

Rediscovering CHINA

NEWSLETTER OF THE FUDAN-EUROPEAN CENTRE FOR CHINA STUDIES

HIGHLIGHTS

China-EU High Level People to People Dialogue (HPPD) and "China Day" in Europe
European and American Perspectives on China's Politics and Development
– A Sub-forum at Shanghai Forum 2015
Understanding Security Dynamics - Sino-Nordic Security Research Workshop
Governing Food Safety and Security - A Panel at ADI Annual Conference 2015

CROSS BORDER COLLABORATION

The First Chinese Telegraphic Code Book Settled in Shanghai
Jiangsu-Copenhagen Regional Government Collaboration Project
Nordic Asian Ambassadors Forum
A Summer Training Course on Advanced Economy and Development

CHINA INSIGHTS

China's Contested Internet
Western Perceptions of China's Economic and Political Development Model
Doing Business in China: Why Sensitivity to Culture and Local Politics Matters
Crisis, Transformation and New Politics of Welfare



Winter 2015

Fudan Development Institute (FDDI)

Address: The 7th Floor, East Main Building, Guanghua Towers, 220 Handan Road, Shanghai 200433, P.R.China
Phone: 86-21-55664590 Fax: 86-21-55670203 E-mail: fdifudan@fudan.edu.cn

The Nordic Institute of Asian Studies (NIAS)

Address : University of Copenhagen, City Campus, Øster Farimagsgade 5, DK - 1353, Copenhagen K
Phone: +45 35329500 Fax: +45 35329549 E-mail: sec@nias.ku.dk

Director's Remarks

The year 2015 has witnessed exciting growth of Fudan centre and its new engagement with our partners in both Nordic and other parts of Europe.

As a China study promotion institution, Fudan centre has been preoccupied with relational, cross-disciplinary and comparative approach to build up the understanding about China's rise and transformation. This orientation not only echoes the "Nordic-ness" that defines the identity of Nias, but is also congruent with the international trend of China studies that we have been observing.

In 2015, Fudan centre continued to organize many seminars, lectures and conferences on China. While we have consistent academic focus on welfare, security, innovation, sustainability and the relevant themes, there have been diversified forms of cooperation. We worked with the faculty of social sciences of UCPH to develop and implement a "Talent PhD Program", through which we recruit promising Fudan students to pursue research in Copenhagen. We also explored engagement between Copenhagen Regional Capital Government and China's Jiangsu provincial Government by hosting a 4-month research visit for governmental representatives from Jiangsu. In addition, we developed a training program with Fudan Wuxi Institute for young Chinese entrepreneurs from Wuxi city and introduced them to the world of Danish, Nordic and European politics and business.

At a time of many uncertainties, Fudan centre has extended its footprints and consolidated a strong bond of solidarity with Nias and other partners. We hope you will be able to participate in our activities and support our research engagement.

Chunrong Lu | Executive Vice Director
Geir Helgesen | Director



Contents

Issue No. 4 – Winter 2015



Director's Remarks

02 HIGHLIGHTS

China-EU High Level People to People Dialogue (HPPD) and “China Day” in Europe
European and American Perspectives on China's Politics and Development – A Sub-forum at Shanghai Forum 2015
Understanding Securitization - Sino-Nordic Security Research Workshop
Governing Food Safety and Security - A Panel at ADI Annual Conference 2015

11 CROSS-BORDER COLLABORATION

The First Chinese Telegraphic Code Book Settled in Shanghai
Jiangsu-Copenhagen Regional Government Collaboration Project
Nordic Asian Ambassadors Forum
Advanced Economy & Development – A Summer Course for Chinese Entrepreneurs from Wuxi

17 CHINA INSIGHTS

Guobing Yang | China's Contested Internet
Margot Schüller | Western Perceptions of China's Economic and Political Development Model
Geir Helgesen and Chunrong Liu | Doing Business in China: Why Sensitivity to Culture and Local Politics Matters
Chunrong Liu and Stein Kuhnle | Crisis, Transformation and New Politics of Welfare

23 LIST OF ACTIVITIES IN 2015

Host Institutions

Fudan Development Institute
Fudan-European Centre for China Studies

Editorial Committee

Director

Liu Chenggong Vice President, Fudan University

Editors-in-Chief

Geir Helgesen

Director, Fudan-European Centre for China Studies

Liu Chunrong

Executive Vice Director, Fudan-European Centre for China Studies

Zhang Yi

Vice Dean, Fudan Development Institute

Consultants

Chen Yinzhong Nordic Centre, Fudan University

Chen Zhimin School of International Relations and Public Affairs, Fudan University

Ding Chun Centre for European Studies, Fudan University

Hao Mo School of Public Health, Fudan University

Peng Xizhe School of Social Development and Public Policy, Fudan University

Sun Xiaoxia School of Law, Fudan University

Wu Xinbo Institute of International Studies, Fudan University

Zhang Jun School of Economics, Fudan University

Jin Guangyao Department of History, Fudan University

Troels Østergaard Sørensen Faculty of Social Sciences, University of Copenhagen

Lars Bo Kaspersen Department of Political Science, University of Copenhagen

Niels Thygesen Department of Economics, University of Copenhagen

Jørgen Delman Department of Cross-Cultural and Regional Studies, University of Copenhagen

Editor

Qian Siyun Fudan Development Institute

Proofreader

Renu Rana School of International Relations and Public Affairs, Fudan University

China-EU high-level People to People Dialogue (HPPD) and “China Day” in Europe

Over the last decade China and EU have been cooperating closely in many areas, including education and culture. There have been regular policy dialogues at government level, as well as concrete outputs in terms of joint projects and events.

Since 2012 these activities have been integrated under the framework of EU-China High Level People-to-People Dialogue (HPPD), the third pillar of EU-China relations, complementing the other two pillars – the High Level Economic and Trade Dialogue and the High Level Strategic Dialogue.

The HPPD functions as the overarching mechanism, which accommodates all EU-China joint initiatives in the field of people to people exchanges. These initiatives stem from leaders' dialogues and senior officials' meetings where long-term objectives are set, best practice is exchanged and areas for future cooperation are explored. The HPPD should help build mutual trust and consolidate intercultural understanding between China and EU.

On the occasion of celebrating the 40th anniversary of EU-China diplomatic relations, the third EU-China HPPD took place in Brussels on 15 September 2015, between EU Commissioner Navracsics and China's Vice-Premier Liu Yandong. The two parties signed a Joint Statement. Thematic panels on education, culture, youth and gender equality were held as side events.

A special forum on “EU-China 40 Years: A New comprehensive strategic partnership” was co-organized by China Scholarship Council, Vrije Universiteit Brussel, Renmin University of China, Fudan University and Sichuan University. Fudan centre played a coordinative role at this important occasion. The delegation was headed by Fudan's Vice President Liu Chenggong, and included Prof. Dai Bingran, Prof. Ding Chun, Dr. Zhu Chouwen, Dr. Chunrong Liu and Dr. Zhang Ji.



Fudan Delegation to HPPD





Following this event, the delegation of Fudan University successfully organized a series of “China Day” activities at the University of Fribourg in Switzerland on September 21 September, further boosting the mutual understanding and cooperation of the two excellent international universities.

Professor Astrid Kaptijn, Vice President of the University of Fribourg and Professor Thomos Hunkeler, the former Vice President of the University of Fribourg and many experts and representatives from Fudan’s different faculties and departments were part of the activities.

At the beginning of the ceremony, Professor Kaptijn and Professor Hunkeler extended their welcome to Fudan delegation, introduced the history of the University of Fribourg, and merrily recalled his memories of visiting Fudan and signing the MOU between the two universities.

Professor Ding Chun, Director of Centre for European Studies at Fudan University briefly reviewed the cooperation history of the two sides and expressed the prospects for further collaboration projects.



Ms. Marielle de Dardel, Director of the University of Fribourg’s International Affairs Department mentioned about the inclination of their students to study at Fudan University and stressed the willingness to improve the Chinese language teaching system to promote bilateral exchange for students and teachers. Hu Wenhua, Vice Dean of International Cultural Exchange School at Fudan University, agreed with this proposal and suggested that more English courses and programs could be provided to solve the language problems for Chinese students studying in Fribourg.

After the welcome ceremony, students of Fudan University performed Chinese classic music, introduced the cultural significance of the tunes and the history of instruments- Dongxiao and Guqin for the teachers and students in Fribourg. The audience was warmly invited to experience the charm of traditional Chinese musical instruments.



In the afternoon, Professor Hou Yangfang and Dr. Zhang Ji from Fudan University gave keynote speeches about the ‘Silk Road’ and systematically explained the concept and the strategic meaning of the Silk Road from the modern historical and geographic perspective.



Professor Ding Chun was also invited to talk about ‘China-Europe Economic Relations and Cooperation -- the Role of the Belt and Road’. He reviewed the situation of China-Europe trade and investment over the past few years, highlighting the reasons how “the Belt and Road” initiative can improve the balance of national development and boost Europe-Asia integration, indicating that trade friction may become inevitable in the future’s ever-closer economic and trade contact. The four key words of China-Europe partnership proposed by President Xi Jinping -- peace, increase, revolution and civilization -- thus need to be paid more attention to. Professor Ding Chun also insisted on the vast potential for the future cooperation between Europe and China.



European and American Perspectives on China's Politics and Development – A Sub-forum at Shanghai Forum 2015

2015 witnessed the 10th anniversary of Shanghai Forum. The theme of Shanghai Forum 2015 was “Economic Globalization and Asia’s Choice - Asia’s Responsibility: Exploring New Approaches to Cooperation.” Over 500 delegates from more than 40 countries attended the opening ceremony. A series of keynote speakers included distinguished guests such as Vladmir Yakunin, former President of JSC Russian Railways; Liang Xinjun, Vice Chairman and CEO of Fosun Group; Myron Scholes, 1997 Nobel Laureate in Economics; Wu Jianmin, China’s former Ambassador to France; Fabrizio Saccomanni, former Minister of Economy and Finances in Italy; and Rt Hon David Willetts, former UK Minister for Universities and Science. Their speeches served to introduce and bring light to current issues in Asia including politics, economics, foreign relations, culture, society, and the environment.

The unprecedented development in post-reform China has been perceived in different ways by policy and academic communities both in and out of Asia. This panel, co-organized by Fudan-European Centre for China Studies at Copenhagen and Fudan-UC Center for Contemporary China Studies at California, brings together a range of European and American perspectives to identify the multifaceted dynamics and challenges of Chinese development in the global context, focusing on China’s quest for new mode of social governance, market regulation and global order.

Perspective highlights of the panel

- **Friis Arne Petersen**
Former Danish Ambassador to China

China and Denmark's Bilateral Relationship in Today's New International Order

China and Denmark have many common interests and goals. China's reform program matches Danish know-how. The two countries can cooperate better for mutual benefits.

1. Denmark has set up high standards in many aspects such as education, health, environmental protection and energy. Also, our government transparency is very high. We can have close cooperation with China in these areas.
2. According to the statistics, Sino-Danish bilateral trade and investment have achieved good results and there still exists huge potential growth.
3. In the past decades, China has achieved rapid economic growth and for now, it begins to pay more attention to the growth of "quality". Therefore, energy, environment, safety and anti-corruption policies are particularly important. Denmark, the European Union and the United States all have their own problems, but we are willing to grow up with China beyond the domain of trade.
4. China's ongoing anti-corruption campaign is very deterministic and systematic. Effective anti-corruption policies will make China's economy more efficient.
5. Denmark plays an important role in many multilateral mechanisms. Sino-Danish communication and cooperation are effective and continuously expand to new areas such as human rights, which is very positive.
6. Danish media often reports negative news about China. On one hand, it is a reflection of the press freedom while on the other hand, China should act to shape its national image. Then, our media will get more deep understanding of China from social, historic and cultural dimensions.

- **Geir Helgesen**
Nordic Institute of Asian Studies

Commentary

Sino-Danish relationship in political and commercial fields is positive, but the Danish media's reports on China are often biased. Social public opinions often have a negative image of China, which will inevitably indirectly harm to the positive bilateral cooperation. I do not mean to interfere in the media's freedom of expression, but I do think that we need to do something to change the status quo.





■ **Jorge Guajardo**
Former Mexican Ambassador in China

Reflection on Chinese State-Owned Enterprises (SOEs) Using the Mexican Experience in the Second-half of the 20th Century

1. China's economy is experiencing rapid growth along with the deepening globalization. The existing economic model is faced with reforms, so is the role of state-owned enterprises. Considering the similarities between China and Mexico, I'd like to introduce the relevant experience of Mexico.

2. In the 1980s, Mexico had more than 100 state-owned enterprises. In industries such as telecommunications, banking and energy, SOEs became monopoly. Years later, with the global oil prices going down, Mexico's economy was declining, proving the existing system unsustainable. So the government began to promote the privatization process. Despite the social problems such as rise in unemployment and corruption, the privatization was a success.

3. We need to pay attention to two facts in current China - First of all, although China's overall deficit is not high, debts of local governments and enterprises are reaching to a huge amount. There exists a risk of debt crisis; Secondly, Chinese relied on labor advantage in exports previously, but now this advantage is declining and at the same time, overcapacity appears in many industries where the SOEs take monopoly, for the reason that they do not have enough understanding of the needs of market and consumers. Although these crises haven't happened yet, there always exists the risk.

4. Privatization is a big challenge for Mexico in the 1980s and today's China. It is likely to reduce the state power, causing social problems. It has risks for the government and regime, but it is benign for the state.

■ **Richard Madsen**
University of California, San Diego

Commentary

1. Experience of Mexico can be shared by China. But in my opinion, Mexico's ruling party focused only on the control of power but did not construct any visions or ideas. When we look at China, the CCP is not the case.

2. If there would be no such visions or ideas, the country's economic basis must remain strong. Mexico was very successful until the 1980s, but once the global economic situation changed, the ruling party was not able to make adaptations very well.

3. China is determined at anti-corruption issues, letting people obey to the rules. But following the rules dogmatically and strictly will also lead to a less dynamic economy, unless it has a real economic and SOEs reforms. So, Mexico's experience is that when faced with the change of the global situation, how the ruling party can respond appropriately? It depends on the wisdom of leaders, sometimes even on luck. Thus, we were looking forward to reading China's story. Let's see how it will unfold.



Understanding Security Dynamics - Sino-Nordic Security Research Workshop

One of the greatest challenges of our time remains how to make security - pursue freedom from threats in an anarchic international system. The concept of security, however, has been enormously multifaceted and has been defined differently by different schools of thought. In particular, it has been revisited and contested in the context of many new security challenges, risks and threats that are associated with growing complexity of post-Cold War international political order.

Sino-Nordic Security Research Workshop aims at promoting cutting-edge research on international security by bringing together Chinese and Nordic expertise. This workshop will give an overview of the state of the art of security research and address key agendas that future theories should deal with. The workshop encourages theory-informed analysis on the perennial security problems as well as particular security challenges facing Europe and Asia.

Held in 21-22 October 2015, this workshop features keynote lecture and paper presentations. The workshop is organized as the official launch of a series of research cooperation in political science discipline that Fudan and UCPH have planned to develop in the coming years. It also serves as a program celebrating the 20th Anniversary of Fudan Nordic Center.

In the keynote speech, Prof. Lene Hansen of University of Copenhagen claimed that for those wanting to get new security issues onto the global agenda, the use of imagery has also turned out to be crucial – the campaigns to counter climate change would surely be worse off without the polar bears trapped on ice floes or the melting glaciers. Yet, the role of images in international relations remains understudied despite their important communicative, emotional and political features. She then addressed several core issues in the study of securitization: how should we theorize the particular form of security communication that visuals produce? What analytical and methodological challenges arise when we move from theorizing security as a speech act or linguistic discourse to an image act? Can images facilitate a move out of the logic of security and towards an open dialogue, or is their securitizing potential always going to be predominant?

The keynote speech is followed by a whole day of workshop on security dynamics and challenges. Below is the list of titles of presentation in the workshop.

Reconsidering the Economics-Security Nexus in Asia | Zheng Yu (Fudan)

Explaining the East Asia Peace | Stein Tønnesson (PRIO and Uppsala University)

Sovereignty and Cyber Warfare under International Law | Shen Yi (Fudan)

A question of national security or regime security? A neoclassical realist explanation of the 'assertive turn' in Chinese foreign and security policy | Camilla Sørensen (UCPH)

Russia, China and Vietnam in the evolving geopolitical interactions around the South China Sea | Pavel K. Baev (PRIO)

China's "new assertiveness": the role of domestic sources and foreign expectations in China-EU trade disputes | Sebastian Bersick (Ruhr)

The emerging world order and economic security: the EU-China relationship | Gustaaf Geeraerts (VUB)

The Evolution of China's EU Policy: from intermediate zone to a strategic partnership based on non-shared values | Liu Lirong (Fudan)

Security Community and China's Role in Trans-border Security Governance | Zhang Ji (Fudan)

Just War Traditions in Classical Greece and China: A Comparative Study | Chen Yudan (Fudan)

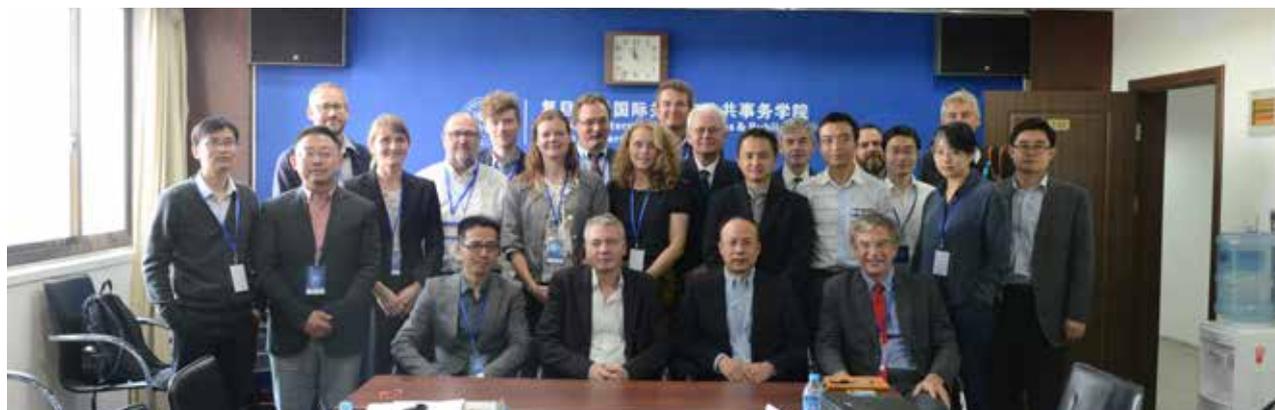
Comprehending 'civil society' and 'social life' within a security framework | Niels Nielsen (UCPH)

Strategic thinking and its implications on national secularization | Zhongqi Pan (Fudan)

Theorizing Power: A study of security knowledge production in China, India and Brazil | Peter Marcus Kristensen (UCPH)

Security theorizing in China: culture, evolution and social practice | Liu Yongtao (Fudan)

More than 20 scholars from Belgium, Germany, Norway, Denmark and China attended the workshop. It has stimulated a great deal of theoretical and empirical interests in security studies.





Governing Food Safety and Security - A Panel at ADI Annual Conference 2015

Food, Feeding and Eating In and Out of Asia



Photo: ADI - University of Copenhagen

On 25 June 2015, Fudan centre co-convoked a special panel at ADI'S 7th annual conference on Governing Food Safety and Security. This has become a routine form of cooperation between Fudan centre and ADI.

Food security is widely considered a fundamental human right and the basis of social cohesion. In any country, the inconsistent access to adequate food limited by a lack of money and other resources can be consequential. Equally important is the state capacity to regulate food safety, namely, to ensure that the public food supply is not exposed to any disease or deliberative contamination.

In the Chinese context, rapid economic growth is changing the structure of food expenditures, a development that has profoundly transformed China's agricultural and food sector. The food landscape in the last two decades has witnessed the emergence of a new middle class of consumers, the expanded availability of food products and the rise of new market suppliers. While quantity still matters, there has been a growing concern about food quality and safety. In response to these new realities, the government has politically emphasized both the importance to meet the nutritional needs of a growing population and to regulate food safety for the public interest. While its institutional framework remains quite fragmented, regulations on how food is produced, processed, distributed, and purchased have been unprecedentedly strengthened in China. This is widely perceived as

a strategy to guarantee decent livelihood and hence reclaim regime legitimacy. Against this background, it is interesting to examine whether and how government agencies, food industry organizations and other stakeholders can make concerted efforts and manage the challenges to food security and safety in a durable and effective manner.

This panel addresses two interplaying aspects of food politics: security and safety. What forms of food security and safety regulation exist in China, what principles are underlying their governing and which actors are involved in their formulation and operation of food regime? More importantly, what are the factors contributing to the effectiveness of food security and safety regulations? By exploring these critical issues from comparative perspectives, it aims at a better understanding of the nature, dynamics and implications of food governance in China.

Below is the selected abstracts of presentations at the panel.



Zhang Hongzhou

Associate Research Fellow, China Programme at the S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University, Singapore

China's Food Conundrum: Safety Versus Security

In recent years, with the outbreak of series of high profile food scandals, food safety has emerged as top of the social problems in China. While most analysts attribute the root causes of China's food safety problems to inadequate laws and weak regulation, backward and fragmented food production and supply systems as well as the absence of integrity and a landslide of morality, this paper argues that the country's food security strategy is the foundational reason for worsening food safety situation in China.

The Chinese government has for long time staked its legitimacy on its ability to guarantee domestic food supplies, and for decades, it had pledged to be at least 95 per cent self-sufficient in grain and keep food prices in check, even as demand increases and the fastest and biggest urbanization process in history swallows up arable land. This food security strategy has been in conflict with food safety on two major fronts. On the one hand, with self-sufficiency being the cornerstone of China's food security strategy, China has been over-exploiting its limited agricultural resources in a highly unsustainable manner. Intensive farming, overuse of fertilizer, pesticides and other chemical inputs, as well as cultivating crops on the polluted land, though contributed to remarkable growth in the China's grain production, inevitably led to contamination of agricultural produce, such as Cadmium rice. On the other hand, as China is determined to ensure cheap supply of food, the governments at both central and local levels are too sensitive to food price increases. As a result, the Chinese government still exerts considerable controls over food prices, frequently preventing food producers from raising prices. As a result, this forces the agricultural producers and food manufacturers to cut corner, such as using substandard materials and harmful addictive, to compensate losses caused by higher production cost.

Therefore, this paper suggests that efforts should be taken by the Chinese government to deal with the conflicts between national food security strategy and food safety. While the government's recent initiative to abandon the 95 per cent grain self-sufficiency rate is a welcome move, a multidimensional food security strategy which takes food safety as an integral part of food security is needed.

Paul O'Shea

Assistant Professor, Aarhus University

Tine Walravens

Ph.D. candidate, Ghent University

The Development of the 'China Food Threat' to Japan

Japanese perceptions of imported Chinese food have deteriorated rapidly since the late 1990s. There are two conventional explanations of this phenomenon. The first focuses on the litany of food scandals associated with Chinese food, which have been subject to saturation media coverage in Japan. The paper finds that, according to the Japanese government's own statistics, there may in fact have been a proportional decrease in food safety violations by Chinese imports. The second explanation is that Japanese food safety awareness developed contemporaneously with the increased media coverage. This explanation is also found to be problematic due to the existence of well-established consumer food safety awareness in the late 1980s and 1990s.

Using the Social Amplification of Risk Framework (SARF), the paper traces the changes in food perceptions in the context of the 'China threat', that is the perception that China poses a growing threat to Japan. SARF enables the paper to take an interdisciplinary approach and demonstrate the alternative factors which have played a key role in the socially amplified stigmatization of Chinese food. The paper outlines these factors and examines their role in the increasingly negative perceptions of Chinese food imports: the pre-existing cultural disposition which assumes inside 'purity' and outside 'pollution', the changing nature of Chinese food safety issues, the diffusion of the 'China threat' theory, and Japan's increasing dependence on China as a source of food imports. This allows the paper to show that, in the absence of a widely-held negative image of China in the 1990s, food scandals were quantitatively less reported, and that the qualitative nature of that coverage was far less sensationalist than in the 2000s as the China threat theory began to take hold.



Zhou Li

Professor at School of Agricultural Economics and Rural Development,
Renmin University of China

Sense of Responsibility and Peasants' Food Consumption under "One Family, Two Systems": Evidence from the Villages of Rural China

With the expansion of the "disembedding" food market, the former food safety securing mechanism of "social co-protection" has been jeopardized, causing frequent food safety incidents. This paper has three findings. First, facing the severe food safety threats, peasants protect themselves via differential production and differential consumption; Second, their self-protection manifests as three ways: 1) producing food following the logic of life under "one family, two systems", 2) exchanging food of higher quality in the rural community, and 3) purchasing certificated agricultural products, which is less common than the former two. Third, the result of bivariate and univariate probit regression based on 336 observations collected in six villages in Hebei and Hunan shows that the peasants' self-protection behaviors via food production following the logic of life and reciprocal exchange in the rural community are significantly influenced by the sense of responsibility, while certificate food purchase is not. When employment structure is taken into consideration, the result of econometric analysis shows that self-sufficiency rate and the external force from the government both have a significant influence on peasants' self-protection behaviors against food safety threats.



The First Chinese Telegraphic Code Book Settled in Shanghai

On the occasion of the 65th Anniversary of the establishment of diplomatic relations between Denmark and the People's Republic of China, the first telegraphic code book was handed over from the Denmark's GN Store Nord Ltd to Shanghai Telecom Museum by the donation of NIAs and Fudan-European Centre on China Studies on June 11th, 2015.



The Telegraphic Code Book is a code book that substitute Chinese characters with four-digit figures. There are only two of them extant in the world, the other one is placed in Denmark's National Archives.

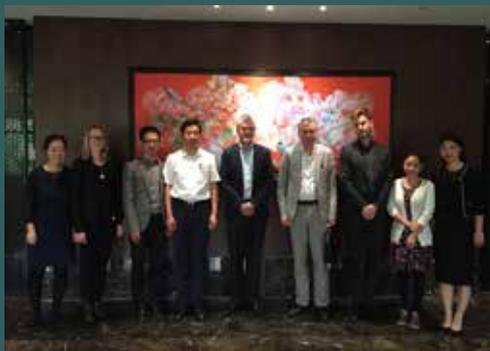
People who witnessed this historical moment include Nicolai Prytz, Consul General of the Kingdom of Denmark in Shanghai; Lin Shangli, Vice President of Fudan University; Carsten Boyer THØGERSEN, Director of Copenhagen Business Confucius Institute at Copenhagen Business School; Li Zhuo, the General Manager of GN (China); Ma Jianzhong, Vice Manager of GN (China) and Shen Qing, Curator of the Shanghai Telecom Museum.

"The Fudan-European Centre on China Studies established in the University of Copenhagen has served as a bridge in this momentous event. It also encourages Fudan to continuously enhance our cooperation with Denmark," Lin Shangli said in his speech.

Over a century ago, commissioned by the GN Store Nord Ltd, Danish astronomer Hans Schjellerup create the telegraphic code, which made it possible to send telegrams in Chinese. Moreover, it has vastly influenced the globalization of telegram and China's practice of linking with the world. In 1976, Denmark's Sinologist Bo Gregersen, obtained one fascicle of the Chinese version of Telegraphic Code Book by chance. After twists and turns, the fascicle ended up being stored in the Nordic Institute for Asian Studies. Today, the original copy of the book came back to Shanghai Telecom Museum, which happens to be the previous Asian headquarter of the GN Store Nord Ltd. As a cultural heritage of landmark significance, The Telegraphic Code Book witnesses the development of the Chinese communication history, and symbolizes the friendship between China and Denmark before the two countries officially established diplomatic relations.



Jiangsu-Copenhagen Regional Government Collaboration Project



In 2015, Fudan centre took experimental efforts to facilitate a cross-border collaboration between local governments in China and Denmark. In May 2015, Chunrong Liu organized a visit to Jiangsu Government with Troels Sorensen (Dean of Social Sciences of UCPH), Lars Bo Kaspersen (Head of Department of Political Science at UCPH) and Geir Helgesen. The delegation was warmly received by the foreign affairs office of Jiangsu Provincial Government. Both sides were interested on local government cooperation. After that, it was decided that Jiangsu Government will send a visiting scholar to be based at Nias/ Fudan centre for 4 months, and explore the priorities and approaches of this bilateral engagement. The idea is to provide the visiting official with a sound research environment that is necessary for understanding the dynamics of Danish welfare system and solutions.

Based on this exchange program, a report was produced by Mr. Liu Huaiyu, the visiting official/scholar at Nias/ Fudan centre. The report analyzes the barriers of the current cooperation between the Capital Region and Jiangsu Province and illustrates solutions to these problems. In particular, it gives a brief overview of the current cooperation in health care between Capital Region and Jiangsu Province. The report emphasizes the importance of mutual understanding of each other's administration, targeted market and business model, as well as the approaches to reach this goal. Several cooperative potentials were also explored, including high-end technological facilities, elderly care, innovative Nordic design and administrative system exchanges. The report calls for an effective model of interaction between governments and SMEs and the creation of a positive chain benefiting both the public and private sectors.

Status Quo of Cooperation

The engagement between Capital Region and Jiangsu Province could be traced back to November 2012 when the CEO of Capital Region visited Jiangsu. MOU was signed in May 2013 and it is determined that clean technology, health care and education are the key sectors for cooperation. There have been superior official delegations visiting each other since then and the two established friendly relations during Chairwoman Ms. Sophie Andersen's visit to Jiangsu in January 2015. More specific MOUs were signed to promote cooperation on environmental protection, hospitals and health care innovation.

Within the support of both governments, the first group of officials from Jiangsu Province visited Denmark for exchange program in the year 2014, the soil pollution program in Wuxi is gaining close attention from both sides, and the public health cooperation has been initiated.

The cooperation has been supported by the superior government leaders of both sides. Competent delegations visited each other for exploring collaboration, on the basis of which MOUs were signed for well targeted fields including environmental protection and innovative health care technology.

The two above mentioned sectors are major functions of the Capital Region Government, featuring world top solutions which Jiangsu could draw lessons from. Through years of surging economic development, Jiangsu has reached a new phase of sustainable and people-oriented transformation of social and economic advancement; therefore, an environmental friendly province with excellent public health care service is one of the governing priorities of Jiangsu.

Both Capital Region and Jiangsu have realized the cooperation potential and accomplished a lot in the initial stage of cooperation. Under the existing MOUs' framework, both



sides found stakeholders for promoting programs and exchanged basic information. Contact persons have been assigned from stakeholders respectively and a communication channel is building up. The two sides are collecting information from their competent departments to figure out common interests in the cooperation.

Building Up Model for Cooperation

It is the first time for the Capital Region and Jiangsu to conduct cooperation in public health and environmental protection spheres with a goal of commercializing solutions from Danish side. It requires both parties to discuss more in detail about the business collaboration guided and supported by governments. A cooperation model should be forged up to initiate the dialogue, stimulate idea exchange, map out milestones, and connecting all key partners with a strong and clarified network.

Any type of cooperation calls for mutual understanding between parties involved. Commercial cooperation, usually as a long-term project concerning budget and profits, is absolutely a more sophisticated type compared to some “instant” ones, an Art Show, for example. It is especially the case when it comes to the commercial projects in which services are provided by private companies and procured by government. Our cooperation case features the advantages that the Danish companies are endorsed by the Capital Region and the Chinese stakeholders boast the support from the Jiangsu Province. This is the key foundation for the cooperative model.

Productive collaboration calls for thorough mutual understanding of each other. In this case between Capital Region and Jiangsu, we have understood each other’s government administration (but need to find more direct and right contact person), known some features of the targeted market (but need to figure out about the urgent demands) and need to learn more about Danish-Chinese business model.

Tangible Steps

Denmark and China has been maintaining active communications with each other since 2008 when the two national governments established comprehensive strategic partnership. The year 2015 marked the 65th anniversary of diplomatic relations between the two countries. It is said that both central government departments are discussing about illustrations on much broader and more specific cooperative sectors and aiming to sign cooperative framework memos next year. There should be superior government delegations paying official visit to each other and it would be a huge stimulation for our cooperation if either Capital Region or Jiangsu Province could participate in the visit. If the cooperation is included under the national collaboration framework, it will be supported from top down politically, and possibly financially.

The exchange program offers an opportunity to look into the administrative system in Denmark and figure out a working model. As the health care cooperation involves more than one stakeholder from various sectors, it is suggested that a working group should be set up and a leading department should be selected on each side respectively. All group members could contact their counterparts by themselves for professional consulting, but should forward all related information to the leading department. Every crucial decision should be coordinately discussed on panel meetings involving all related parties, and the minutes of every panel discussion should be reported by the leading department to the superior government officials for final approval. This communication scheme could be built up on the current base of knowing each other’s administration and finding the right stakeholders.

Online meetings and emails are necessary supplement to progress, so as on-site visits. Seminar is a very effective tool to exchange and absorb information from various sectors in limited visiting time. Professional seminars could be co-organized by the Capital Region and Jiangsu Province, in which Jiangsu Province is able to invite professionals from within and out of Jiangsu, a perfect opportunity to expand market influence; and the introduction from Capital Region should be more specific, including their perspective of how these solutions could work.

The composition of delegation shall cover people from both administrative and professional fields, who can provide expert opinions from macro and micro perspectives. Taking the minimal invasive surgery program as an example, Danish side could invite a superior administrator and a professional surgeon from Jiangsu local hospital to visit Denmark and experience how the doctor training system works here. Surgeon will analyze the effect of this technology from his clinic experience and administrator will evaluate the feasibility of it from a much comprehensive mindset.

Through the above-mentioned efforts, both parties are more aware of each other’s urgent needs and forge up an effective communication channel. This will be a perfect base for setting up a pilot project utilizing the Danish solution in Jiangsu. We cannot expect a holistic updating of everything copying Danish solutions, but we are able to adapt a tailored solution with the Danish core value and suitable for partial health care system in Jiangsu.

In order to make the pilot project work, it is necessary to find a local company helping the localization of Danish solutions. A representative office or a joint venture is the recommended step for this project, which will absolutely facilitate communication and accelerate paces of program, at the same time, having opportunities to discover wider cooperative space as much frequent face-to-face contact will be established. There are many foreign government representative offices in Nanjing, capital city of Jiangsu, including the ones from North



Brabant State of Holland and Nordrhein-Westfalen State of Germany, and they are all functioning very actively and contributing to professional cooperative analysis.

Promising Domains

The Danish solutions in other areas also deserve attention. There is huge cooperative potential in the following fields.

Science & Technology European Spallation Source (ESS) is a scientific research center, which will be functioning in 2019 and supported by 17 European countries including Denmark. It is a laboratory hub featuring world top equipments and researchers and will be a booster to many innovative researches like pharmaceuticals, biotechnological components and new materials. As China is transforming its manufacturing industry to a more technology-oriented model, just like German Industry 4.0, both China and ESS could benefit from early communications. The ESS team could keep Chinese counterparts aware of the program and it is quite possible that a more effective cooperation will be born from the discussion.

Elderly Care As China is entering an old age society, it is very important to build up a viable elderly caring system. Traditional family value, the existing demographic structure and future economic trend should be taken into account in designing the system. It is impossible to import any elderly care model from any other countries in a holistic way. However, comparative research will help China find what it lacks. The most valuable experience we can learn from Denmark is the attention on rehabilitation and the training of care takers. There are organizations and companies in Denmark providing their expertise in elderly care.

Innovative Nordic Design Nordic design is becoming very popular in China. In recent years, Nanjing has been very active in providing excellent environment fostering cultural innovative and designing start-up companies. In 2015 Milan Expo, the Italian-Nanjing Innovative Designing Center was established, representing a model for international cooperation in this field. Nanjing is a perfect destination for leading Danish designing companies interested in expanding the Chinese market, as there is a complete chain of industry and very inspiring environment for designing.

Public-Private Partnership

If the cooperation is a two-way approach, it will be more beneficial for both the parties. As the governing system of Denmark and China is very different, so are the operational system and management philosophy of public service providers such as hospitals and communes, and

of industrial parks (Chinese way to describe organizations like COBIS). Chinese models aim at providing services covering huge population as many as possible, while Danish solutions are successful in tailoring their services to be more targeted. Both of them are effective, but one is quantitatively and the other is qualitatively. Both sides could also exchange experiences in this regard to optimize their own way of management. For example, the Government of Nanjing moved all the departments of the city to a same new building equipped with modern facilities and it is now more efficient and convenient for citizens to just go to this public service center and find what they want.

Effective Interaction between Public & Private Sectors creates a Positive Chain. Small and medium sized enterprises (SMEs) are gaining growing support from local government as they feature prosperous potential while creating jobs. However, they have natural limitations that it is difficult for SMEs to penetrate into global market all by themselves. As two local governments set up friendly relations and understand each other's advantages and demands, they could organize seminars for business delegation as an initial step, in which government's credit adds up to the company's competitiveness. The success of SMEs in foreign market will benefit its own development and the local government economy, providing strong impetus for win-win cooperation of government.

Governments provide guidance and platforms for private sectors, which will benefit from government endorsement and sometimes favorable conditions. Positive cooperation is chained up through government guidance and companies' participation. In the case of cooperation between Capital Region and Jiangsu Province, we have the existing base for mutual understanding, and should fully utilize the favorable conditions on the chain.

For example, the Jiangbei New Area in Nanjing, an under developed region newly approved by Central Government of China, is making a comprehensive modern development plan supported by favorable policies provided by top government. It is a good chance to introduce the Danish solutions in elderly care to this new area, as there is a plan to build a modern elderly care facility. There are innovative cultural parks in Nanjing, which can provide full range of services to Nordic designing companies, including office, match-up meetings, and market introduction. Besides, the City of Nanjing will provide scholarships for officials or talents from our friendly counterparts abroad if they choose to study in Nanjing's rich resource of higher education institutes.

Nordic Asian Ambassadors Forum



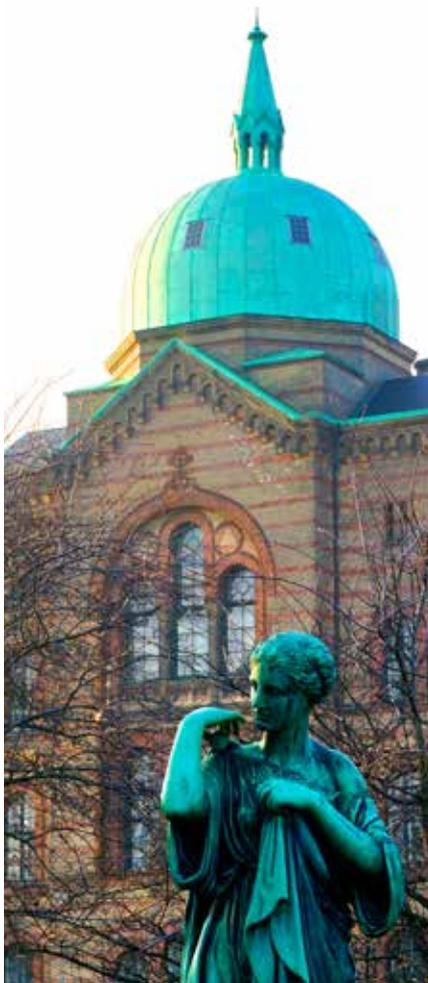
On 17 June, 2015, Fudan centre coordinated with NIAS and ADI – the Asian Dynamics Initiative at University of Copenhagen and developed a Nordic Asian Ambassadors Forum. The forum comprises Asian Ambassadors in the Nordic region, and Nordic ambassadors in Copenhagen. Targeted participants also include company representatives, staff from the Ministry of Foreign Affairs and academics dealing with Asia.

As the world is globalizing, and economic success is pushing our natural habitat towards a tipping point, dramatically affecting conditions for human survival on earth, responsible cooperation to deal with this enormous challenge must be a top priority despite geographical borders and cultural differences.

The organizers believe that Asia and the Nordic regions could – and should – meet the current challenges together. This forum aims at strengthening the East-West Bridge in order to deepen and consolidate the knowledge-infrastructure of East – West relations. This is an infrastructure that constitutes a bridge – or a barrier – of mental relations between social actors from our different parts of the world.

The keynote speaker for this forum is Secretary General of the Nordic Council of Ministers Dagfinn Høybråten. He shared his family history with China and emphasized the importance of emotional ties for cross-border and cross-culture cooperation. He then emphasized the building blocks of Nordic cooperation, with a focus on shared value and history and geographical proximity. According to him, compared to people in other parts of the world, Nordic citizens show significantly higher levels of trust towards other people, politicians, the government, and the legal system. Trust is important in a modern society. Trust enables us to rely on each other. Trust knits communities together. Trust provides the basis for general economic productivity and growth. The Nordic governments have delivered relative economic equality, low levels of corruption, and a well-functioning public administration that enjoys the legitimacy of its citizens. These are some of the ingredients in the recipe for the Nordic Model.

The Nordic populations have some of the highest levels of education in the world, and there is strong Nordic commitment to collaborate on research with international partners on all of today's societal challenges. Nordic know-how has a potential that could be utilized more in meeting global challenges that need joint solutions.





A Summer Training Course on Advanced Economy and Development

The short-term training program was co-organized with Fudan-Wuxi institute for a group of entrepreneurs from Wuxi city. It offers three core seminars at Nias and Fudan centre on European economy, Nordic country and Danish sociopolitical system. It helps understand the way Danish company deals with global market and manages to improve its competitiveness, its innovative and leadership capacity.

" This course was well received by the young managers and entrepreneurs from Wuxi. It has broadened their perspectives on doing business in a globalized world, and shows an extraordinary and unique role that Fudan-European Center for China Studies can play for business community in local China", said Mrs. Helen Yu, the coordinator from Fudan Wuxi Institute.



■ **Yang Guobin | University of Pennsylvania**

China's Contested Internet

Is there a pre-Weibo and post-Weibo era in Chinese Internet history? Are hackerspaces in China the same as in the West? How can the censorship, of an Internet novel end up “producing” it? How is Lu Xun’s passive and ignorant spectator turned into an activist on the Internet? What are the multiple ways of being political online? Such intriguing questions are the subject of this captivating new book. Its ten chapters combine first-hand research with multi-disciplinary perspectives to offer original insights on the fast-changing landscape of the Chinese Internet. Other topics studied include online political consultation, ethnic identity and racial contestation in cyberspace, and the Southern Weekly protest in 2013. In addition, the editor’s introduction highlights the importance of understanding the depth of people’s experiences and institutional practices with a historical sensibility.



* Presented at Fudan Centre in collaboration with Nias Press



- **Margot Schüller | German Institute of Global Affairs**

Western Perceptions of China's Economic and Political Development Model



The way China is perceived by the outside world influences its political and economic relations with other countries. Using data from opinion polls (PEW, Gallup, BBC World Service, TNS Emnid, AACCS) with a focus on German and US perceptions on China, and extending the image theory in International Relations, this talk explains the perception gap about China as an economic major power and a threat in the West. It is found that China's image in Germany is currently less favourable than it is in the US, and that can be traced back to the negative perception of China's political system and military strength. Despite many economic achievements made in recent decades, China's image in the West is not a very favourable one. Western countries have difficulties in understanding China's governance system. Meanwhile, China's self-image with regard to the impact of its economic and political rise on Western countries differs strongly from Western perceptions of China's ascent.

* Presented at the panel of "European and American Perspectives on China's Politics and Development" at Shanghai Forum 2015

- **Geir Helgesen and Chunrong Liu**

Doing Business in China – Why Sensitivity to Culture and Local Politics Matters

NOTE: In 2015, Chunrong and Geir jointly worked with the Center for Transitional Market Economy at Aalto University and produced two individual reports. The reports address the importance of culture and local institutions to business operations.

Geir Helgesen | CULTURAL DIFFERENCES IN EAST – WEST COMMUNICATION: A Major – but Mostly Neglected – Challenge

Successful business partnerships and cooperation between Asian and Western stakeholders presupposes that both sides are willing and able to engage in cross-cultural communication. Neglecting this can be compared to Russian Roulette – most often it goes well, but if not, that's the end of the game.

The concept "culture" is a tricky one. In everyday speech, it has become a household word for the fine arts: sculpture, painting, theatre, movies, etc. These are undeniably cultural expressions; let's call them "fine culture." When we talk about cross-cultural communication, however, the concept "culture" comprises values, norms, ideas and our understanding of ourselves, and society. Such

an understanding differs around the word. Furthermore, although it differs from individual to individual, it is possible, and necessary to generalize and operate with the typical cultural traits of groups of people. The more general, the less accurate, of course, but still generalizations are more often than not helpful in promoting successful cross-cultural communication.

Communication of all kinds is promoted by mutual interests and good will, which can be seen as necessary but are not sufficient. Experiences from the private sector as well as from the international affairs domain in the public sector have shown that globalization is not erasing cultural differences. Instead, globalization is rather highlighting such differences. That is why research that is able to provide insights and promote understanding, and thus assist cross-cultural actors to accept differences and improve relations, is sorely needed.

In the field of cross-cultural communication, the business sector and business universities have pioneered research, and currently other universities and the public sector are slowly waking up to this new reality. The challenge is bigger than the shift from a Nordic language to English.

In a huge East – West survey among business people, the respondents were asked to choose among two definitions of what constitutes a company:

- The first defined a company as a system designed to perform functions and tasks in an efficient way, where people are hired to fulfil these functions with the help of machines and other equipment, and they are paid according to the tasks they perform.
- The other definition suggests that a company is a group of people working together. They perform different roles in the organization, and the organization is dependent on these relations.

The Eastern and the Western respondents formed two distinctive groups in relation to the two very different definitions of a company. **A strong majority in the West agreed that a company is a system to organize tasks, while most East Asian respondents saw a company as an organism coordinating people who work together.** What is notable here is that Easterners and Westerners were so clearly different in this respect, illustrating that by belonging to different cultural spheres, we develop different preferences which to a large extent affect our perception of reality.

Most of us have had a single home base during the years when we were growing up, when we became “accultured” through upbringing and schooling. What happened to us during these formative years stays

with us. In the Western part of the world, individual freedom and independence are held to be the goals to aim for in the childrearing and educational processes. In Asia, it is more important to teach the child how to adapt to the given social environment and to acquire an understanding of the inter-dependent reality of social relations. There is no point in seeking the right way, as there is hardly a universally right procedure or goal. The Eastern and the Western ways are ideals informed by different cultural norms.

These differences colour a wide spectrum in people’s basic world outlook, including how to understand time; how to see oneself in relation to others; how to deal with social and political power and authority, and hence the relations between leaders and followers; as well as whom to trust and to what extent others can be trusted. These values, norms and ideas constitute a pattern that characterizes people in different parts of the world.

We are obviously not altogether different species, as we share a lot across cultures. However, the patterns that characterize contemporary existing cultures are nevertheless different from place to place: a little more hierarchy in the East, a little more equality in the West; a more profound in-group trust in the East, and a more profound generalized trust in the West; a receiver-oriented communication in the East, and a sender-oriented communication in the West.

The differences mentioned above have a strong and important implication for the way Asian and Western, including Nordic, cooperation works. More often than not, such differences are experienced as difficulties and obstacles, and thus not spoken of or totally ignored. If the given differences are acknowledged and appreciated, however, they do not need to remain an obstacle. Cross-cultural cooperation in business relations could then be seen as a welcomed added value and a positive challenge promoting creativity and innovation. If nothing is given, because there are other ways, and many possible combinations, there will also be several possible solutions.

And, perhaps most importantly, **the growing cooperation between East and West, between Asia and the Nordic countries in particular, could produce new and needed solutions to current global challenges.** This ought to be a new major task for people and institutions in the public as well as in the private sector concerned with international cooperation (and with our common future). Moreover, no matter what issue or aspect of that future one will engage in, cross-cultural communication is a basic precondition for success.

Chunrong Liu | Local State and Business Environment in China

Business environment in China has a strong local dimension. It is at the local level that most entrepreneurs conduct their daily operations, strategize the relationship with stakeholders and capture critical resources controlled by governments and public institutions. Furthermore, the Chinese local government (administrative levels below the provincial level) has over time developed considerable capacity in the creation and regulation of the business environment.

Business leaders and relevant stakeholders may not be surprised to see how Chinese local governments function as an entrepreneurial manager who aims to maximize tangible urban physical and economic growth. Indeed, the “local state” has played a pivotal role in developing and guiding the market, and in attaining the spectacular economic growth in China. A key driving force of this state-led, pro-growth development is arguably the implementation of fiscal decentralization initiative in the 1980s, which has created tangible incentives for lower-level government officials to promote economic performance in their jurisdiction. This has also given rise to a distinct form of network capitalism in which local government has established varied networks with economic agents.

The influence of the local government on economic development varies across hierarchies. In general, municipal governments have the biggest power to boost economic growth by providing favorable environments for investors. At the bottom level, county or district governments are assigned with the jurisdiction duties by the upper level government and they normally have limited administrative or financial latitudes.

It is also noteworthy that the role of the local state in economic development has been transforming over time. Initially, the local government often took a developmental and/or entrepreneurial role in which economic bureaucracy was instrumentally embedded in a set of ties that were binding the state to the business sector. **More recently, the local government has taken a more regulatory role and is more interested in establishing and enforcing the rules of the game in the market.** Meanwhile, there has been a growing pressure for expanding the budgetary resources and an extensive array of obligations for the provision of public goods and services by the local governments.

Identifying the games and players of local governance in China is a challenging task. Under the political leadership of the Chinese Communist Party (CCP), political power at the local levels is formally distributed

and exercised in a framework mainly constituted by a legislative actor (People’s Congress), an executive actor (People’s Government) and a consultative actor (Chinese People’s Political Consultation Conference, CPPCC). Local party chief or party secretary is the core policy maker that appointed by their superior in the CCP system. The People’s Congress elects the head of the local People’s Government, who is responsible for carrying out the policies and most ceremonial duties. Local CPPCC, constituted by democratic parties and non-Party representatives, functions as an organ for the development of multi-party cooperation and political consultation under the leadership of the Chinese Communist Party. Within the administrative sector, there is a dual leadership system – each local bureau, committee or office is under the shared authority of the local leader and the leader of the corresponding office, bureau or ministry at the next higher level.

Despite political control of the CCP, local governance is characterized by institutional fluidity and ambiguity. Ambiguities are caused primarily by the explicit and specific role of the various state agencies in regulating economic activities and social dynamics. Internally, China’s bureaucratic ranking system combined with the functional divisions of authority generate a situation in which it is often necessary to reach agreement among different bodies, where no single body has authority over the others. In practice, this means that there is a need to negotiate with various bodies, and building up and maintaining relationships with all of them can be very time-consuming.

As various governmental agencies get involved in shaping business environment and firm behavior, the game has become further complicated. These new players may include central banks, various ministries related to specific industries, local economic planning commissions or developmental and reform commissions, and policy advisors from think tanks. In social governance, local governments have been preoccupied with more extensive and effective use of the market and not-for-profit-organization in providing and delivering the basic services.

Whilst an ambiguous institutional terrain may produce manifold opportunities for both market and social players to engage in and navigate the policy process, they may also affect business operations negatively and make it elusive to pursue a predictable and sustainable framework for socioeconomic development. Over the

last decade, these problems have further stimulated many local governance innovation programs. Many of them aim at repairing the institutional holes and exploring a more streamlined, transparent and effective governing framework.

Policy experimentation, in which central policy-makers encourage local officials to try out new approaches of problem solving and then feed the local experiences back into the national policy initiative, has brought a prominent impact in China's socioeconomic transformation. One of the key tools of policy experiments is the creation of "experimental points" where policies and regulations can be conceptualized, operated and tested. This allows innovative thinking to be explored in a manageable space before it is expanded to the whole system at larger scale. A recent major experiment is the China (Shanghai) Pilot Free Trade Zone (SPFTZ), which aims to explore the regulation of liberalized capital market,

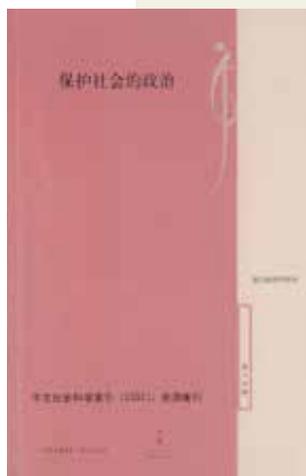
and a more structurally balanced, domestic demand driven, environmentally friendly, and equitable form of economic development in China.

Understanding the nuanced role of local government as well as its predominant regulations, norms and routines is critical for any form of enterprise to survive and flourish. Local governments in post-reform China have shown many strengths and weaknesses, regularities and variations. They differ considerably in their strategic intention and resources, as well as capabilities of managing government-business relations. While they remain extraordinarily adaptive and flexible, there is a crying demand for building a well-functioning regulatory and administrative framework for sustainable economic and social development. Thus, there will a continued coevolution between local state and business environment.

■ Chunrong Liu and Stein Kuhnle

Crisis, Transformation and the New Politics of Welfare

Note: In 2015, a special issue of Fudan Political Science Review was published (in Chinese) with support of Fudan centre. Chunrong Liu worked with Stein Kuhnle of University of Bergen and coedited this special issue on "the politics of social protection" – a further effort to stimulate the discussion about crisis and future of welfare state in the context of the global recession during 2008-2012. The guest editors of this issue claim that the explanation of crisis and transformation of welfare regime will have far-reaching implications for the the understanding of social contract dynamics in China.



It can be said that the global economic and financial crisis that erupted in 2007-2008 is the worst since the Great Depression of the 1930s. It was followed by a downturn in economic activity, rising unemployment levels in large parts of Europe and a global recession during 2008-2012. It has also contributed to the European sovereign-debt crisis. All of Europe has been affected, but the effect of the crisis for unemployment, economic development, public finances and social policy reforms efforts has not been uniform throughout the EU and Europe as a whole.

The idea of social insurance and "the welfare state" is European, and historically social insurance schemes were first developed in Europe. Social insurance and protection legislation spread worldwide, especially from the 1920s onwards, and particularly after the Second World War. It would not be correct to say that "the welfare state" is a globalized concept and phenomenon as of today, but the idea and practice of an active state with increasing responsibility for citizen welfare can be said to have a global reach. Partly because of a long history and tradition, partly because of a long period of consolidated economic growth

after 1945, European welfare states have become the most expensive welfare states in the world, with public social expenditures for most countries varying between 20 and 30 per cent of Gross Domestic Product.

For a long time, the “crisis of the welfare state” has been a topic of research and political concern of European governments. To what extent there has been or is a crisis among the 32 countries of the European Economic Area (+ Switzerland) can be discussed, and also what kind of crisis: economic, political, or social? Is it a crisis of overspending, signifying too comprehensive policies or too generous social benefits, or of social exclusion and persistent, uncomfortable levels of poverty and income inequality or inequality of life chances?

The “welfare state in crisis” topic emerged in the mid-1970s, and has been an important part of welfare research ever since. The size of European welfare states, measured crudely as social expenditures as percentage of a (generally growing) Gross Domestic Product, has been more or less constant during the last 20 years, in spite of cuts in benefit levels and retrenchment of social security schemes in many countries. The reason for this is fundamentally demographic change, a growing proportion of the population with established rights and entitlements who start to claim benefits, e.g. as pensioners. The proportion and absolute number of old people is growing and will grow substantially in coming decades, partly because people live longer than before (which again may be thanks to the welfare state!), and partly because of falling and low fertility rates. Thus, a major challenge for European welfare states is the question of how to sustain the financial basis for current levels of scope and benefits of social security and welfare schemes, and to maintain the capacity for health and social care, when the relative number of tax-payers and economically active population decline substantially. Independent of the global financial crisis of the last six-seven years, European welfare states have been set to meet the crucial demographic challenge to the welfare state, and thus, European welfare states have continuously, but with varying success, made smaller or bigger social policy reforms (e.g. pension schemes; health care; labour market policies), in order to better prepare for the future.

The global financial crisis which developed from 2007 onwards came to represent a sudden, major additional challenge to European governments and their ambitions for the future of the welfare state. The crisis hit European welfare states differently because countries were more or less financially and politically “prepared” for sudden economic shocks. In general, northern European countries were in

a better shape than Southern European countries when the crisis came.

In this special issue, the editors provide a preface and three topical articles. Lars Bo Kaspersen’s article on formation and development of the welfare state provide a novel perspective on the dynamics of Danish welfare state. The author take an alternative attempt to explain the formation of welfare state not as a result of clear-cut ideology or norms but in “exceptions” – situations in which norms are abandoned, and that the survival of the state is at stake. Certainly, understanding the origin of welfare state would help rethink its future which is shaped by many crisis and uncertainties.

The editors also included a chapter on the state of the welfare state in the European country, which was probably hardest hit by the crisis, namely Greece. Manos Matsaganis of Athens University of Economics and Business gives an account of “Greek welfare in hard times”, and argues that the welfare state can be cast both as a villain and partly responsible for the crisis, and partly as a victim of the crisis. He concludes that the crisis can be an agent for renewal and give birth to a radically reformed welfare state. Whether that is a realistic scenario remains to be seen.

Huck-ju Kwon of Seoul National University provides an analysis of the effects of the global economic downturn on social protection in East Asia. He traces the pathways of global and national interaction by examining three East Asian countries, namely Cambodia, Indonesia and South Korea. He finds that there are many variations and nuanced diversity as to which pathways these countries follow. But in general, policy debates have been well informed by “global ideas”, such as ideas of human development and social investment, and in spite of diversity in the pathways of policy transfer and level of social protection he claims that we can observe some commonality in the three countries examined. Social protection is considered part of the strategy for economic development, and increasingly based on the idea of human development and social rights.

List of Activities in 2015

Time	Event	Description
02/04	China Seminar at Namsenskole, Lillehammer, Norway	Nias-Fudan Centre held a two days seminar on the security landscape of North East Asia in Lillehammer, Norway, co-sponsored by the Nansen School and the University of Lillehammer. Participants were the students from the two institutions, the teaching staff and people from the city of Lillehammer.
02/27	Seminar on "Understanding the dialectics between hegemony and world order: The rising powers and the emerging world re-order."	Professor Li Xing of Aalborg University visited Fudan Center. In the seminar, he provided a framework for understanding the nexus between hegemony and world order with a present-day focus on the dialectic relationships between the US-led/West-based existing world order and the emerging world order brought about by the rise of China and other emerging powers.
03/02	Seminar on "Mobile communication and mobilization to offline protests in China"	Dr. Liu Jun of University of Copenhagen investigates the informational and relational dimensions of the mobile phone in social mobilization in four cases in China. He finds that, in addition to communicating mobilizing information, participants meta-communicate their mutual relationships via mobile phones in the mobilization process, and this shapes the practice of information exchange and the interpretation of information. As the pivotal driving force for protest participation, this meta-communication embodies multiple dimensions (e.g. reliability, reciprocity, and obligation) that intervene at different moments in the process of mobilization and that induce people to become involved in contentious activities.
04/15	Fudan Centre's presentation at Turku and Tampere	Chunrong joined Fudan Nordic Centre council meeting at Turku and promoted Fudan Centre and its relationship with the member universities of Fudan Nordic Council. Research interest on innovation was also explored during by a visit to Tampere University.
04/28	Seminar on "One Belt One Road"	Chunrong delivered a lecture about the Chinese perspectives on China's belt and road initiative for diplomats and representatives from Danish business community. The program was organized by Copenhagen Business Confucius Institute and supported by China Embassy in Denmark.
04/29	BACES management meeting at VUB	Chunrong visited VUN and attended Baces (Brussels Academy of China and European Studies) organizing committee meeting.
05/24-28	Conference on "European and American Perspectives on China's Politics and Development" (Sub-forum of Shanghai Forum 2015)	Co-organized by Fudan-European Centre for China Studies at Copenhagen and Fudan-UC Center for Contemporary China Studies at California, this sub-form brings together a range of European and American perspectives to identify the multifaceted dynamics and challenges of Chinese development in the globalization context, focusing on China's quest for new mode of social governance, market regulation and global order.
06/08	NACS 12th biennial conference at Uppsala ("China in the World and the World in China")	Chunrong made an academic presentation on conflict processing mechanisms in China as well as a seminar on the role of Fudan on Chinese studies in Scandinavia.

06/04	Visit to Prio (Peace Research Institute Oslo)	Chunrong visited Prio with Geir and explored synergies between FDDI/Fudan centre and Prio. Geir was then invited to participate in a two days closed workshop on North East Asian security issues organized in Oslo, Norway by Peace Research Institute of Oslo and The Brookings Institution, USA.
06/18	Asia-Nordic Cross-Cultural Dialogue for Closer Relations	This new program, launched by Nias and coordinated by Fudan centre, addresses the Asia environment in greater Copenhagen comprising the Asian diplomatic representatives, the leading Asian private enterprises as well as the Nordic diplomatic representatives and representatives from Danish/Nordic private enterprises operating in Asia.
06/19	Annual Meeting of European Alliance of Asian Studies in Hamburg	Nias and Fudan Centre joined the European Alliance for Asian Studies (EA) Annual meeting at the German Institute of Global Affairs in Hamburg to discuss further academic cooperation between the member institutions and to plan the expansion of the alliance with partners in the Eastern and Southern Part of Europe.
06/25	“Governing Food security and safety in Asia”, panel at ADI annual conference “Food, Feeding and Eating In and Out of Asia”	This panel addresses two interplaying aspects of food politics: security and safety. It aims at bringing a better understanding of the nature, dynamics and implications of food governance in Asia. Chunrong and He Kai of department of political science at UCPH co-organized this panel.
07/01	Cross-sector international collaboration with Copenhagen Regional Government and Jiangsu Province	Together with Nias, Fudan centre initiated a cross-sector international collaboration with Copenhagen Regional Government and Jiangsu Province. The project focuses on cooperation in health care and health care technologies, and includes exchange of manpower between the regions. The task of Nias and Fudan Centre is to host the Chinese participants while they stay in Copenhagen, and assist them in their activities here. We are also, and not least, engaged in cultural training of the Danish participants in the project. And we are further working in the direction of expanding the local Danish side with other Nordic partners, be it capitals like Copenhagen, or countries, based on the fact that we have 26 Nordic universities in our Nordic consortium.
08/14	Seminar on “Gender, Class and Everyday Life in China”	Co-organized with “the Co-ordination for Gender Research” at Department of Sociology of University of Copenhagen, the seminar sheds light on new social forms and identities in the context of globalization, neoliberal reforms and ways of life in present day China. What binds the topics together is the underlying at tempt at a genuine inclusion of gender dynamics in the modernization projects currently underway in China.

08/27	Engagement with Nordic Council of Ministers	Discussion with Keneth Broman, chief of staff of Nordic Council of Ministers (NCM) on NCM's cooperation with China. This marked a new space for Nias & Fudan centre's engagement with NCM, and we have been playing an advisory activity towards the top leadership of the secretariat of the NCM. NCM is at present developing a globalization strategy, and Asia, and in particular China, is a central part of this strategy. Thus, the NCM top leadership has engaged Nias and Fudan Centre as a consultative body both regarding ad hoc issues, as well as in the longer perspective in the planning process. Geir joined the Secretary General on his latest trip to China to commemorate the 65th anniversary of diplomatic relations between China and the Nordic countries.
08/27	UCPH Graduate Talent Program received two Fudan students	Fudan Center offers a welcome to Ms. Yang Jiani and Mr. Ma Yi, who were selected from Fudan and admitted to the UCPH graduate talent program. They are coming to UCPH through a joint initiative between Fudan center and faculty of social sciences at UPCH. Yang Jiani will be studying at the department of anthropology with a research focus on biosociality of HIV in the Danish welfare state. Ma Yi will be in department of political science, and based at Nias/Fudan cente. He is interested in welfare institution and cooperative movement in Denmark.
09/14-17	Wuxi Entrepreneur Summer Program "Advanced Economy & Development" for Wuxi Entrepreneurs	The short-term training program was co-organized with Fudan-Wuxi institute for a group of entrepreneurs from Wuxi city. It offers 3 core seminars at Nias and Fudan centre featuring European economy, Nordic country and Danish sociopolitical system. It helps understand the way Danish company deals with global market and manages to improve its competitiveness, its innovative and leadership capacity.
09/15	China-EU High Level People to People Dialogue	Fudan Centre participated in the "China-EU high level people to people dialogue" and the BACES EU-China think tank forum on "EU-China 40 Years: A New comprehensive strategic partnership".
09/17	Seminar at Warsaw with Polish Institute of International Studies (PISM)	The main topic of the seminar organized at PISM was the assessment of the opportunities and risks associated with a possible tightening of economic relations between the Central Europe and China. Speakers pointed to the need for synergy in political projects affecting the economy, namely the Chinese new Silk Road (known as "One Belt, One Way") and the EU's Juncker's Investment Plan.
09/26	Civil Society Lecture at Bergen	Churong was invited by China Network Bergen and gave a special talk at the annual conference on the changing arts of governing social organization by Chinese local state.
10/13	Seminar on "China's Contested Internet"	Professor Guobin Yang from the University of Pennsylvania, who researches and specializes in Chinese Internet, activism, ethnic identity, and racial contestation in cyberspace as well as voice, power and connectivity in China's microblogosphere, visited Fudan centre and Nias. A book lunch and lecture event was organized. The seminar highlights the importance of understanding the depth of people's experiences and institutional practices with a historical sensibility.

10/21-22	Sino-Nordic Security Research Seminar/network	<p>Sino-Nordic Security Research Workshop, co-organized by Fudan Centre, School of International Relations and Public Affairs at Fudan, Department of Political Science at UCPH and Fudan Nordic Center, aims at promoting cutting-edge research on international security by bringing together Chinese and Nordic expertise. This workshop will give an overview of the state of the art of security research and address key agendas that future theories should tackle. We encourage theory-informed analysis on the perennial security problems as well as particular security challenges facing Europe and Asia.</p> <p>This one-and-a-half day workshop features keynote lecture and paper presentations. The workshop will be the official launch of a series of research cooperation in political science discipline that Fudan and UCPH have planned to develop in the coming years. It also serves as a program celebrating the 20th Anniversary of Fudan Nordic Center.</p>
10/22-23	Project on Cultural and Political Dimension of Business Relations between China and the Nordic Countries	<p>Nias and Fudan Centre joined a Nordic research network sponsored by the Nordic Council of Ministers through the Nordic Centre Fudan. Members of the Network beside us were Aalto University, Helsinki, Finland; Copenhagen Business School, Denmark and University of Gothenburg, Sweden. The project focused on business relations between China and the Nordic countries. Fudan Centre and Nias contributed with two presentations/articles: "All Businesses Are Local? The Influence of Local Government on the Business Environment in China", and "Cultural Differences in East – West Communication: A major- but mostly neglected – Challenge".</p>
10/27	Fudan University Chancellor's Visit	<p>Fudan's Chancellor Prof. Zhu Zhiwen visited Fudan Centre. Three working meetings were organized through which Chancellor Zhu reconfirmed Fudan's strategic engagement with Nordic partners and overseas China center with the rector of UCPH, Secretary General of NCM and the Danish Minister for Education.</p>
11/01	Conference on "Governance for Urban Sustainability in China: Challenges and Practices"	<p>This two-day international conference was organized by the Sino-Nordic Sustainable Urban Governance Network (UGN). Fudan Centre sponsored this conference and Chunrong delivered a talk on the forms of social capital and urban sustainability in urban China.</p>
11/09-14	Chinese Politics Lecture Series at University of Pavia	<p>Chunrong was invited to the University of Pavia in Italy and discussed the key areas of cooperation with the program of world politics. He also gave five intensified lectures on Chinese politics for the program as a visiting scholar.</p>
12/11	Copenhagen China Conference (CCC)	<p>Co-organized by ThinkChina, CBS and DIIs and Fudan Centre, this conference aims at community and confidence building for the China studies community in Copenhagen. The conference features three elements: poster presentations, paper presentations and a future session. Chunrong presented a research paper and convened a workshop on the role of the FDDI and the Fudan Centre in the development of Copenhagen China research community, and on how to pursue China studies with Chinese partners in general.</p>



Fudan Development Institute (FDDI)

Address: The 7th Floor, East Main Building, Guanghua Towers,
220 Handan Road, Shanghai 200433, P.R.China
Phone: 86-21-55664590 Fax: 86-21-55670203
E-mail: fdifudan@fudan.edu.cn

The Nordic Institute of Asian Studies (NIAS)

Address : University of Copenhagen, City Campus,
Øster Farimagsgade 5, DK - 1353, Copenhagen K
Phone: +45 35329500 Fax: +45 35329549
E-mail: sec@nias.ku.dk