as Aurél Stein archeologist, etc. made a lot of successful expeditions to China, while at the same time they were something like diplomats between the two countries (Salát, 2009).

⁵ Albania, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Macedonia, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia.

In the first period, high-level delegations visited each other, and these meetings were reported also by the main media of the Chinese government, the People's Daily (Table 5). At the same time, however, the citizens of the two countries were not allowed to travel abroad.

Table 5

Official meetings between Hungary and China reported by the People's Daily between 1949-1991

Date	Page	Title
September 27, 1954	1.	President Mao welcomed the delegation of the Hungarian government
January 17, 1956	4.	Vice President Zhu De visited Hungary
January 10, 1957	1.	Visit of Prime Minister Zhou to Hungary
October 21, 1958	6.	Prime Minister Zhou and Vice Prime Minister Chen Yi enjoyed the show of the Hungarian art delegation
May 1, 1959	1.	China and Hungary are brothers, leaders of the capital city of China warmly welcome the Hungarian delegation
November 13, 1978	4.	Vice Prime Minister Chen welcomed the Hungarian delegation
June 15, 1987	1.	Visit of Zhao Ziyang, the General Secretary of the Party in Hungary
March 8, 1991	6.	Qian Qichen, Minister of the Foreign Affairs during his visit in Hungary answered the journalist that he was very optimistic about the Chinese–Hungarian relations

Source: People's Daily archives, 1954, 1956, 1957, 1958, 1959, 1978, 1987, 1991.

After 1990, between the Hungarian and Chinese governments there were less diplomatic connections than before because of the changing of systems. However, later, from 2000 onwards, relations between the two countries became closer again. Hungary was one of the first countries to which the "Approved Destination Status" was given in 2003. In 2004, Hungary already had a direct flight to China. Hungary joined the Schengen area in 2007, and a lot of convenient flight infrastructure became available for Chinese tourists, though no increase in demand was observed since not many of them chose Hungary as a destination.

4.2. Chinese Outbound Tourism Trends in Hungary

In 2017, 5.5 million Chinese arrived in Europe, but most of the Chinese tourists chose Western Europe as destination, and only for the second or third time would they travel to the CEE region (Ctrip, 2018).

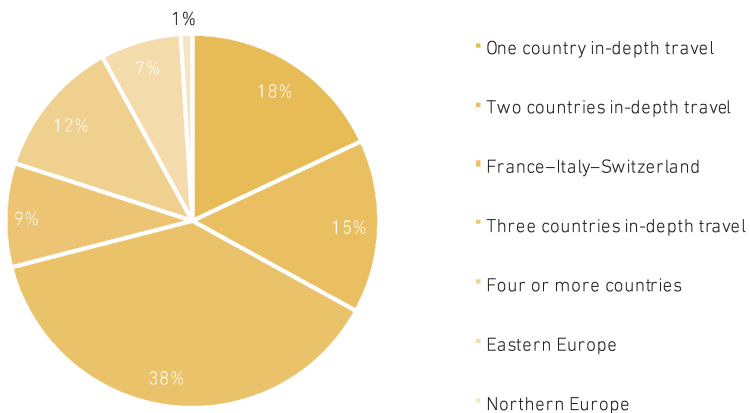
Today, the CEE region is becoming more and more attractive for Chinese tourists who had already visited Western European countries earlier, so in the coming years

an Eastern European tourism boom is to be expected with respect to Chinese outbound tourism. Between 2011 and 2016 there was an intense growth in the number of Chinese tourists visiting the CEE region, as from 500 travelers the number of tourists increased to 1.3 million, which means a 146.3 percent growth (The State Council of the People's Republic of China, 2017).

Due to the big distance, while traveling to Europe⁶, Chinese tourists usually prefer visiting 3-5 countries. Yearly, there are 5.5 million Chinese tourists visiting Europe, though actually a very small proportion of them decides to visit the CEE countries (Figure 2). Trips to Hungary are typically included in a visit of altogether 2-5 states (mostly Germany, Poland, the Czech Republic, Slovakia and Austria).

Figure 2

Division of destinations chosen by Chinese tourists



Source: Ctrip, 2018.

In Hungary, most of the Asian tourists, including the Chinese, primarily visit Budapest, only a small proportion decides to travel to the countryside as well (Table 6). According to the Hungarian Central Statistical Office (2019), in the last 8 years, year by year a continuously growing number of Asian tourists arrived in Budapest.

⁶ From China to Western Europe the direct flights are 11 hours long, indirect flights to Eastern Europe are about 16 hours.

Table 6

Division of various destinations of Asian tourists in Hungary between 2010-2018

Area/Year	2010	2011	2012	2013	2014	2015	2016	2017	2018
Budapest and Central Danube Region	90%	88.2%	91.7%	94.4%	92.8%	95.7%	98%	97%	99%
Budapest	87.7%	87.7%	90.3%	93%	91.7%	94.5%	97.3%	96%	98.7%
Central Danube Region	2.3%	0.5%	1.3%	1.4%	1.1%	1.2%	0.6%	1%	0.3%
Northern Great Plain	1.9%	4.3%	2.1%	2.9%	2.6%	1%	0.2%	0.5%	0.1%
Western Transdanubia	3.1%	3.4%	1.2%	0.3%	0.2%	0.1%	0.1%	1%	0.3%
Northern Hungary	0.9%	1.2%	1.9%	0.3%	0.2%	1%	0.4%	0.1%	0.1%
Lake Balaton	3.7%	1.7%	1.1%	0.4%	1.3%	0.7%	0.7%	0.2%	0.8%
Lake Tisza	0.3%	0.3%	-	0.0%	-	0.3%	0.1%	0.2%	-
Central Transdanubia	0.8%	0.6%	4%	0.4%	2.4%	1.8%	0.1%	0.2%	0.1%
Southern Great Plain	1.1%	1.8%	1.7%	1.1%	0.5%	1%	0.7%	1.1%	0.1%
Southern Transdanubia	3.3%	2.6%	1.6%	1.1%	1.4%	0.5%	1.1%	0.3%	-

Source: Hungarian Central Statistical Office, 2019.

Due to the 3-5 countries preferred as destinations during each trip, Chinese tourists are in a hurry at every sightseeing spot and attraction; this behavior is described even by them as “Get on the bus to sleep, get off the car to go to toilet, take pictures at the scenic spots, and go home without knowing anything”⁷. With the intention to change this phenomenon, the European states try to provide “in-depth travel” routes in order to win the Chinese travelers to spend more time and money in their own countries. Western Europe already has a big share of the Chinese “in-depth travel” tourists, but in the CEE countries the above-mentioned phenomenon is still usually observed.

Outbound Chinese tourists spend the most on shopping, which is followed by accommodation and dining (Table 7). In terms of average total annual spending, outbound Chinese tourism consumption has risen steadily. Chinese tourists visiting Europe also prefer shopping in local luxury shops, as European luxury products are cheaper than those of the same quality in China. Since in China there is a luxury tax imposed upon luxury products, the Chinese can apply for tax exemption.

Based on data provided by the China Tourism Academy’s (CTA) and Ctrip’s, the biggest Chinese travel agencies’ report (2018), Chinese outbound tourism is mainly influenced by three major factors, which are: the visa, the exchange rate and the available flights to a given country. Hungary is part of the Schengen area, so the visa procedure for those entering Hungary is the same as in any other Schengen country. There is a

⁷ In original: „上车睡觉, 下车尿尿, 到了景点拍拍照, 回家一问啥都不知道”.

difference only in how many consuls are involved in issuing visa and how fast the procedure is for the Chinese tourists.

Table 7

Top 3 travel expenses by Chinese and non-Chinese tourists

Chinese Tourists		Non-Chinese Tourists	
1. Shopping	25%	1. Accommodation	29%
2. Accommodation	19%	2. Dining	18%
3. Dining	16%	3. Shopping	15%

Source: Nielsen, 2018.

Regarding the exchange rate, the Chinese prefer to use only one foreign currency during their traveling, consequently for them Hungarian Forints might be inconvenient, since they have to exchange money several times while traveling in the region. At present, between China and Hungary there are only two direct flights from Beijing and from Shanghai to Budapest. This means that the Chinese tourists have to travel with transfer via other countries to reach Hungary. This is an additional inconvenience concerning Chinese traveling habits.

4.3. Hungary from the Perspective of China

Nevertheless, at the high-level government meetings there is a good relation between the two countries, although the citizens of Hungary and China do not have an in-depth knowledge about each other.

China had good relations with the CEE countries because of the similar political system. They call Hungary, the Czech Republic, Poland and other countries from this region "old friends". At the same time, despite of the new, digitalized and globalized world, the Chinese tourists do not know much about the Central and Eastern European countries. Instead, Chinese people prefer watching Hollywood movies, they are fans of the UK's and Germany's football teams and consume French wines, buy Swiss watches, etc.

In China, they know that Budapest is the capital city of Hungary, that Hungary was previously famous in football. Indeed, some Chinese have heard about Ferenc Puskás, the most popular Hungarian football player, and they also know Queen Sissi. However, they have not heard about Hungarian wines, thermal waters, and they do not know that the Rubik's cube is a Hungarian invention, just like the biro, the ballpoint pen, and they do not know any other city of Hungary except Budapest. They do not associate

Petőfi, the most famous Hungarian poet with Hungary, while they all know his poem *Freedom and Love* by heart. What is the reason for this?

In 2012, China became the world's top spender on shopping in outbound tourism and has remained so ever since. Tourism expenditure from China rose from USD 24 billion in 2006 (3 percent of the world's total) to USD 261 billion in 2016 (21 percent of the world's international tourism spending) (UNWTO, 2018). Thanks to these figures, European countries realized that it is worth fighting for Chinese tourists: the British Tourist Authority spent 1.6 million pounds to make Chinese signs at the most visited attractions and launched the „Welcome Chinese tourists” program, which provides guidelines for UK retail and tourism industry on how to serve Chinese tourists (Chinanews, 2015). In order to attract more Chinese visitors, the French government has introduced a lot of measures, for example they launched the mobile payment system and provided Chinese guides in every famous tourist area (Tourism Information Online, 2018). Germany tries to use the Chinese social media to attract more tourists from China (Wangyi Online, 2018). The European countries are competing for Chinese tourists, so every government is developing new tourism policies for the Chinese, for example by giving convenience services in the visa procedures (Chinanews, 2016). Following the Chinese social media trends, the UK, France and Italy are spending a huge number of financial sources to hire famous Chinese stars to be their tourism diplomats.

Besides the initiatives of the governments, after the reform period and opening in 1978, European multinational companies also entered the Chinese market and spent huge amounts of money on marketing their products. Ultimately, they indirectly supported their governments in building their country image.

In China there is no big Hungarian company present, and thus there is no famous brand building, which means the lack of marketing for Hungary in the Chinese market, therefore the Chinese people do not know much about Hungary. On the other hand, since Hungary is a small country—compared to China—Chinese people usually think in terms of Central and Eastern Europe, especially after establishing the 16+1 China–CEE cooperation.

4.4. Hungary's Tourism Diplomacy in China

From 2003, at the Embassy of Hungary in Beijing, there was only one tourism attaché who was responsible for the Europe-sized China. While there was only one tourism attaché, in 2004, the Consulate General of Hungary in Shanghai was reopened,

and in 2010, a new Consulate in Chongqing was established. Moreover, in 2013, the Hungarian Consulate in Hong Kong was reopened, which in fact also facilitated tourism diplomacy as they are providing visa services for the tourists, and the consuls are involved in building the country image via cultural events as well.

In the past years, several successful projects have been carried out, for instance, in November 2013, at the meeting of the Heads of Governments of China and Central and Eastern European countries in Bucharest, the Prime Ministers signed "*The Bucharest Guidelines for Cooperation between China and Central and Eastern European Countries*", whose VII/4. point specifies to "support the establishment of a China–CEEC association of tourism promotion agencies and businesses and welcome Chinese and CEEC tourism promotion agencies and businesses to join on a voluntary basis. Promotion events of Chinese and CEEC tourism products will continue to be held at the China International Travel Mart" (Xinhua News Agency, 2015).

In February 2014, the Hungarian Prime Minister, Viktor Orbán and his delegation arrived in China and signed several cooperation agreements, including the memorandum of understanding on setting up a joint tourism promotion organization with the Chinese State Tourism Office. The Hungarian and Chinese Prime Ministers agreed to establish and operate a Tourism Coordination Center in Budapest within the framework of the China–CEE partnership policy. The main objective of the Hungary-based tourism pillar is to present the Central and Eastern European region in a more efficient way, as a common destination, on the increasingly competitive Chinese tourism market (Ministry for National Economy, 2015).

On March 25–26, 2015, the China–CEE "Year of Tourism" was opened in Budapest, and the first China–CEE tourism ministers' meeting was held. Because of the high-level meetings and the tourism coordination, in 2015, the direct flight connection between Budapest and Beijing was restarted after three years rest. In order to achieve this, there were several meetings held at ministerial level. In 2016, the China National Tourism Administration established its CEE regional sub-office in Budapest.

In 2016, the Consul General of Hungary in Shanghai—following the trends of the Chinese film and tourism industry—met the Shanghai Municipal Administration of Culture and Tourism and the president of the biggest Chinese television company, the Shanghai Media Group (SMG) and had a discussion about filming one of the film-star reality shows in Hungary. SMG made the reality show in Hungary with 6 Chinese film stars who have 30–40 million fans, so the TV series made an indirect Hungarian advertisement targeting more than 100 million potential tourists.

In June 2019, the Shanghai–Budapest direct flight was launched, which was decided by the Prime Ministers and ministers of the two countries. Besides the above success, we can see that most of the tourism cooperation was led by high-level members of the governments. On the other hand, the cooperation in tourism, while it is very important in the Hungarian–Chinese tourism relations, is mostly of political nature, which means that it is not a brand building marketing for the Chinese tourists.

In 2018—as mentioned earlier—the Hungarian Tourism Agency closed the tourism offices abroad, so the tourism attaché position at the Beijing Embassy was also terminated. In China, now there is no tourism attaché or Hungarian tourism office.

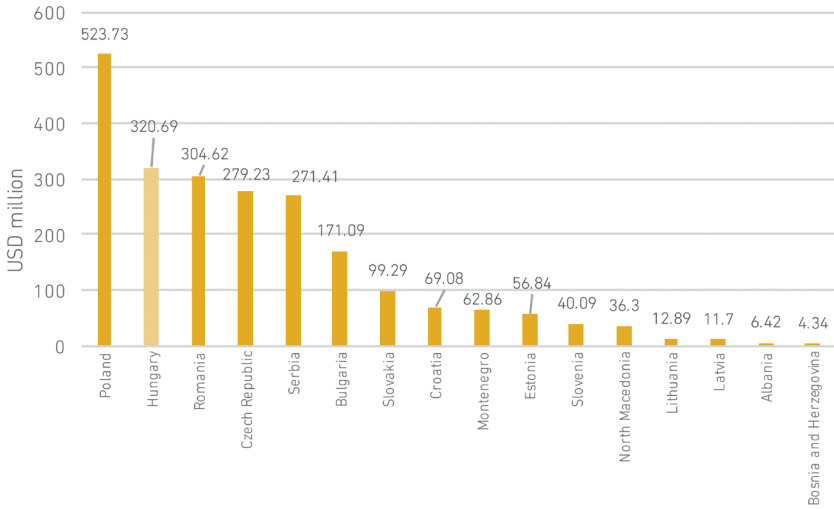
The Hungarian government announced the National Tourism Development Strategy 2030, and in this new strategy the Chinese outbound tourism is highlighted. The Hungarian government positions Chinese outbound tourism as a long-haul market, so in the strategy for the Chinese market the increase of the knowledge about Hungary gained priority. However, it is not elaborated what the next steps would be or how the tourism cooperation is planned to be further strengthened.

4.5. Comparing Hungary's and the V4 Countries' Diplomacy with China

The V4 countries are all participating in the 16+1 cooperation, so they all work together with China in the field of tourism. The V4 is playing an important role in the China–CEE 16+1 cooperation, not only in the context of investment and trade (Figures 3 and 4) but also in the touristic cooperation. The V4 countries are amongst the leading countries in the Central and Eastern European region.

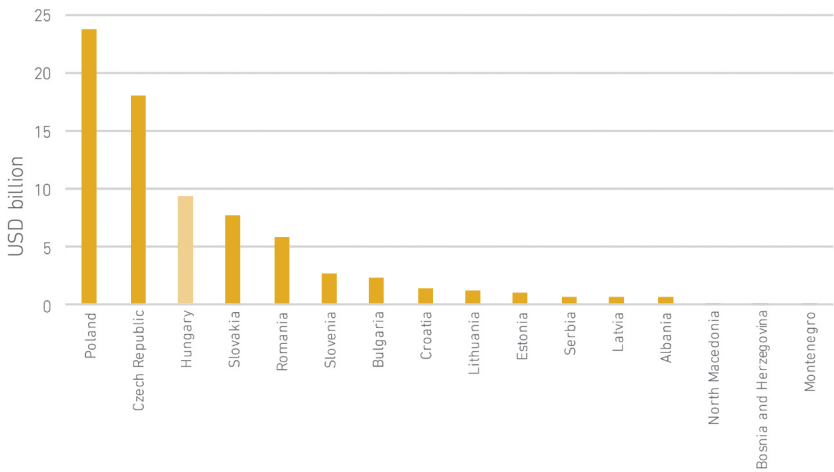
Comparing the Hungarian tourism diplomacy and the number of Chinese tourists with the V4 countries, we can say that Hungary is the second behind the Czech Republic. In China, the Czech Republic has two tourism offices besides the Consulates, one in Beijing and another in Shanghai. From Prague there are direct flights to five cities: Beijing, Shanghai, Chengdu, Shenzhen and Kunming. Furthermore, the Czech tourism office is utilizing the facilities provided by Chinese social media, such as WeChat or Weibo etc. The Chinese social media plays an increasingly active role. The Czech Republic invests a lot in promotion and marketing in the Chinese tourism market, and is following the trends of the Chinese media, social network and tourism. In 2018, the Czech Republic was the fourth on the list of Chinese outbound tourism destinations' "dark horses" (CTA and Ctrip, 2018); more than 600,000 Chinese tourists visited the country.

Figure 3
Chinese FDI stock in the CEE countries, 2018



Source: Ministry of Commerce of the People’s Republic of China, National Bureau of Statistics and the State Administration of Foreign Exchange, 2019.

Figure 4
Trade between China and the CEE countries, 2018



Source: Ministry of Commerce of the People’s Republic of China, Embassy of the People’s Republic of China in CEE countries, 2019.

Hungary welcomed 256,000 tourists from China in 2018. Poland also has its tourism office in Beijing, operates direct flights from Beijing to Warsaw and was visited by 150,000 Chinese tourists. Slovakia has neither tourism office nor direct flights, so only 61,000 Chinese tourists traveled to Slovakia.

Based on the statistics of the V4 countries, we can observe that the active tourism offices, direct flights and the role of social media are decisive in tourism diplomacy and in the tourism cooperation. This means that Hungary has still miles to go to implement the goals set out in its tourism strategy.

5. Conclusions for the Future

China is a centralized country, sometimes the value of the FDI or trade is decided by the government, so the level of tourism and its financial weight also depends on the leaders of the Party. According to Tony Tse's study on *"Chinese Outbound Tourism as a Form of Diplomacy"* (2013), the Chinese government uses tourism as a form of diplomatic influence, or soft power. China controls outbound tourism through the Approved Destination Status system. As mentioned above, Hungary was given the ADS already in 2003. The Chinese government also provides support to other countries by outbound tourism, while, at the same time, it is also used as a sanction.

In order to benefit from this process, destination markets not only need to "know consumer needs and wants", but they must also "understand the policy and politics" at play. As we have seen, most of the success of the Hungarian–Chinese tourism cooperation is not due to an increasing demand from the market side but is a result of the Chinese and Hungarian governments' decisions. Consequently, it is very important to have more and more high-level meetings dealing with tourism cooperation, especially in these years when the boom in the number of Chinese tourists is to be expected in our region.

To welcome more Chinese tourists in Hungary, there are some suggestions how to further develop the Hungarian tourism diplomacy with China:

- Though the tourism industry in China is an instrument of foreign diplomacy, and high-level meetings are necessary to develop the tourism relations, the establishment of tourism offices are essential to foster and maximize the efficiency of the results of high-level meetings. On the other hand, while doing business with China, meetings, dinners and close relations cannot be avoided, to the success of which

the tourism offices in big cities of China, with professional officers having in-depth knowledge of the Chinese culture and language, could greatly contribute.

- Launching more direct flights between Hungary and China is crucial in order to make traveling easier between the two countries. During the China–CEE meetings Hungary has already been appointed to be the coordinator for tourism, so Hungary should launch more direct flight connections to several Chinese cities.
- The Hungarian government should cooperate more with the China National Tourism Administration's Hungarian office.
- Hungarian Consulates would need more consuls to process the huge number of visa applicants, and thus make the access to Hungarian visa the fastest in the region. Today, a lot of tourists and tourist agencies in China prefer Western countries' consulates because they can get visa to the Schengen area faster and easier.
- There is certainly a need for following the most recent tourism trends such as film tourism, wedding tourism, sports tourism etc.
- The use of social media such as WeChat and Weibo also play a major role in attracting more tourists. In China there are 800 million net citizens (CINIC, 2018), which means that using social media tools in reaching target consumers is quite easy, and it does not need a huge investment.
- Being prepared for the boom of the Chinese tourists in Hungary will be decisive: placing Chinese signs at the popular spots and attractions, knowing the needs of the travelers, e.g. satisfying the Chinese habits, such as water heaters in the rooms because the Chinese like drinking hot water or Chinese tea, employing Chinese interpreters in luxury shops, etc.
- Offering WePay or Alipay can greatly contribute to making the travel more comfortable for the Chinese.

I believe that the above-mentioned eight suggestions could greatly contribute to increasing the number of Chinese tourists, and as a spillover effect it would indirectly make other industries develop as well. Consequently, this would result in a faster development of the Hungarian tourism industry. Obviously, these are just examples, would need a systematic approach and should be handled as a comprehensive program which needs the support of tourism diplomacy, especially in the tourism relations with China.

However, there are several other factors that might influence tourism trends. Factors that have very recently and suddenly appeared, such as the recent coronavirus pandemic in China and which—due to their unforeseen nature—cannot be easily controlled. China has made considerable efforts to prevent the spread of the new virus all over China and the world, for which the country has taken even self-sacrificing measures in economic terms. The Chinese government closed the tourism offices until the risk of the outbreak disappears. The pandemic has caused huge problems for the Chinese tourism industry and also for the tertiary sector. In the first half of 2020, the number of the Chinese outbound tourists will surely decrease compared to last year, and also a significant share of the inbound international tourism might turn to different destinations instead of China. According to the experience gained during the SARS epidemic in 2003, the tourism industry is expected to recover during the third or fourth quarter of 2020. Hence, currently China is not in the position to utilize its tourism diplomacy but will regain or reinforce its growing role in the tourism sector by the end of the year.

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New Thought for New Age – Confucius Discourse in the Geoeconomics and Geopolitics of PR China, Case Study Countries of the V4

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Ljiljana Stevic

1. Introduction

According to some researchers, China occupies a special position in the contemporary world. It does not seek any substantial conflict with the West, but it is also not striving for any excessive convergence with it (Kerr, 2010, p. 149). This paper shall begin with a thorough introduction and explanation of the Peaceful Development concept as one of the main concepts in Chinese foreign and domestic policy. At the very beginning, we will analyze the reasons that pushed China to introduce this concept. After that, our focus will be on how this concept influences, i.e. changes Chinese geopolitical and geoeconomic behavior within the international order. On the same level, we will examine whether this concept influences Chinese repositioning in global governance, with particular focus on the space covered by the Visegrad Four (V4) group of countries. In other words, it will be very useful to understand whether the V4 countries perceive China's development as an opportunity or challenge regarding their stability and sustainability. For China, it is of crucial importance to be domestically and internationally perceived as a legitimate and peaceful world superpower. Here we would like to accentuate some of the reasons for that perception. First, China has to be recognized as such a state if it wants to achieve the "Two Centenary" and "Chinese Dream". Thus, this perception has tremendous importance regarding the sustainability of Chinese economic development. As a third reason, we can underline the legitimacy of the Communist Party of China, which depends on improving the human quality of life. The fourth is the necessity to appease increasing nationalism amongst the Han population, which was reinforced after organizing the Olympic Games. Fifth, China is striving to be perceived as a benevolent and legitimate world superpower because its proactive behavior has been interpreted as an assertive re-evoking of Sino-centric world order structure, especially by Western states. Hence, peaceful development has tremendous importance in Chinese endeavors to present to the international community that Chinese development is not based on the traditional concept of power politics, although some scholars define Chinese behavior as assertive and aggressive when it comes to the issues such as the South China Sea or Xinjiang terrorist uproots, to name but two.

The Peaceful Development concept was introduced by the fourth generation of the Chinese Communist Party (CCP) run by former Chairman Hu Jintao. Some authors claim that this concept is a continuation of the previously perpetuated idea “to use theory to guide practice” (Yongnian – Tok, 2005, p. 7). During Chinese history, this interconnectedness between theory and practice within domestic and foreign policy, in both economy and security, was the main platform of leaning to one side (*yi bian dao*), theory of Three Worlds (*san ge shi jie*), and comprehensive power (*zonghe guoli*). However, it is yet to be seen which kind of theory guides the Peaceful Development concept.

After the introduction of a policy of “reforms and opening-up”, China succeeded in obtaining tremendous, but in many sectors questionable, economic leverage (Mitrović, 1995, 2012). Although many authors emphasize that Chinese development is not sustainable, its rise imposes the question not just about the future of Chinese society but about the future shape of the international community as well. In that context, the Peaceful Development concept was strategically much needed on both domestic and international levels, pointing out that economy and security are mutually inseparable. From the strategic point of view regarding the adoption of the Peaceful Development concept, Xi Jinping states the following: “taking the path of peaceful development is a strategic choice made by our party in accordance with the development trend of the times and the fundamental interests of our country. [...] we must strengthen thinking, strengthen strategic determination, better coordinate the two domestic and international situations [...] struggle for a peaceful environment, maintain and promote world peace through its own development, continuously improve China’s overall national strength” (People’s Network - China Communist Party News Network, 2013).

The first part will, in a detailed manner, tackle and explore why the Peaceful Development concept was introduced. Firstly, it was initiated as the concept of Peaceful Rise. After explaining the reasons that triggered the semantic change from Rise to Development, we will explore the role of the middle path within the concept. Furthermore, as the paper focuses on the relations between the V4 and China, we will demonstrate the changes that occurred amongst the V4 countries in their perception of China. Hungary, Poland, the Czech Republic, and Slovakia have multilayered identities. They are sovereign states, European Union member states, NATO member states, founders of the regional V4 platform of cooperation and participants of the China + 17 Central and Eastern European (“17+1”) framework of cooperation.¹ On each of these layers, V4 countries establish, change, jeopardize and enrich their

¹ This framework of cooperation was launched in 2012 in Warsaw.

relations with China. Decision to take a role in the “17+1” initiated and led by China is a confirmation that citizens and governments of V4 countries are willing to include the options for development offered by Chinese foreign reserves and overcapacities in steel, glass and cement industry, that can be used for constructing infrastructure facilities and improving the interconnectedness amongst states. On the other side, there is a question whether those states have the capacities to negotiate on an equal footing with China, who is a much stronger partner or challenger in terms of economy, military and diplomacy. Thus, is this new thought a middle path or a “charming trap” for V4 countries? The second part of the paper will focus on concrete projects that Confucius Institutes (CI) implement on the territories of the V4 states. That will be helpful to understand what kind of tools China uses within its foreign policy to improve its national image on the subregional V4 level as a part of the ambitious Chinese Belt and Road Initiative (BRI).

2. China's Peaceful Development and the V4's Middle Path

The fourth generation of communist leaders run by former Chinese chairman Hu Jintao introduced the Peaceful Development concept. Through a reform and opening-up policy, China became the second largest world economy, the biggest trading country and one of the largest global investors. It is a permanent member of the United Nations Security Council and in 2008 it organized spectacular Olympic Games. Keeping a low profile, official Chinese policy behavior introduced by Deng Xiaoping is about to become an anachronism because the geographical spectra of Chinese national interests are global. Globally presented national interests require the protection on the same level. Achieving the above-mentioned results, China became the most debatable phenomenon of the contemporary world order. By its strength, different set of norms and point of view on the same terminology, it offers many possibilities and challenges. After the Tiananmen incident, the collapse of the Soviet Union and the bombing of the Chinese embassy in Belgrade, the leadership of the CCP understood that it had to reconsider its perception of international security and economic development and the nexus that exists between them. In line with that, China recognized its vulnerability and the importance of becoming more proactive regarding the protection of national and overseas interests. This protection, that is, proactivity included the modernization of the army and demonstration of Chinese power projection capabilities. That raised many questions about the future of the world. With the aim to rebut misunderstandings and potential misleading of its development, China, firstly, introduced the Peaceful Rise concept. This concept was represented by Zheng Bijian on the 16th National Congress of the CCP (The Brookings Institution,

2005).² But becoming aware that the word “rise” triggers negative connotation due to the historic experiences—Germany and Japan—and former Sino-centric world order, Chinese officials introduced ostensible, semantic changes because China’s new international thinking remained, in crucial parts, intact (Popović, 2018). Namely, during Hu Jintao’s speech “*China’s Development as an Opportunity for Asia*” (2004) the word “rise” changed to the word “development”. Consequently, the focus just on semantic reason unobjectively simplifies perplexed reality and China’s objectives. In that context, we must take a wider picture of China’s international and domestic goals and its activities to make them feasible. Those goals could be separated into two main categories—economic and security, i.e. geoeconomic and geopolitical, which are mutually interconnected. This is also notable in official documents through which Chinese leadership and strategists underline the coordinated development of national defense and economy (Yao, 2011). In other words, as the global economy becomes more integrated—hence more interdependent—the state of a country’s economy and its relations with that of the others become a huge security question (Yongnian – Tok, 2005, p. 12).

For some authors, China uses the Peaceful Development concept as a tool for demonstrating its system of values, trying to explain hardly understandable political practice as its authenticity in harmony promotion (Popović, 2018, p. 15). From that point of view, the Peaceful Development concept is not just an ideological structure, rather it represents the operational and strategic concept in Chinese foreign policy. In that vein, this concept requires active relations between China and the international community, as a part of creating the atmosphere of mutual learning, that is, the atmosphere which presupposes complementary dichotomy. According to the Chinese side, this type of dichotomy is non-excluding in nature, and it is in the absolute contrast compared to the Hegelian dichotomy. It is, seemingly, based on Confucian “harmony in diversity” platform. According to some authors, this thinking advocates the benevolent acceptance of differences between individuals or entities without wavering from one’s own original standpoint (Yongnian – Tok, 2005, p. 6). At the same time, this concept cannot be taken for granted and only analyzed from a cultural point of view because there are no certain guarantees that Confucian inclusive rationalism will dominate Chinese foreign policy in the future, especially when Beijing officially launched BRI (Zhang, 2015). As this dichotomy is striving to synergize the ostensibly challenging points of view, we can presuppose that it absorbs both liberalism and realism as concepts of

² Indeed, Zheng Bijian’s inspiration for the concept arose during his official visit to the US in December 2002, where he reportedly experienced, first-hand, the pervasive discourse of “China Threat” and “China Collapse” theories in the United States (Yongnian – Tok, 2005, p. 6).

international relations. According to Feng Zhang (2015), liberalism is dominating in economic policy, whilst realism in security issues. Consequently, the biggest part of this concept represents *Zhongyong* (中央). According to Qin Yaqing (2014), *Zhongyong* represents the knowledge where (and when) to move ahead, to stop, and to step back. The *Zhongyong* dialectic is a Chinese way of thinking, a Chinese worldview and understanding of the world and the universe, and a Chinese principal behavioral norm (Qin, 2014, p. 287). From our point of view, as the *Zhongyong* dialectic is complementary in its essence that means that peace and conflict are inseparable processes. In other words, through this logic, China is demonstrating that in the process of its repositioning it will be a cooperater, but when it is necessary to protect its global interests or when it is provoked by some other states' geopolitical or geoeconomic ambitions, it will use the strategy of competition (Zhu, 2014). When it comes to the Chinese case, the conflict or the competition could be defined in terms of the "active defense principle" in protecting vital national interests.³ That kind of the Chinese attitude was confirmed in the speech "*Strengthen the Foundation for Pursuing Peaceful Development*" by Xi Jinping. Namely, the Chinese chairman stated the following: "We will continue to follow the path of peaceful development. However, we will never give up our legitimate rights and never sacrifice our core national interests. No foreign country should expect China to trade off with our core national interests, to swallow bitter fruit as a result of our core national interests being undermined, which include sovereignty, security, and development interests" (Anderlini, 2013). Hence, China will be assertive when its core interests are at stake. The question is whether the Chinese view on international affairs through the prism of complementary dichotomy is enough for Beijing to justify its assertive behavior in the Pacific region? At the same time, it is quite understandable and reasonable that one state protects its own interests, using the tools that are in accordance with conditions, national interests and selected strategies.

What does *Zhongyong* as a middle path represent for V4 countries? In which manner does this Chinese logic of "complementarity" affect their politics of balancing between West and East? From the Chinese side, this logic offers V4 countries the opportunities to cooperate with both China and the West. Following that way of perception, V4 countries are offered the opportunity to create the "gateway" or "bridgehead" position for Chinese strategies towards the "Old Continent". This position is additionally reinforced by the fact that China, at least on a formal level, does not impose any kind of political

³ The three core national interests of the People's Republic of China, according to former State Secretary Dai Binguo (2011), are the preservation of the state system and leadership of the Chinese Communist Party (CCP), the territorial integrity and national sovereignty, and the sustainable development of the economy and society.

and economic conditions. As was noted by Mitrović (2014, p. 26) cooperation with China is, unlike with major Western powers, on an equal footing, with neither subordinating treatment nor humiliating preconditioning. From our point of view, “free-values diplomacy” could be regarded as one of the initial sparks, as to why the V4 implemented a more open and proactive perception of China as a new source for accelerating its economic development and boosting geopolitical position within the EU. Additionally, the V4’s decision was reinforced by the fact that the EU is still troubled by Eurozone debt, migrant, social, security and ethical crises. This is followed by crises of the EU (non-) unified position. Having in mind, firstly, practical reasons, V4 states, Hungary, Poland, Slovakia, and the Czech Republic decided to be participants within the “17+1” framework of cooperation. In other words, their governments strive to create a suitable environment for making benefits and overcoming the challenges which stem from geopolitical competition between the EU and China that can jeopardize further economic development of the V4 group of countries. As the V4 states are not the main creators of the foreign and security policy of the EU, this geopolitical competition is limiting the possibilities for cooperation because the EU and China pursue different practices, culture and procedures in business areas. Furthermore, the EU and China emphasize different interpretations of the same terminology which is coherent to their economic policy, political systems, geopolitical goals, and tradition (Poggetti, 2019). The EU as a whole, which was not invited to participate within the “17+1”, must protect its sphere of influence as a “shaper” of geopolitical balance of power and geoeconomic distribution of wealth. The obvious examples of the EU protectionism are represented by the Belgrade–Budapest high-speed railway, and more recently by Huawei (Zhong, 2019). Besides that, Germany as the most powerful EU economy must protect its interests amongst the V4 countries, where it has opened many factories and created what the International Monetary Fund identified as a “German–Central European Supply Chain Cluster”. Germany uses those factories to produce goods and then to re-export them on the Chinese vibrant market (Šebeňa, 2018).

Choosing to participate within the “17+1” framework of cooperation, the V4 states adopt a still carefully positive, and in many aspects, passive political perception of China. Every state of the V4 group of countries signed a Memorandum of Understanding on promoting the Silk Road Economic Belt and the 21st Century Maritime Silk Road. Besides that, V4 countries adopted diverse strategies in communication with China, which are influenced by their domestic and international goals and by China given possibilities and/or challenges. For example, Poland is the only V4 state which is a founding member of the Asia Infrastructure Investment Bank (AIIB) led by China. Furthermore, Poland in 2012 adopted the official “Go China” policy.

Hungary is even more active. Budapest in 2010 officially adopted, after their famous “NO” to the International Monetary Fund, the Opening to the East policy. The Czech Republic within the official document “*Concept of the Czech Republic’s Foreign Policy*” mentioned China just as a part of Asia Pacific and advocates exerting more pressure on China regarding Tibet and human rights issues (Ministry of Foreign Affairs of the Czech Republic, 2015). Slovakia is even more suspicious and cautious regarding China. A look into major documents on Slovak foreign policy reveals an interesting feature—more recent documents seem to pay less attention to China than somewhat older documents. For instance, the recent mid-term strategy for foreign policy until 2015 does not mention China (or Asia in general) at all, and instead, the document presents a rather “traditional” European and Atlantic approach. The declaration on foreign policy direction for the year 2014 mentions the EU–China strategic partnership, proposes the possible development of relations with China in the V4 platform and mentions the possibility of utilizing Chinese economic potential. A similar document from 2013 mentions also vaguely the goal of “intensifying economic cooperation” with China, and in 2012 a document tells of “supporting of Slovak exports” to newly emerging markets (Kugiel, 2016, p. 36).

As we previously said, the V4 cooperation with China for the most part is inspired by pure economic reasons and overcoming the consequences of the global economic and financial crises. Following this logic, V4 countries are looking for new investors and trading partners, and this is exactly what China has offered (Terazi – Şenel, 2012). In line with that, during the last few years, the V4 has been developing the global dimension of their foreign policy and exploring economic opportunities in non-European markets. The financial and economic crisis in the EU, coupled with the strong growth in emerging economies, has made the diversification of exports a more attractive option than before. However, cooperation with distant, culturally diverse and much larger partners is not always easy and comes with new opportunities and challenges (Kugiel, 2016, p. 7). Although China emerged as their important trading partner, the V4 countries, such as Hungary, record a tremendous deficit in trading with China. According to data offered by Trading Economics (2019) and United Nations COMTRADE (2019), in 2018, Hungary’s import from China reached a value of US\$6.38 billion, whilst Hungarian exports to China were about US\$2.37 billion. When it comes to investments the situation is not much better. Chinese investments in the V4 are on a very low level when compared to Chinese investments in Western Europe. Although between China and the V4 countries there exist favorable political relations, and V4 countries have resources in terms of cheap, educated labor, investments are lacking, particularly the greenfield type of

investments.⁴ During 2017, the top five European destinations for Chinese investments were the UK (42.2 percent), Germany (20.6 percent), France (12.4 percent), Italy (13.7 percent) and the Netherlands (9 percent) (Hanemann – Huotari, 2018).

Officially, Beijing on its side accentuates that each V4 state is a gateway between China and the EU. Thus, China with each of the V4 states signed diverse strategic or some other type of partnership. Beijing declares that each V4 member state possesses the crucial gateway position, firstly between China and the EU, and lately within the BRI. China's approach determines the strategies of the "European 17", and according to many scholars, competition amongst V4 countries (Mitrović, 2014). At the same time, we have to be very careful that the germ of European internal competition does not only lay in Chinese geopolitical and geoeconomic behavior. It also has fertile soil in insurmountable different interests towards China. Gabriela Pleschová (2015, p. 26) noticed the same issue stating that the major challenge, however, remains the same both for the CEE and the EU platforms: how can they overcome the differences in the member states' interests in relations with China, when member states often choose to act more like competitors than partners?

3. V4 Perception of China's Geopolitical and Geoeconomic Soft Power

To what extent this rapprochement between China and V4 countries is based on China's soft power capacities and to what extent on China's growing economic power? To give a more precise answer, besides the economic and security issues which were analyzed in the previous part of the paper, we will mainly look at the aspect of education and cultural exchange. Unlike the Western European countries where

⁴ Richard Turcsányi, Tamás Matura and Rudolf Fürst (2014) accentuate diverse interests between the V4 and China, regarding the type of investments, sectors and procedures. According to these scholars, in the fields of FDI issues there is a fundamental contradiction between Chinese and Central European intentions. While China is mostly looking for infrastructure investment opportunities (preferably through governmental public procurements), most Central and Eastern European (CEE) countries are keen to attract greenfield investments in order to create jobs and industrial production. Central European EU member states can apply for non-refundable financial support for infrastructure development; therefore, Chinese loans are not attractive, while any attempts to pay off Chinese construction companies from European funds will possibly provoke political turbulence. Both sides are looking for something different, which is a fundamental problem (Turcsányi – Matura – Fürst, 2014, p. 133). The importance of infrastructural instead of greenfield investments is also accentuated by guidelines signed within the "17+1". Furthermore, competitiveness between V4 countries could be regarded as one of the reasons why there are no high Chinese investments. As it could be seen up to now from Chinese praxis, officially, Beijing wants more unified markets and behavior as it can more easily inject its overcapacity in many sectors and tremendous financial reserves. A united Europe is a stable and reliable partner for further Chinese economic development as it was during the past.

preconceived notions and expectations of China form an obstacle and make European audience less willing receivers, countries of the V4 are, in some aspects, trying to represent Chinese endeavors as an additional source to the EU (d'Hooghe, 2010).

Analyzing advantages and disadvantages of China, strategists and public policy makers of Beijing became aware that soft power is a missing aspect alongside economic, military, diplomatic and political power. Consequently, we will tackle the activities of cultural soft power which China implements amongst the V4 countries.

In the speech which Xi Jinping addressed to the 12th Group Study Session of the Politburo of the CCP Central Committee on December 30, 2013, amongst other aspects, he underlined that in order to enhance China's cultural soft power, four requirements must be stressed: "the need to build a solid foundation for the country's cultural soft power, the need to propagate contemporary Chinese values, the need to display the unique charm of the Chinese culture and the need to enhance international discourse power" (Qian, 2013). The proposed discourse system is built, as recommended by the Chinese president, "with the utmost care", introducing creative measures, telling the story of China, spreading Chinese values. In doing so, China is trying to rebut the doubts raised about its geopolitical and geoeconomic might and future intentions. This brings us back to the promoters of this discourse i.e. Confucius Institutes (CIs), think tanks, academia, sports competitions etc.

Regarding the relations between China and the V4 countries, involved stakeholders have been trying to bridge cultural, ideological, language, traditional, economic and political differences for a long time. In the 1950s, political partnerships between China, Czechoslovakia, Poland and Hungary resulted in founding a number of organizations that were to promote awareness about their distanced cultures. This way, the institutions such as the Hungarian–Chinese Friendship Society, the Polish–Chinese Friendship Society and the Czechoslovak–Chinese Friendship Society were established, at that time under state control. Today, only one of them—the Polish–Chinese Friendship Association—has been active in engaging the wider public. All other institutions that nowadays exist in Central Europe to promote knowledge about China and Chinese culture were only established after 1989 (Slobodník – Pleschová, 2016).

Our paper will focus on CIs (*Kong Zi Da Xue* – 孔子大学) as promoters and windows of China's world perception. Furthermore, CIs are in official service for Beijing's endeavors to develop its public and cultural diplomacy on both the international and regional level. During the Cultural Revolution of 1966-1976, Confucius teachings were seen as an obstacle to progress. Nowadays, through Confucius thoughts, Beijing is making an

effort to demonstrate that unification, harmony in diversity, equality, inclusivity are the basic concepts of Chinese perception of the world order. However, the revival and rebirth of Confucianism in contemporary Chinese society is a phenomenon provoking numerous discussions. Confucianism reappears as an attempt to overcome challenges both inside China and in the interactions with its neighbors and even further afield. A revival of Confucianism is seen as a strengthening of Chinese identity and as a symbol of a nation meeting globalization (Stevic, 2017). On the other side, the same rebirth has been perceived as China's charming attempt and tool to win hearts and minds for political purposes and to revitalize the Sino-centric world order (Ibid.).

Parallel to the process of the Chinese rising is the process of the increasing demand for learning the Chinese language and understanding its history and culture. To respond to this new trend, China started opening of the CI first as a pilot project in July 2004 in Uzbekistan, and then established the first CI in Seoul in November 2004. A total of 568 CIs and 1,076 Confucius Classrooms have been established in 142 countries and regions according to the Confucius Institute Headquarters. Furthermore, 135 CIs were set up in 51 countries along the Belt and Road. According to the official data available on the site of Hanban, there are 16 CIs in V4 countries. Beijing located 6 of them in Poland, 4 in Hungary, 3 in Slovakia and 2 in the Czech Republic (Hanban, 2019).

The CIs are under the control of Hanban, a state-owned agency for education—the Office of Chinese Language Council, which opens many questions regarding their scopes and methods of operating.⁵ CIs' work model is rather specific and it distinguishes CIs from other cultural institutes, i.e. British Council, Goethe Institute, Cervantes. Although they all promote language and culture, CIs rely on the local stakeholders, who not only provide advantages to craft projects and programs but are also helpful in terms of engagement with the local community (Stevic, 2017). The engagement of local stakeholders makes it easier to secure external funding from local businesses or the government.

Thus, CIs are typically created through a partnership between two academic institutions, one foreign (domestic/host country) and one Chinese. By doing that, China is attempting to internationalize domestic universities, to boost people-to-people

⁵ The Office of the Chinese Language Council International is governed by a group made up of members from state ministries and other organizations. These include the State Council, the Ministry of Education, the Ministry of Foreign Affairs, and the Ministry of Culture. The Confucius Institute Division is one part of Hanban, which also includes an Examinations Division, focusing on Chinese proficiency tests; a Teaching Quality and Evaluation Division, which concerns itself with Chinese language teaching materials; and a Communications Division, which handles international cooperation and exchange activities.

cooperation, particularly amongst the youth. According to the regulations, Hanban provides start-up money for the institutes, which in most cases are physically located on university campuses. Pursuing activities, such as the managing of international cultural exchanges, are organized to promote friendly relations among states, as ultimately such activities in some way also contribute to the strengthening of the security of the relevant state by creating conditions for the prevention or elimination of conflicts (Pajtinka, 2016, p. 182).

The largest of all CIs amongst the V4 member states, in terms of organizational structure, the number of staff and activities, is the one at Eötvös Loránd University (ELTE) in Budapest, which employs 36 native teachers. Its annual contribution from Hanban is 200,000 US dollars, which is twice as much as the Chinese contribution to smaller institutes, for example, those in Szeged or Olomouc (Hartig, 2015). Aside from language related activities, the institute in Budapest sponsors a range of cultural events and programs. These include the Lunar New Year festival, Chinese lantern festival, kids' day, the Go world cup, a talent show together with various concerts, photo exhibitions, Chinese arts and crafts workshops, courses of Chinese knotting, cooking and *taiji* workshops, monthly lectures on China and outdoor family activities among others. The ELTE Confucius Institute (ECI) was one of the first founded in this part of Europe. It was established in 2006 and is ranked as a model CI. The whole project was initiated by the Sinology department, and the process included long negotiations between the department and leaders of the university to secure the university provision of space and infrastructure for ECI. The Chinese partner is the Beijing Foreign Studies University (BFSU), an institution they had close contact with for a long time since BFSU has a Department of Hungarian Studies. This university is also a training center for Chinese language teachers in the region. Besides the one in Budapest, there are CIs at the University of Szeged, University of Pecs and at the University of Miskolc.

Besides the CI, in Budapest there is a high-profile Hungarian–Chinese bilingual school, too. The school was established in 2004 and is now the only public school in the Central and Eastern European region offering a 12-year education taught in both Hungarian and Chinese Mandarin. The school has Confucius Classroom status as well. So far, the two most successful CIs in Central Europe are those in Budapest and Krakow and they are both labeled as the model CIs.

There are six CIs in Poland. The first one was opened at the Jagiellonian University in Krakow. It is also a model CI (a category awarded by Hanban to the best CIs). Other CIs are located in Opole, Gdansk, Wroclaw and Poznan. Activities are focused on the same subjects as in Hungary. The Jagiellonian University has the Institute of Middle

and Far East Studies at the Faculty of International and Political Studies. They run one of the most successful CIs in the region teaching Chinese at primary schools, too. In March 2016, the Asian Studies program offered by the Institute of the Middle and Far East of the Jagiellonian University was awarded the certificate "*Studia z przyszłością*" (Studies with a Future). They also offer scholarships, summer schools and language courses. Educational and cultural activities affect the perception of China, which is not seen as a threat, but more as an opportunity. The university in Krakow made a step forward introducing the prestigious Business in Asia Studies. Based on the interview that the author made with CI representatives at the Jagiellonian University, one of the main reasons for the popularization of Chinese studies is seen in the opportunity to improve job opportunities.

When it comes to the Czech Republic, CIs have the same structure as the others, with both directors, domestic and Chinese in charge of the management of the CI. Chinese language teaching and cultural workshops are led by Chinese lecturers, who are graduates of Chinese universities majoring in teaching Chinese as a foreign language. The biggest CI is at Palacký University.

Slovakia is to a certain degree different from other V4 countries. Chinese studies have a much shorter history in Slovakia than for example in Poland, the Czech Republic and Hungary: the first academic institution (Institute of Oriental Studies, Slovak Academy of Sciences) was established in Slovakia in 1960 only with the launching of the Chinese Studies program at the Department of East Asian Studies at the Comenius University in Bratislava. In 1988, the number of experts in Chinese started to rise slightly (Slobodník – Pleschová, 2016; Pleschová, 2015).

We must say that the whole Hanban structure of CIs in the world is a rather complex one and the V4 countries are no exception. Since the CIs are situated mainly at local universities, they need to follow the rules of the host countries and this sometimes causes misunderstandings and difficulties for both sides. Many activities are quite popular in all V4 countries such as preparing Chinese dishes, tea ceremonies, calligraphy and *taiji* workshops, lectures by guest speakers who share their experience with China, and the programs that introduce the Chinese culture to kids. For one such program, entitled "Good morning Panda", the institute in Krakow was awarded a prize for the best language teaching activity for children in the city. Furthermore, a very popular activity of CIs is organizing the HSK, the Chinese Proficiency Test. Even if most CIs in Central Europe offer similar activities selected from the list recommended by Hanban, each of them typically has its own specific project. Each institute creates its projects together with the partner universities, but mainly it is up

to the host university CI management to create specific traits of its CI, which fit in with Hanban priorities. Thus, the institute in Olomouc offers music classes in Chinese pipe instruments and it prepares a Week of Chinese Culture, which was introduced in 2000. The institute in Szeged runs a table tennis course, in Miskolc they organize the cooking of dumplings and in Krakow they make picnics, fashion shows and they fly Chinese kites. In Bratislava, the institute has dispatched a Confucius boat on the Danube River with a presentation of Chinese culture and history. The Confucius Institute in Poznan cooperates with the cultural center Zamek, and the institute in Wroclaw contributes annually with its China-related program to the Lower Silesian Science Festival (Slobodník – Pleschová, 2016; Pleschová, 2015).

In general, cooperation and success depend a lot on personal relations and background competitions. In other words, there is competition amongst the V4 member states as to which country will attract the biggest amount of direct investment from China's foreign reserves, and the same situation exists regarding the CIs. Since funding of CIs is almost solely dependent on Hanban, rather than on some kind of market mechanism, a key to secure stable financing is to do projects that Hanban prioritizes. From our point of view, this reflects the non-adaptability and non-flexibility of Chinese soft power to the local conditions. After that, this opens the issue of imposing the values and the framework through which China and its ambitions have to be understood. Furthermore, this Chinese approach is imposing uniformity in thinking about China. Consequently, the Zhongyong dialectic is not feasible if Beijing by its economic power does not allow the opportunity to widen the framework of analyzing and developing cooperation with China. The image that China is presenting through Confucius Institutes of a country with centuries-long, traditional culture and values seems to fail the audience. Young people attending the CI courses are not generally interested in paper cutting or traditional Chinese dance, which is promoted by Hanban, but more business Chinese language, contemporary art, modern China's foreign policy and economic development. From their point of view, the knowledge in these areas can bring them more benefit than knowledge of traditional Chinese art. One interviewee saw different working styles as a problem between him and his Chinese colleagues as he had originally come from the business sphere. For another institute, the main challenge has been cooperation with the Bureau of Border and Alien Police while arranging the permits for their Chinese teachers (Slobodník – Pleschová, 2016; Pleschová, 2017).

Besides this, the next challenge for the directors of the CIs in the region represents the lack of ability of native Chinese teachers to speak the local language and the shortage of local teachers with a good knowledge of Chinese who can work with children and youth in particular.

As it can be seen, the main purpose of the CIs is to bring ideological and cultural gaps closer together. Consequently, and mainly for the Chinese side, this can minimize the possibilities of misunderstandings and misleading representation of Chinese activities. Contrary, China must respect the ideas of home institutions or it will reinforce already numerous doubts regarding Chinese intentions. China cannot build its image just on imposing the values that it has selected as the most appropriate. As the Zhongyong presupposes the complementary dichotomy, the local institutions should have the possibility to combine local values with Chinese principles in implementing joint projects and creating the atmosphere of win-win cooperation. The question remains whether the soft power projected through this type of public diplomacy is producing the result and presenting the image China wants. The research requires further investigation into the perception of people in V4 countries including those attending courses within CIs. Thus, we will be able to clearly conclude whether the public diplomacy and its mechanism, the Confucius Institutes, are reflecting soft power and producing content attractive to the public.

4. Concluding Remarks

Although China introduced the concept of Peaceful Development and the complementarity between differences, still, there are many challenges that China faces in the process of becoming the global superpower. From the one part, challenges stem from the obvious gap between what China proclaims and its behavior in some respects. For example, China insists on a common approach in resolving security or economic issues, but it denies such a possibility in resolving disputes in the South China Sea. On the other side, challenges are occurring from the interpretation of the Chinese political system, understanding human rights and the concept of responsibility. According to some authors, as long as China is not defined in terms of Western parameters as a democratic country, it will face great challenges in representing itself as a responsible and peaceful stakeholder (Yongnian – Tok, 2005, p. 17).

However, pursuing the concept of Peaceful Development from our point of view has tremendous importance in achieving geopolitical and geoeconomic goals. This concept is in service of attracting new partners and creating wider support for ambitious, controversial, pretentious, intercontinental and transforming Chinese initiatives and plans. The shared communist past is not an argument for cooperation and in countries of the V4 is definitely seen as a burden. Even China is not using the discourse of post-communism related to the political history of those countries. As noted by some authors, the period of close cooperation between China on the one hand and Poland,

Hungary and Czechoslovakia on the other, anchored in the shared socialist ideology, can hardly be something on which their contemporary and future cooperation can be built (Slobodník – Pleschová, 2016). The wider support should be acquired by China respecting the ideas proposed by home institutions because it nourishes harmony in diversity. On the contrary, not just Cls' administration, but local governments and citizens will question the principle of harmony. What kind of harmony? Under what conditions does China create harmony? Is that harmony unilateral, bilateral or multilateral?

The intensive work of China's Cls, as a tool of soft power, is in the service of promoting China's "*doxa*". According to Anastas Vangeli (2018), the *doxa* is the set of beliefs and viewpoints of the dominant actor that defines a particular field and appear natural and commonsensical to others, thereby serving to underpin power relations between them in a form of an axiomatic consensus. However, *doxa* is not static and can be transformed as a result of changes in the power balances between actors. Through their words and posture, actors that wield symbolic power can make novel *doxic* claims and instigate a process of transformation of the common sense of the given field as well as the self-perception of subordinated actors (Vangeli, 2018, p. 676). Thus, soft power as a strategic tool underpinned by economic strength represents a Chinese "mixture" in attracting the nations to its understanding of international relations, global geopolitical landscape, security order and the position of the global South in the international community.

Analyzing the proposed subject, we understood that China uses the same kind of "mixture" towards the Visegrad Group. Keeping in mind, that none of those V4 countries refused to be a participant of the "17+1" framework of cooperation, China is creating its diplomatic leadership position in this part of the world. According to Oran R. Young (1991), this position consists of three kinds of leadership: 1. structural; 2. entrepreneurial; 3. intellectual. Structural leadership presupposes the ability of "devising effective ways to bring structural power (power based on material resources) to bear in the form of bargaining leverage over the issues at stake in a specific interaction". Entrepreneurial leadership is about the ability of "making use of negotiating skills to influence the manner in which issues are presented and to fashion mutually acceptable deals". Intellectual leadership is defined as the "power of ideas to shape the way in which participants understand the issues at stake and to orientate thinking about the options available" (Young, 1991; Song, 2011).

In sum, "China's way" of doing things is changing the manner we see the balance of power in the global landscape. Nevertheless, it is still to be seen as to whether the rising China has the strategic and ideological capacities to achieve the desired goals.

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