

Sino-Nordic Relations: Opportunities and the Way Ahead



Institute for Security &
Development Policy



© Institute for Security and Development Policy, 2016

Disclaimer:

The opinions and conclusions presented in this report do not necessarily reflect the views of the Institute for Security and Development Policy (ISDP). All views are interpretations of ISDP staff alone who are responsible for any inaccuracies in this report. The contents of this document may not be quoted or reproduced without express permission of ISDP.

For editorial correspondence and enquiries, please contact ISDP at: stockholm@isdp.eu

About the institute:

The Institute for Security and Development Policy is a Stockholm-based independent and non-profit research and policy institute. The Institute is dedicated to expanding understanding of international affairs, particularly the interrelationship between the issue areas of conflict, security, and development. The Institute's primary areas of geographic focus are Asia and Europe's neighborhood.

Table of contents

Front matter.....	1-2
Executive summary.....	3
1. Introduction.....	4-5
2. The Nordic states and sub-regional coordination.....	6-8
3. Current Sino-Nordic relations.....	9-13
4. Interests and objectives.....	14-17
5. Opportunities.....	18-33
6. Looking forward.....	34-35
Appendix.....	36-46
Endnotes.....	47-49



Executive summary

- This report provides a study of the relationships between the People's Republic of China and the "Nordic" countries of Denmark, Finland, Iceland, Norway and Sweden. In doing so, it pays particular attention to possibilities for joint Nordic regional cooperation to serve as basis for such relations with China.
- This study argues that both China and the Nordics have significant gains to make through closer cooperation. Relations based at the larger, Nordic regional level would be more interesting to China. Bilateral relations with five small individual states would be less so.
- To this end, the Nordic countries share common concern and interests, and maintain basic policy frameworks. Towards China, however, the Nordics diverge on geopolitical stakes, mutual competition, economic structures and multilateral affiliations.
- Substantial efforts will be needed to strengthen Nordic collaboration as unit, in order to maintain meaningful relations with China. Further challenges lay ahead in developing Nordic institutional coherence at the European sub-regional level.
- People-to-people relations leave space for improvement. The overall public image of China among Nordic societies has deteriorated in recent years, however, data is sparse and this trend may vary among Nordic countries.
- Equally, the understanding of China by Nordic populations is poor, not least in the fields of political affairs, development and security policy. Deeper dialogue on areas of common interest such as the Arctic and "Belt and Road" region offer opportunities.
- Economic relations have been fruitful. However, some opportunities remain underutilized. Nordic input on innovation, entrepreneurship, welfare and urban governance could be of great value to China's domestic reforms. In turn, China's reforms offer numerous projects, new markets and investment opportunities to Nordic enterprise.
- Scientific and environmental relations are areas which both parties have shared mutual competences. China is fast becoming one of the innovative countries in the world. Here, the Nordic region can provide training opportunities and access to key expertise. In turn, Chinese scholars and expertise can complement areas where the Nordic region lacks its own resources.
- Security and development are fields of complex relations. China has shown great commitment to development in recent years whilst Nordic institutions exist as knowledge bases for development policy.
- Looking ahead, active and tangible policy measures will be required to gradually expand and then deepen relationships. In the short term, both sides should work towards building a base for further engagement. In the medium term, coherent and mutually recognized frameworks are needed to guide and interconnect policy efforts. In the long term, Sino-Nordic linkages can become a hub for dialogue and international coordination.



1. Introduction

During the February 2016 meeting of the Nordic Council of Ministers there was a decision made to explore opportunities for greater Nordic sub-regional cooperation with China. In turn, China has expressed an interest in establishing a “5+1” dialogue with the Nordic countries. Such a format would be similar to Beijing’s “16+1” dialogue with the Central and Eastern European Countries. Globalization is a force that effects both the Nordic countries’ and China’s relative international positions, necessitating governments to rethink the frameworks of their foreign policy efforts. In this environment, deepening of relations between China and the Nordic region is certainly a policy option worth exploring.

Both China and the Nordic states have a lot to gain from improved ties. Closer Nordic cooperation on China-relations could enable certain efficiency and geopolitical gains. However, potential gains are qualified by lingering popular unease over China’s human rights record and geopolitical conduct. Moreover, despite similar ideals, the five Nordic states are divergent on policy matters and the International Organizations which they ascribe to. As such, although closer-ties are possible, they will also necessitate policymakers to balance possible gains and domestic

needs with conflicting core norms and interests.

Recent policy-related work by Nordic researchers has reflected upon China’s interests in the Nordic countries¹, and a joint review of each Nordic country’s bilateral relations with China.² This work has served to answer some questions whilst revealing new ones. Amid debates on expanding relations with China, this report will investigate what opportunities are available to Nordic and Chinese policymaking to pursue this objective. Recognizing existing limitations, this report asks, what opportunities can Nordic and Chinese policymakers and diplomats seize upon to further deepen constructive relations?

This report provides a study the relationships between the People’s Republic of China and the “Nordic” countries of Denmark, Finland, Iceland, Norway and Sweden. It will pay particular attention to the possibilities for joint Nordic regional cooperation to serve as basis for such relation. ISDP has assessed challenges and shortcomings to these relationships, and proposes a series of opportunities as to how China and the Nordic countries can expand upon beneficial mutual engagements whilst mitigating risks to core ideals and interests.

Given this subject-matter it is imperative to note that the concept of ‘relationships’ and the improvement of such, is highly complex and multi-fac-

eted. Therefore, 'relationships' will be considered and abstracted according to their relevance for policymakers and the diplomatic community. Five broad sub-types of relationships are addressed:

- China-Sub-regional relations,
- governmental relationships,
- economic relationships,
- academic relationships, and
- people-to-people relations.

Research on current conditions is based on a study of academic and analytical literature, in-depth interviews with European experts, and seminars with Chinese and European practitioners and experts. These have been complemented with ISDP's in-house expertise. The opportunities for policy development have been identified based on suggestions from experts, analysis of dialogue sessions and ISDP's immediate experience of almost ten years of intense work on Sino-Nordic relations.

The report is structured into three parts: First, it will first provide an overview of the Nordic countries and their position as a European sub-region. Second, it will analyze the interests, objectives and principles governing mutual engagements. Third, a series of topically grouped opportunities are presented through which China and the Nordic states can seek to improve relationships.



2. The Nordic states and sub-regional coordination

With both informal roots and formal institutional structures, the co-operation of the five Nordic countries is claimed to be one of the most extensive regional partnerships in the world. It constitutes a region with similar languages, deeply intertwined histories, comparable levels of development, and shared socio-political norms. Having overlapping interests and concerns, Nordic governments and policymakers often act together and coordinate standpoints on international issues. Regionally, the five Nordic countries have created a system of policy coordination through the Nordic Council and the Nordic Council of Ministers.³

As previously discussed, at the meeting of the Nordic Council of Ministers on the 3rd of February 2016, the decision was made to explore how the Nordic sub-region can expand its relations with China. A similar interest has been expressed by China in the creation of a Sino-Nordic “5+1”-dialogue. At the meeting of Nordic prime ministers on Aaland on the 28th of October 2016, leaders expressed the ambition to “boost their cooperation internationally”.⁴ The United States has also called on the Nordic states for work together closer internationally.

Greater cooperation between the Nor-

dic countries and China has several advantages, for both sides.

Nordic/China cooperation advantages

Advantages for the Nordics

First, the Nordics are tiny by international standards. Closer cooperation would provide an opportunity to “future-proof” their positions in a rapidly changing world.

Second, closer cooperation creates a platform that appears stronger and more relevant on the international stage. By extension, the Nordics ability to promote their common interests in a meaningful way is strengthened. For instance, strategic and political concerns held by many Nordic societies, such as adherence to a rules-based international order, or human rights dialogues could be more effectively promoted.

Third, coordinated relations would provide a way for individual countries to better withstand Chinese disapproval over policy choices. As the Nordics are countries with low absolute capabilities (especially after recent rounds of austerity measures), closer coordination of resources, networks and frameworks, would allow for ‘smart’ diplomacy that has access to more information and contacts at a lower individual cost.

Advantages for China

First, a consolidated Nordic sub-region could carry some geopolitical and efficiency gains. With efficient institutions, stable administrations, and a comparatively decent economic conditions, the Nordic sub-region could become an alternative partner to the European Union (EU).

Second, as Arctic affairs gain geopolitical importance and move from the periphery, a joint Nordic platform would give a way for China to work with those Arctic states that are (comparatively) positive about Chinese Arctic involvement.

Third, a possible joint Nordic platform simplifies any engagement. Maintaining bilateral relations with the small individual Nordic coun-

tries is expensive, requires a large administrative capacity, and creates problems in terms of policy coordination. Instead, by co-operating on the sub-regional level, external parties can streamline and simplify the distribution of resources and policy initiatives. In turn, this improves the ease of internal oversight, guards against corruption and curbs potential resource abuse.

Differences among the Nordics

However, the potential coherence of a common Nordic foreign policy framework must not be overstated. Despite sharing a broad frame of interests and concerns, the five countries diverge when it comes to socio-economic needs and pre-existing international

Nordic countries & multilateral affiliations					
State	Denmark	Finland	Iceland	Norway	Sweden
Nordic Council (members)	✓ (20)	✓ (20)	✓ (7)	✓ (20)	✓ (20)
Nordic Council of Ministers	✓	✓	✓	✓	✓
Arctic Council	✓	✓	✓	✓	✓
European Union	✓	✓ (+ EMU)	-	-	✓

affiliations.

Of the five states, only Denmark, Finland and Sweden are members of the EU, with Finland being the only member of the Eurozone. EU membership enables these governments to “outsource” sensitive policy matters (such as human rights dialogue) to the EU-level, and benefit from the agreements, networks and geopolitical ‘weight’ of the EU. Note that Denmark in particular has been hesitant towards EU-level integration and has opted out of various policy areas.⁵ This has led it to retain a more independent foreign policy.

In terms of security policy, Denmark, Iceland and Norway are the Nordic states’ only full North Atlantic Treaty Organization (NATO) members. This instills them with an ‘Atlanticist’ orientation in security questions which may become more pronounced as geopolitical rivalry between the United States and China continues to escalate. Sweden and Finland hold more devolved (albeit active and increasing) partnership towards NATO.

Although all five Nordic states are full member-states of the Arctic Council, their roles vary. With key interests in potential economic development and increased political relevance, Norway and Iceland take a pragmatic position, while Sweden’s relative detachment brings it to adopt a more normative stance.

Despite grand plans, the Nordic Council has been relatively ineffective as a structural policy-steering mechanism. Although the Nordic Council of Ministers has had some effect due to its congregation of national-level executives, it lacks the administrative and institutional clout that the EU and NATO espouse. Conversely, fearing ‘divide and conquer’-tactics, the EU is averse to further sub-regional groupings. As countries with overlapping business prospects and political interests, the Nordic states are too competitors and naturally find it difficult to agree on policy coordination. Prior proposals towards grouped diplomatic treatment by e.g. Japan have been unanimously rejected by all Nordic states. Currently, most Nordic countries feel confident that they can engage with China on a bilateral basis (regarding non-sensitive issues) and continue to derive greater beneficial results. Grouped treatment, particularly concerning economic issues, is seen to limit the countries’ capacity to engage in substantive discussions.



3. Current Sino-Nordic Relations

The commonalities and differences between the five Nordic countries can be traced in their relations with China. The five countries have pursued divergent policies towards China, leading overall relations to develop in different directions.

Arguably, among the Nordic states, Denmark and Iceland maintain the most comprehensive relations with China. They have drawn considerable goodwill in return from Beijing. Finnish relations with China have been characterized by economic pragmatism, and are enlarging people-to-people relations. Sweden has struggled to balance business interests with vocal political dynamics on humanitarian issues. This has affected the country's political capital and people-to-people relations. Conversely, with the effects of the Liu Xiaobo Nobel Peace Prize boycott weighing it down, Norwegian-Chinese relations remain uneasy, particularly in economic and political terms.

China has expressed interest in establishing a "5+1"-dialogue with the Nordic region, akin to Beijing's "16+1" arrangement in Central and Eastern Europe. At their meeting on the 3rd of February 2016, the Nordic Council of Ministers decided to explore opportunities for greater contact

with China. Nevertheless, diverging policy preferences and inter-Nordic competition may make such plans hard to execute. Moreover, current isolationist tendencies in domestic politics and escalating geopolitical rivalry between the United States and China have cast a slight shadow over future prospects.

China-sub-regional relations

Engagement between China and the joint Nordic region have a long history, but lack a comprehensive regional framework with activity taking place on an ad hoc basis. Some China-specific initiatives have been coordinated and funded through the Nordic Council of Ministers. Formal meetings of Chinese policymakers with a regional-level Nordic representation remain fairly limited.⁶ As the Nordic cooperation lacks institutional power, existing longer-term programs are carried by collaborations of e.g. university departments and civil society organizations. The Nordic Council of Ministers is currently conducting a two-year study on how expanded cooperation with China can be incorporated within its scope of activities.

Currently, research and innovation are at the forefront of projects coordinated or funded at the joint Nordic level. The Nordic Center at Fudan University is possibly the most concrete cooperation at the Nordic regional-level at this moment. Over

the period 2013-2015 the Council of Ministers provided a set of grants “[...] aimed at strengthening co-operation in education, research and innovation between Nordic and Chinese universities and other innovation partners in the Shanghai area.”⁷ These, and other projects funded at the Nordic level generally address subjects outlined as “Nordic solutions to global social challenges” such as sustainable cities, climate and energy solutions, food and nutrition, welfare solutions, gender equality, business innovation, and work conditions.

Government-to-government relations

Sweden, Denmark and Finland were among the very first Western countries to establish formal diplomatic ties with the newly established People’s Republic of China. Over the last two decades, relations between Nordic governments and China have been characterized by a trade-off between maintaining close ties to an upcoming economic and political world power, and upholding a variety of social-liberal norms, often centered on human rights. Although concerns over normative issues remain, China’s social transition, and increasing global power have led Nordic governments to adopt more pragmatic approaches. Potential establishment of relations at the sub-regional level will be a function of these considerations.

Relations between the Nordic governments and China range from broadly pragmatist (Denmark, Iceland), through mercantilist (Finland), to somewhat normative (Sweden, Norway). Examples of pragmatic policy efforts include the 2008 Sino-Danish Comprehensive Strategic Partnership (CSP), and the 2013 Sino-Icelandic free trade agreement (FTA). These agreements have enabled a great boost of these countries’ overall relations with Beijing, leading to increases in bilateral visits, projects and commerce. Building on a history of trade-oriented engagement, Finland is currently in the process of negotiating a practice-oriented “new type of relationship” with China. Although negotiations are still ongoing, Chinese sources indicate an interest in Finnish innovation, and governance issues like global economic management, Arctic affairs and climate change.

Conversely, both the Swedish and Norwegian governments have been more vocal in promoting human rights and liberal-institutionalist norms. This has led the Swedish government to adopt an awkward ambivalence in its engagement with China. Formerly, Norway enjoyed warm relations with China which included promising FTA negotiations before the 2010 Liu Xiaobo Nobel Peace Prize caused a freeze. The Norwegian government has sought to compensate by supporting China’s Arctic Council observer status bid, as well

as joining the Asian Infrastructure Investment Bank (AIIB) as founding member. Political inability for the Norwegian government to budge on liberal institutionalist values, combined with China's unwillingness to compromise its 'core interests' have made attempts at resolution highly problematic.

The shared, differing and overlapping multilateral affiliations enables multiple avenues through which relationships with the Nordic states and societies can be developed. Policy options are distributed across channels. Such usage is exemplified by, for example, Sweden and Denmark's usage of EU dialogues to promote human rights, while maintaining economic affairs at a local level. Similarly, such platforms can provide new and creative avenues for China to enable better spread and coordination of policy efforts.

Economic relations

As small, export oriented and open economies, the Nordic countries have relied on commercial engagements as the main driver for pursuing bilateral relations with China. Since the PRC's accession to the World Trade Organization (WTO) in 2001, commercial relations with Northern Europe has expanded greatly. In 2014, all Nordic countries except Finland carried a trade deficit with China. Due to the central role of third parties and intermediaries the scale of Sino-Nordic

commercial relations remains hard to quantify.

According to Nordic Council statistics, China ranks first as a source for Nordic imports, and second as a destination for Nordic exports among non-European states.⁸ Conversely, the aggregate Nordic region would rank as the Chinese mainland's 26th export and import partner globally in 2014. Although some competition is unavoidable, Nordic countries' exports are varied, including machinery (Sweden, Finland), commodities (Norway), green tech (Sweden), pharmaceuticals (Denmark) and seafood (Iceland). Nordic imports from China are generally labor intensive goods, with clothes and consumer electronics being among the most prominent.

Nordic investment in China has allowed for the development and dissemination of technology, brands and know-how which can play a considerable role in China's internal reforms. Chinese investment in the Nordic region has in turn seen an upswing in recent years and built trust in Chinese companies' dealings in the region. Chinese companies have acquired flagship Nordic brands, such as Volvo (acquired by Geely Automobile), opened R&D facilities (Huawei, in Finland), or entered high tech industries (acquiring Norwegian offshore technology company Awilco in 2008). These acquisitions have largely been experienced as 'pleasant' engagements.



Overall, economic relations have functioned at relatively independently from politics. Nevertheless, some concerns linger. The slowing of the Chinese economy has raised doubts about potential future growth on the Chinese market. Issues persist over the protection of intellectual property rights and industrial espionage remain a concern among some of the Nordic's more information-centric industries.

Academic relations

There is a high-level of student mobility between China and the Nordic countries. In 2015, 1806 Chinese students pursued higher education in Finland.⁹ This made them the third largest group of international students in Finland. The number of Chinese students in Norway is also high with 1042 Chinese students studying there in 2015. China ranks within the top five countries of origin of international students in Norway.¹⁰ In comparison, Sweden remains the most popular destination Chinese students, with 2184 studying in the country by the end of 2015.¹¹

Other than student mobility, the Nordic countries have also engaged in bilateral cooperation with China in the fields of education, research and innovation. The Finnish Ministry of Foreign Affairs included cooperation in education, research and innovation in the 2010 Finnish-China Action

Plan.¹² The CSP between Denmark and China also includes research and education, and the Danish Minister for Science, Innovation and Higher Education signed a Memorandum of Understanding (MoU) on research and innovation with his Chinese counterpart. Other examples of bilateral agreements are the Agreement Between the Ministry of Science and Technology of the People's Republic of China and the Ministry of Education, Science and Culture of Iceland on Cooperation in the Fields of Science and Technology, and the MoU on Cooperation in Education between the Chinese and Norwegian Ministry of Education. Even though no data on student mobility between Iceland and China was found, Iceland has a yearly program in which they host young Chinese researchers for advanced training in the field of environmental sciences, geothermal utilization and reservoir engineering.

People-to-people relations

People-to-people relations are marked by a discrepancy between Nordic countries' promotion on a per-country basis¹³ on the one hand, and Chinese observers' approach to the Nordics as a coherent European sub-region on the other (although awareness of intra-Nordic differences is increasing).

An increasing number of Chinese (particularly those with academic education) can communicate in English,

and follow news on European affairs. This reduces barriers to their ability to understand Nordic social dynamics. Nordic understanding of contemporary China lags far behind. Some Nordic societies (notably Denmark and Iceland) have witnessed a marked increase in efforts to raise understanding of contemporary China. Finland is following suit. Other Nordic societies (notably Sweden) remain hesitant and mainly focus on historical China. These differences are reflected in the distribution of China's Confucius Institutes: Denmark is home to three well-placed Institutes engaging with subjects well beyond language training. Conversely, Sweden has only two Institutes, both in secondary cities. It has closed the Institute at Stockholm University in 2014 following fears over alleged Chinese political interference.

Research on mutual perceptions remains patchy. Chinese people generally regard Nordic people as *"diligent, honest and disciplined – more so than Southern Europeans."*¹⁴ By extension, research conducted on behalf of the Nordic Council of Ministers in 2008 found that Chinese people perceive the Nordic countries' strongest attributes to be their quality of life, standard of public services, social capital and responsible environmental management. In return, sources suggest that Nordic perspectives of China have, after a period of improvement, started to decline.¹⁵ A poll by

Pew Research Center measuring the "Opinion of China" found that the percentage of Swedes claiming to hold a favorable opinion of China declined from 43% in 2007 to 37% in 2016. In response to a parallel survey on whether Swedes think that the government of China respects the personal freedoms of its people, only a meager 3% responded 'yes' – lower than any other western European country.



4. Interests and objectives

Both China and the Nordic states have much to gain from deepened relations. For this, both sides have a responsibility to understand the interests and perspectives taken by the other side. Three broad differences of perspective underlie further development:

Nordic frame of reference: The Nordic countries pursue diverging interests and priorities in their relationship with China. Differing memberships in e.g. EU and NATO have reinforced these differences as legally binding realities. Primarily, China views the Nordic countries as a sub-region of Europe. The small size of the Nordics' makes tailored bilateral attention appear as exceeding each Nordic state's relevance.

Public perception: As small countries with highly globalized economies, the Nordic countries place great value on foreign policy which is based on common rules, open institutions and liberal norms. For China, international engagement is ultimately contingent on its three "core interests" (核心利益): (1) Preserving China's basic state system and national security; (2) national sovereignty and territorial integrity; and (3) continued stable development of China's economy and society. For either side acts that are as violating these normative frameworks is seen as sensitive, if not outright

offensive. Perceived violations have led both Nordic governments (e.g. in response to the Tiananmen Square incident) and China (e.g. in response to meetings of government representatives with the Dalai Lama and the 2010 Nobel Peace Prize) to adopt strong responses.

The role of government: Nordic countries regard private agency, as the primary organizing unit of society. State agencies primarily exist as means to guarantee private freedoms and rights while protecting them from averse capitalist market forces. Chinese political systems regard the state as the primary organizing unit in society. Consequently, safeguarding the 'national freedom' of state institutions is the foremost objective of policymaking.

Current aims and principles represent reflections of what are results of long and deep political, social and economic structures. As such, it is unlikely that differences will subside or be significantly compromised upon. They set constraints on the opportunities of engagement and affect actions that are taken. To enable workable relations, policymakers will need to strive to manage and, ideally, decrease the distance between known differences.

China

Background

Chinese policymakers regard their country as one that is going through a peaceful development following a long period of international marginalization and poverty. China has set its development to the backdrop of two overarching “centenary goals”. The first goal, set to be achieved by 2020 (in time for the 100 year anniversary of the founding of the Communist Party of China)¹⁶, aims for China to become a “moderately well-off” society – a prosperous, powerful, modern country. The second is to be achieved by 2049 (the 100 year anniversary of the founding of the People’s Republic of China) by which time China is to be “modern socialist country that is prosperous, strong, democratic, culturally advanced and harmonious.”

Objectives

In practical terms, the 2020 goal sets the objective to double both GDP and per capita incomes of urban and rural residents over 2010 figures. Living standards are to be raised (including a 60% urbanization rate), poverty eliminated, employment conditions improved, and the quality of medical services increased. To achieve such growth, the Chinese leadership seeks to change the basis of the country’s economic growth beyond the (eastern) export-oriented manufacturing base that has characterized development since 1979. Domestic demand

is to become a key driver of growth. Transnational linkages with Central Asia and Europe, developed under the Belt and Road Initiative, are intended to enable growth of China’s poor Western provinces. Key roles have been attributed to innovation and creative, as well as digital industries, as well as green development. By 2020 China also seeks to have established itself as a global soft power.

Sources note that China considers the Nordics as cases through which it can learn practices which would facilitate these development objectives. Research by the Swedish Defence Research Agency (FOI) highlights three core motivations are identified. First, the Nordics as a “platform for learning and technology acquisition”, as means of improving China’s capacity for innovation. Second, the Nordics as stepping stone to gaining economic access to larger markets, and third, the Nordics as gateway for China to develop “cooperation with a wider range of international actors.”¹⁷

Bottom-lines

In engaging China, it is imperative to realize that international criticism and ‘losing face’ are highly sensitive to Beijing, as well as Chinese society at large. To avert incidents in this regard, Chinese leaders traditionally decree that their relations with other countries are conducted according to the ‘Five Principles of Peaceful Co-existence’: (1) principle of equality, (2)



mutual benefit, (3) mutual respect, (4) territorial integrity, and (5) sovereignty. As bottom line to these principles, three 'core interests' are applied: Perceived violation of these principles will be deemed an offence. Pressure from popular nationalism increase political pressure on Chinese authorities to take certain responsive measures. After a 'Century of humiliation' compromise is not always recognized as characteristic of a 'powerful' state. Such sentiments have invariably elicited a hard response from Beijing in order to guarantee that similar situations will not recur.

Nordic states

Background

For the Nordic states, relations with China are one among multiple strategies to address effects of globalization. During the Cold War, Nordic countries were settled into a comparatively stable environment where foreign relations were broadly predictable and uncontested, despite the background threat of major power conflict. Today, processes of globalization have caused this stable setting to give way to a multiplicity of actors and issues. Despite the Nordic region's relatively high level of development, their absolute capability to deal with such a challenging environment remains modest. This is exacerbated by the Nordics' lack of historical overseas networks enjoyed

by European countries with colonial histories. These conditions make relations with China of particular strategic importance. Concrete relational activities are largely performed by private sector or civil society actors that are functionally separate from party-political processes – even if they make use of government funding. Consequently, for Nordic societies, disagreements over matters in one relational dimension (e.g. human rights advocacy) do not necessarily affect the willingness to cooperate in other sectors (e.g. Chinese investment in Nordic assets).

Objectives

From a Nordic perspective, China represents an increasingly important bilateral trade partner, source of investment and cooperation. On a larger scale, China provides an indispensable impetus to the global economy. Moreover, China's influence on global institutional frameworks makes it a factor they cannot afford to ignore. The sheer scale of the Chinese economy makes it a potential stable source of income in an increasingly uncertain global environment. China's domestic reform is recognized as an opportunity for commercial engagements. There are however differences. Denmark, which lacks significant natural resources and has few multinational companies, regards China as export market for its extensive domestic small and medium enterprise sector. Sweden and Finland share similar

concerns, but attribute a greater role to larger-scale enterprises. For non-EU countries like Norway and Iceland, China represents a strategic partner for geopolitical development, particularly in the Arctic region. As a commodities-based economy, Norway has a large potential market in China, but, can draw on a greater variety of trading partners (e.g. Norwegian oil exports to China are modest). With a smaller domestic economy, Iceland regards China as a source of potential investment.

Bottom-lines

On the whole, Nordic governments and populations have few structural conflicts of interest with China. Existing disagreements are mostly contingent on policy matters and have fluctuated accordingly. Moreover, differences vary between types of relations under consideration. Two key concerns can be distinguished in Sino-European relations:

First, on the economic dimension, there is a need for fair market access and effective market compliance mechanisms. When it comes to free trade within the EU, Denmark and Sweden hold some of the most liberal views. Protectionism harms the economic model on which they are dependent. The Nordics have been pushing for the EU effort to encourage China to open public procurement processes, decrease non-tariff barriers and secure more equitable

conditions for European companies. Foreign investment is generally welcomed, even in 'flagship' companies and sectors. The 2010 sale of the Volvo Car Corporation to China's Geely Automobile has been perceived as a beneficial arrangement.¹⁸ The success of this takeover has served to raise the profile of Chinese businesses in Swedish society.¹⁹

Second, on the socio-political dimension, Nordic liberal norms lay great value in the protection of environmental capital and people's ability to express values, beliefs and political views. Violation of such norms can cause relations to sour. These traits are seen as essential in curbing corruption, economic sustainability and governance effectiveness. They are key to Nordic societies' prosperity and international success as centers for development aid, conflict resolution and mediation. It has also enabled the creation of confident and effective governmental institutions with high levels of social support. These preferences are reflected in the current Swedish Government's intent of pursuing a "feminist foreign policy". Respect for human and environmental values are a core value underpinning policy initiatives.



5. Opportunities

Despite relative success in certain aspects, relations between China and the Nordic states leave ample space for improvement. Limited dialogue, lingering mutual suspicions and diverging perspectives on key issues, and disunited policy interests have long left tarnished trust in mutual relations. The benefits of mutual engagement are not always clear, and if so, often limited to a few token issues.

In this context, this report seeks to identify a set of opportunities and avenues where China and the Nordics may find mutual benefit. Covering various policy dimensions, the diverse set of opportunities identified serves both specific and broader interests and complements ongoing domestic processes. It should be stressed, however, that opportunities may apply unevenly across the Nordic states. Where applicable, these differences are noted below. Furthermore, it is recognized that certain considerations and obstacles exist which may hamper the pursuit of mutual goals. These are highlighted where applicable. Notwithstanding, the avenues of cooperation outlined here may serve as a strategic and sustainable basis for China-Nordic relations to further develop.

Opportunities are subdivided across four sectors:

1. Social & political opportunities
2. Business opportunities
3. Science & environment opportunities
4. Security & development opportunities

Socio-political opportunities

Enhancing people-to-people relations and mutual understanding is a key opportunity that lays the basis for sustainable cooperation in other fields. In spite of increased travel, tourism, and other exchanges, there is room for further improvement. Especially pertinent are perceptions of China among some Nordic populations, which (in contrast to Chinese perceptions of the Nordic region) appear to have deteriorated in recent years. Interviews and analysis attributes this sentiment to disapproval over certain policy issues, notably Chinese restrictions on freedom of expression and perceived assertive international behavior. It is key to go beyond 'narrow' traditional diplomatic channels and to recognize a wide range of actors and networks as stakeholders to productive relationships. To better understand discourses, style and imagery of effective public diplomacy, Chinese policymakers can research outreach and branding campaigns run by Iceland, Norway and Sweden. Conversely, Nordic actors can look at Denmark's transition from 'megaphone diplomacy' to closed-door dialogue as means of conveying critical concerns.

Further reference

For leads from which to further explore opportunities in this category, please refer to Appendix 2.

Opportunity 1: Building Mutual Understanding

Context: The complexity of contemporary China is often inadequately understood by Nordic populations. Nordic media outlets are generally more "objective" when considering Chinese economic issues. Looking more broadly however, there is a shared sentiment of mistrust and alarmism. When we consider cultural exports, clearly the "Made in China" brand does not have the same level of cultural attractiveness as Japanese or American made products or cultural exports. In both realms, despite concerted efforts, Chinese public diplomacy has not yet succeeded in effectively displaying a more positive or "objective" image of China.²⁰ Therefore, there is certainly room to do more.

Opportunity: China can make available instruments for Nordic populations to explore and better understand the way in which China and the Chinese regard the world. Politically unaffiliated, non-profit organizations such as the Svenska Institutet, Alliance Française or Goethe-Institut are examples of tools used by other countries to this end. The Confucius Institute system provides a useful starting point, although some Nordic audiences remain wary of its affiliations to the PRC Ministry of Education. If train-



ing is to take place on a larger scale, independent organizations (e.g. folk high schools or universities) can be supported to provide training.

Specific opportunities include:

Language: Language differences remain a profound barrier to Nordic audiences seeking to engage with China. Whereas Chinese officials, businessmen, and academics often possess some functional level of English, almost none of their Nordic counterparts have an even basic knowledge of Chinese. As small countries, dependent on international engagement, this is a strategic shortcoming. Linguistic barriers negatively affect economic, cultural, and political endeavours.

Culture: Changes in Chinese society since 1979 are not always well understood abroad. Although historical traditions are appreciated, modern developments in the arts, literature, and entertainment can open new avenues of cooperation and encourage people to learn more about the diversity and richness of contemporary Chinese culture. South Korea and Japan have been highly effective in developing and promoting cultural exports. These have been highly popular in the Nordics and may provide inspiration in this regard.

Personal exposure: Short term and long-term stays can be encouraged for tourism, educational purposes, or to complement domestic job markets

with foreign skill-sets (Chinese computer engineers for the Swedish IT sector). Gains are possible in streamlining visa procedures (China Visa Application Service Center-system, including digital platforms), and an increased number of direct flights.

Institutional relationships: Independent and well-recognized organizations such as non-Chinese think tanks and other research institutes have an important role to play in analyzing and explaining developments and policy issues in China to both Nordic policymakers and general audiences in an informative, balanced manner. This should also be accompanied by increased cooperation and exchanges between Chinese and Nordic institutes such as the Stockholm China Center at ISDP.

Sino-Norwegian relations: China has restricted bilateral relations with Norway since awarding the 2010 Nobel Peace Prize to Chinese activist Liu Xiaobo. The Nobel Peace Prize Committee's independence from the Norwegian government on the one hand, and the symbolic loss of face to China on the other, make unilateral resolution of the situation politically unfeasible. Continuation of dialogue is needed to coordinate mutual positions and reduce the distance between differing positions. Expansion of relations on the regional level would open up the opportunity to develop such channels.

Considerations:

The closure of the Confucius Institute at Stockholm University in 2014 indicates that Chinese public diplomacy faces scrutiny for promotion of political agendas which are perceived to be at odds with Nordic political norms. It is also problematic that this was witnessed in the 'soft areas' of culture and language. With this point in mind, the success of the opportunities identified above rely on public diplomacy being understanding of deeply held Nordic normative sensitivities.

Opportunity 2: Highlight common concerns

Context: With negative perceptions of China on the rise among some Nordic societies, differences between China and the Nordic states are emphasized. Such attention blinds populations and policymakers from recognizing areas of common concern, allowing outdated perceptions to take root. Chinese representatives regularly declare China's ambition to commit to certain policy areas, but fail to take the risk of publicly communicating and displaying such commitment. Such invisibility prevents foreign observers from recognizing China as a modern country which is more than just a lucrative trade partner.

Opportunity: China can emphasize areas it shares common interests and ideals with the Nordic societies. This

can be achieved by permitting and encouraging Chinese representatives to openly participate in Nordic civil society platforms such as social events, public debates, and support for non-governmental organizations. These kinds of initiatives can be implemented on the short-term horizon and enable quick, real wins that have an immediate impact on China's overall image. Areas of potential engagement include:

Specific opportunities include:

Combating corruption: Both the Nordic countries and Chinese authorities recognize the detrimental impact of corruption on governance. Here, China's up-and-coming generation of young and ambitious journalists can give China an immense soft power asset, both in improving domestic governance, and gaining support for efforts to combat corruption abroad. As some of the least corrupt countries in the world, the Nordics offer an experienced model of constructive government-media relations.

Welfare policy and aging populations: In the coming decades China will have absolute and relative record amounts of elders, despite the recently instituted "two child-policy". The median age in China is estimated to grow eleven years from 2010 to 2050, from 35 to 46 years.²¹ Over the same period, the number of people above the age of 65 will increase from 110 million to 330 million.²² This will inevitably put



pressure on aged care systems, which will have to be significantly adjusted. These adjustments have been on-going and the Chinese government has already begun a significant program of reforms to their aged-care sector. Having said this, there is still significant work to do to fill this void. As a region, the Nordics have long held a commitment to finding public sector solutions to taking care of the elderly. This experience means they have a lot to offer China. As these welfare services are provisioned on a municipal level (with guidelines from national legislations), Chinese sub-regional actors would benefit from approaching local government agencies for the expertise needed. This would encompass aged care training, industry standards, operations management and quality assessment.

Considerations:

In order to communicate commonalities, China will need to engage in public debates which it cannot forcibly control. With public perceptions currently negative, an initial spate of direct criticism is unavoidable. Chinese policymakers remain sensitive to foreign critiques, and may as such be hesitant to commit. However, as small and comparatively tolerant countries, the Nordic countries offer a particularly suitable setting to test and learn effective policies of public diplomacy without the risk of major blow-back.

Economic opportunities

Economic interests currently form the main pillar of relations between China and the Nordic states. Trade has generally been good and offered a source of income to all parties. However, there remains much scope for expanding economic and commercial ties. In China, Nordic actors are weary to venture beyond the big urban centers. China too can better leverage the Nordic states' expertise in regard to high tech and innovation-driven growth as well as Corporate Social Responsibility (CSR) practices. Business relations are constrained, however, by differing understandings on protectionism and perceived state interference in the market, and guarantees over the protection of intellectual and property rights. Despite recognizing China as a market economy, Nordic actors often feel China does not permit Nordic companies an equal chance on the Chinese market, and that China fails to reciprocate the rights enjoyed by Chinese companies in the Nordic countries.

Further reference

For leads from which to further explore opportunities in this category, please refer to Appendix 3.

Opportunity 1: Business innovation

Context: Despite the slowdown of economic growth in China, the 13th 5-Year plan embarks on an ambitious transition towards a new sustainable model of economic development. Innovation and technology play a key role in realizing this objective. Despite the high number of Chinese patent applications, however, these have been slow to translate into commensurate advances in innovation.²³ The Nordic countries are recognized as world leaders in business innovation and creative entrepreneurship. Denmark has established a number of centers to promote this capacity in China,²⁴ and Finland – known for high-tech giants – is set to follow suit.²⁵

Opportunity: Crises within the EU have however limited Nordic companies' opportunities on the European market. China's ongoing reforms under the 13th 5-year plan provide an immediate market opportunity for Nordic companies that can contribute to China's sustainable development. In turn, Nordic engagement will complement China's need for concrete expertise in developing high tech and innovation-driven growth. Conversely, the Nordic countries are discovering high-tech brands such as Huawei – e.g. through that company's R&D facilities in Finland. According to the Global Information Technology

Report 2016,²⁶ Sweden, Finland and Norway rank, respectively, the third, fourth and ninth most successful countries, out of 139 countries, at translating investment information and communications technology (ICT) into economic impact.

Specific opportunities include:

Entrepreneurship and business management: Nordic educational institutions, and small and medium enterprises can unite with China's deep capital markets and human capital. The Global Entrepreneurship Development Institute (GEDI) ranks Denmark, Sweden and Iceland as, respectively, fourth, fifth and seventh of 132 countries worldwide, recognizing their success in amongst others managing risk capital, product and process innovation, technology, networking and competition efficiency. By uniting Nordic and Chinese strengths, aspiring Chinese policymakers and entrepreneurs can access and learn from Nordic innovative expertise, while offering a window for Nordic businesses to develop a strategic stake in the Chinese market.

High-tech and business innovation: Ongoing business innovation is affecting a society-wide "Fourth Industrial Revolution". This affects development encompassing high tech systems like artificial intelligence, robotics, the Internet of Things, autonomous vehicles, 3-D printing, nano-technology, biotechnology, materials science, ener-



gy storage, and quantum computing, this provides great opportunities. Both Nordic and Chinese companies and research institutions are highly involved in development of such systems. China's modernization and westward growth offer multiple opportunities for the integration of such systems.

Considerations:

The successful development of innovative and high-tech economic systems require an environment in which entrepreneurs expect competitors – both domestically and abroad – can trust competitors to abide by mutually applicable standards. As such, transparent and accountable systems of economic governance are indispensable. Infringements on intellectual property rights or plagiarism undermine such trust. Currently, many Nordic businesses and institutions feel that adherence to such standards remains inadequate.

Opportunity 2: Belt & Road Initiative²⁸ and China's Western Development

Context: In 2013, the Xi Jinping's government formally announced its Belt and Road Initiative which turns its development objective away from the east of China towards the country's more neglected southern and western provinces. Chinese investments in affiliated projects are estimated to

range from US\$ 1,4 trillion²⁹ to US\$ 4 trillion in the designated region.³⁰ Multilateral commitments under the Asian Infrastructure Investment Bank (AIIB), to which all Nordic states have signed up as founding members are also expected to be part of such efforts (Appendix 6). These investments will connect poorer, inland provinces such as Yunnan and Xinjiang with the more developed eastern seaboard, bordering countries and even the EU. Nordic companies and investment have to date mainly concentrated their China operations on well-established and highly developed eastern urban centers such as Shanghai, Beijing, and Guangdong Province. Investment opportunities outside of these centers, however, are often underestimated by Nordic investors.

Opportunities: Nordic companies can play a key role in contributing to China's internal development by providing investment, commercial activity and training. Participation in China's internal development will allow companies to make use of lower-cost assets and newly empowered consumer markets.

Specific opportunities include:

Investment opportunities: Massive Chinese government-led investments are seeking to improve China's infrastructural connects to Europe. This opening up a variety of opportunities which may be leverages by both large and small Nordic companies.

Sectors such as telecommunications, sustainable energy production, and environmental impact mitigation and logistics constitute auspicious opportunities. At the other end of the 'Belt', the Nordic countries are an investment target and market for increasingly sophisticated Chinese brands. Integration of the Nordic region and coordination of public diplomacy would raise its visibility to prospective Chinese investors.

Indirect benefits may be found in more traditional commercial operations such as access to lower-wage labour and opportunities to reach new consumer-bases in China newly developing south and west.

CSR: Exercising Corporate Social Responsibility is a central plank of many Nordic companies' activities. It has been gaining recognition by Chinese policymakers as an important aspect in domestic development. As China's development expands westward, this creates numerous opportunities to make CSR an integral part of that development. This mutual interest offers fruitful ground for a range of collaborations to develop effective approaches and share best practices. These can be implemented across government, business and civil society levels. Sweden has made particularly great efforts towards such cooperation.

Nordic food exports: Various food scandals in China which famously included baby formula tainted with

melamine in 2008 and resulted in 300,000 babies falling ill has significantly reduced Chinese confidence in food safety. Indeed, 71 percent of the Chinese people considered food safety to be a big problem, almost half of whom thought it a "very big problem", in 2015. The Nordic countries have a reputation for both stringent regulations and strict adherence to their food legislation. This strength should be promoted by Nordic producers when approaching the Chinese market. Lessons learned and best practices in food safety management can be exchanged with Chinese regulators.

Considerations:

Adequate incentives will be required for commercial and other actors to provide meaningful commitments to the envisioned development plans. Moreover, access to the Chinese market remains problematic for foreign companies. Credible measures will be needed to convince investors that they will enjoy equitable conditions vis-à-vis domestic competitors, particularly with regards to public procurement.



Scientific and environmental opportunities

The fields of science and environment constitute especially promising areas of collaboration between China and the Nordic states. Home to highly-regarded academic institutions and developed knowledge economies, the latter have much to offer China in terms of knowledge development. Chinese higher education has witnessed significant improvements in the quality and reputation of its in recent years (Appendix 7). China's investment into tertiary education has been a driving force behind its institutions continually climbing ranking metrics. Indeed, the rise of Asian tertiary education institutions has been a consistent theme of yearly university rankings. The natural sciences in particular have seen notable contributions by Chinese scholars with Tu Youyou (屠呦呦) winning the Nobel Prize for medicine in 2015. While academic relations have developed markedly, including a growing numbers of Nordic and Chinese students studying in each other's countries, both Chinese institutions and Nordic countries have expressed an interest in expanding research collaboration and exchange.

The environment represents another important field of mutual interest and collaboration. China's increased focus on its environmental challenges

and commitments to climate change, allied with the Nordic states' status as green leaders, offers opportunities to find common ground in promoting environmental protection, green technologies, and sustainable cities.

Further reference

For leads from which to further explore opportunities in this category, please refer to Appendix 4.

Opportunity 1: Academic exchange

Context: Enhancing research collaboration and exchange requires further developing government-to-government, institution-to-institution, and individual scholar-to-scholar relations, fostering an environment in which scholars can exchange ideas and work together across political, cultural, and social boundaries.

Specific opportunities include:

Research and education: Deeper engagement between Nordic and Chinese scholars can be achieved through further expansion and sponsorship of Sino-Nordic joint research projects, international programs, student exchange programs, partnerships, conferences, and seminars. This will help build capacity, competences, and mutual understanding of issues. Collaborative research efforts can also be solution-focused, targeted in specific areas where expertise can be pooled

in order to tackle pressing challenges of joint concern.

Mutual recognition of academic degrees: China and the Nordic countries can strive to increase the number of academic degrees that are mutually recognized and accredited. Chinese alumni are better able to find public sector jobs when they graduate from an institution with official accreditation. This enhances training opportunities for Chinese students, enables further exchanges between Nordic and Chinese scholars, and boosts understanding of China / the Nordic region among the future workforce.

Funding academic inquiry: China can establish foundations to financially support research conducted by academic institutions abroad. This would boost China's standing in the Nordic countries as a patron of scientific endeavor. The Japan-Scandinavia Sasakawa Foundation, Korea Foundation and Nippon Foundation may constitute good examples in this regard to promote academic research and development.

Considerations: While China has gained international recognition in the domain of natural sciences, humanities and social sciences lag behind by comparison. Furthermore, addressing perceived issues of academic integrity will be central for academic exchange and collaboration to further flourish.

Opportunity 2: Environmental solutions

Context: As witnessed by the signing of the Paris Agreement in 2016, Nordic countries and China have a commitment to taking action on climate change and environmental degradation. Even prior to this, in 2011, the Nordic Environment Financing Corporation (NEFCO) and the Foreign Economic Cooperation Office of the Ministry of Environmental Protection of China signed a Framework Agreement which developed the Sino-Nordic Environmental Protection Cooperation ("SNEPCO") Programme.³¹ Both of these developments form the basis of common concern and action for the Nordics and China alike. The scope for cooperation has also been increased by the fact that the environment and sustainable development have become central pillars of China's 13th Five-Year Plan. As world leaders in conservation, green technologies, and urban governance for sustainable cities, the Nordic countries have much to contribute in terms of expertise.

Specific opportunities include:

Conservation: The Nordic countries have a long tradition of halting biodiversity loss and promoting nature conservation, with Sweden having established the first national parks in Europe in 1909. With increased conservation and biodiversity efforts underway in China, opportunities



exist for joint research and capacity building aimed at fulfilling targets of global treaties and protocols such as the Convention on Global Biodiversity.

Sustainable cities: In 2010 Stockholm became the first European city to win the title of “European Green Capital,” whilst the Danish capital of Copenhagen received the title in 2014. Accordingly, the Nordic countries have leading expertise in areas of clean transport networks, utilizing private entrepreneurship as a channel to meet public environmental needs, and people-oriented urban planning. With a focus on sustainable and resilient cities rising on the global agenda, urban governance and planning is a key issue where Nordic and Chinese cities can learn lessons from one another. As China rapidly urbanizes, this will be a pressing issue in coming years. Fact-finding missions and study-trips would be a key component for success.

Renewable energy systems: China has become the world’s largest investor in renewable energy with a particular emphasis on the solar and wind energy industries. These industries can be linked up with the Nordic countries’ expertise regarding energy management. Iceland and Norway have expertise on usage of geothermal and hydro energy sources. Finland offers solutions for digital grid management. Sweden has leading expertise in clean transportation and efficient

urban energy distribution systems. Danish green innovation made it a leader in wind energy before China’s rise in the same field. Together these provide a base for fruitful public-public, and public-private collaborations and are well suited for the SNEPCO Program.

Waste processing: The Nordic countries have gained global recognition for their waste management systems. In Sweden, for example, only 1 percent of municipal household waste ends up in landfill sites.³² Sweden has witnessed financial success as a ‘waste importer’. For China, these, and other Nordic systems can be models in optimizing waste management procedures. Successful implementation could enable China to export its environmental policy to East Asia at large.

Considerations:

Environmental technology is expensive, and needs structural alterations to implement effectively. Correcting planning mistakes of the past will require deep changes to socio-economic systems. People-oriented urban planning will require authorities to effectively listen and meaningfully accept critique from residents – Chinese authorities may find this hard to adapt to. Ongoing experiments with grass-roots democracy in China do however offer an entry point for such policymaking. If successful, it offers an avenue for transnational collaborations of expert institutions, universi-

ties, project developers, non-governmental organizations, policymakers and local residents.

Security and development opportunities

Matters of security and development are highly intertwined fields of policymaking. Cooperation between China and the Nordic states on these subjects is limited to ad hoc instances. This is largely attributable to enduring distrust over Chinese overseas interests, which are seen as being out of sync with Nordic priorities and ideals. In contrast, China argues that the odd US\$ 9 billion its aid and investment it provides is ultimately more equal, respects sovereignty, allows greater control (and thus targeting) over the way money is spent, and focuses on economy-oriented training and assistance more than previous western efforts. Although disagreements persist, the security effects inherent to development objectives affect all. Overall, more deliberate dialogue, coordination and exploration of areas of mutual interest are needed to build trust and enable more effective efforts to deal with global challenges.

Further reference

For leads from which to further explore opportunities in this category, please refer to Appendix 5.

Opportunity 1: Arctic regional development

Issue: Driven by Climate change, post-Cold War geopolitics, globalization, the rise of China, the Arctic is becoming a political nexus between science, geopolitics, and globalization. This has profound effects, both locally and globally. Logistical enterprises in the Arctic are highly challenging, and have become a source of considerable great power prestige. New infrastructure developments are opening up commercial and geostrategic opportunities. Under conditions of global warming, the Arctic region increasingly represents a setting of significant economic, environmental and academic potential, and consequently political prestige. China has commercial, academic and military-strategic interests in the region. Through the Arctic Council, all five Nordic states, particularly Norway, have a strong voice in matters of Arctic development. Moreover, despite its vicinity, the European Union is not an Arctic player. Due to its extensive territorial waters and requirement of ports and emergency facilities, Norway holds particular power over council decisions.

Opportunities: Development of these interests represents a significant potential economic gain for the countries along the Arctic littoral. With expressed interests in potential future Arctic shipping lanes,³³ as well as aca-



demic and military-strategic options, China has a lot to gain by being a partner in the area. In a noteworthy step, support by the Nordic countries (particularly Norway) helped sway an initially hesitant Russia, Canada and United States to approve China's (and other Asian countries) admission to the Arctic Council as observer states.³⁴ This sets a particular precedent for future cooperation potential in the region.

Specific opportunities include:

Arctic infrastructure development : Arctic exploitation will require significant infrastructural development. Transshipment ports and emergency services need to be provided in order to develop the area. As a highly challenging environment, joint development is needed to provide a comprehensive logistical system in the Arctic region. Although the Arctic is not included in the Belt and Road initiative, similar collaborative schemes can be applied, combining Chinese capital and equipment, with Nordic expertise and planning capabilities.

Arctic science diplomacy: Countries ability to conduct Arctic and Antarctic research has been likened to space exploration in terms of national prestige. As such, the Arctic area were scientific and geopolitical interests converge. Multilateral cooperation provides an opportunity to develop interpersonal relations between scientists and international colleagues

that work and learn together – in so doing developing a base for mutual understanding. The establishment of the China Nordic Arctic Research Center (CNARC) is one example of such channel.

Considerations:

Closer Chinese and Nordic commercial, geopolitical activities raise questions on various aspects. Concerns include the environmental pressures of increased human activity on Arctic ecosystems and the position of geopolitically vulnerable gateway states and small island territories such as Iceland, the Faroe Islands and Greenland in such development. Governance systems must be considered. It has been suggested that China's constructive behavior in the Antarctic Treaty System provides a model in this regard.³⁵

Opportunity 2: Security and development

Issue: Many areas in the world remain heavily beset by security and development challenges. This includes areas featuring prominently in China's Belt and Road Initiative, as well as some of its engagements in Africa. Any efforts to engage these challenges will need to recognize that development and security are inherently interrelated and cannot be addressed in isolation. Indeed, human rights, peace and security, and development

are interlinked pillars of the United Nations 2030 Agenda for sustainable development. This means that a mix of policy instruments is required for any durable solution as well as greater coordination between actors.

Specific opportunities include:

Development assistance: China has rapidly grown into one of the world's leading providers of development aid, especially to Africa. At the United Nations in 2015 President Xi Jinping pledged \$2 billion for development assistance to the poorest countries to combat poverty. With widely respected development organizations such as the Danish International Development Agency (DANIDA), the Norwegian Agency for Development Cooperation (Norad) and the Swedish International Development Cooperation Agency (Sida), as well as numerous private initiatives, the Nordic countries possess considerable relative capabilities and experience at planning, implementing and managing development programs. Collaboration between China and these Nordic actors could be of great value to either side's ambitions. As an integral part of the Belt and Road Initiative, Central Asia is a region where collaborative development efforts could be potentially undertaken by the Nordics and China. Ideally, China's focus on infrastructure would be matched by the Nordic's competency in development assistance.

Gender equality: China and the Nordic countries have both expressed the commitment to promoting gender equality and women's rights.³⁶ Chinese president Xi Jinping has heralded the pursuit of gender equality a "great cause", and outlined a four-point plan to promote gender equality worldwide. Conversely, The Nordic Council has a specific "Nordic co-operation on gender equality", while Sweden announced in 2014 that it would pursue a feminist foreign policy. On the multilateral level, China in 1995 hosted the United Nations' Fourth World Conference on Women (also known as the "Beijing Conference"). As signatories to United Nations Security Council Resolution 1325 on women, peace, and security, furthermore, both sides can find common purpose for dialogue and activities to fulfill commitments in this regard.

Military-to-military relationship building: China has in recent years sought to boost military cooperation with individual Nordic countries. Greater dialogue and exchange mechanisms are central to enhancing trust and breaking down barriers to achieving mutual understanding. In particular, opportunities exist to further improve communication and coordination on key international security challenges ranging from terrorism and counter-piracy to climate change.

Crisis intervention & peacekeeping: China has over recent years grown



into one of the world's leading contributors of hard power assets to international peacekeeping efforts – and currently provides more troops to peacekeeping operations than any other permanent member of the United National Security Council. The Nordic states have long traditions of international peace-oriented military engagement, advocating for greater coordination and coherence and the need for “multidimensional” peacekeeping operations. Better understanding each other's approaches to peacekeeping can be achieved through promoting training and study visits. In 2013, for instance, seven military officers from four Nordic countries received instruction from a PLA peacekeeping force in South Sudan.

Cyber security and intellectual property: Cyberspace is an area in which Chinese and Nordic differences in the roles of public and private spheres become critically apparent. This difference extends into notions of intellectual (thus including digital) property, and the manner in which online information is to be treated. Addresses within China are often identified by Western intelligence as sources of cyber-attacks. Towards highly digitalised societies, like those of the Nordic states, this damages trust. A more harmonious form of conduct between China-based online activity and Nordic entities would build trust and enable highly profitable collabo-

rations between Nordic and Chinese online enterprise.

Considerations:

Cooperation on matters of security and development requires a significant amount of trust between cooperating institutions and individuals. Intentions and means will need to be communicated clearly. Despite China's large contributions to development aid and peacekeeping, these efforts are regarded with considerable suspicion in many western societies, including the Nordics. Differing views on the role human rights, governance and democracy in both security and development processes are likely to frustrate joint Sino-Nordic efforts. Extensive dialogue will be needed, on all levels, to make existing differences manageable and identify points where interests can be aligned.

Opportunity 3: Diplomatic conduct

Issue: The relation between the West and China has, over the course of the last two centuries been marked with mutual hostility, opportunism and ideological opposition. Amongst other issues, this has resulted in China's and the Nordic countries affiliation to different 'spheres' in world diplomacy and geopolitical divisions. Nevertheless, despite significant changes in response to globalization, the Nordic countries and China have enjoyed a

special relationship, with Sweden, Denmark, Finland and Norway being among the very first Western states to establish diplomatic relations with the People's Republic China.

Opportunities: A richer Sino-Nordic relationship would make the Nordic states a mutually beneficial bridge between divergent U.S. and Chinese diplomatic interests. With relationships improved to a high level, China and the Nordic states may be able to assist each other on matters of geopolitical concern. This relationship could enable either side to serve as a conduit through which to allay concerns to parties which enjoy relatively warm bonds with the other side.

Specific opportunities include:

Myanmar Peace Process: Myanmar is a volatile area that is seeing incremental developments towards peace and political stability. Specifically, both China and the Nordic countries both have participated extensively in the Myanmar peace process. As such, both have a keen interest in preventing Myanmar's conflicts from escalating. This mutual interest creates an opportunity for the Nordics and China to more closely cooperate and align goals.

North Korean nuclear issue: Managing the nuclear issue on the Korean Peninsula has become increasingly urgent in the light of North Korea's recent nuclear tests. Moreover, the lack of Sino-American coordination amid

growing geopolitical tensions points to the need for common ground to be found. With a diplomatic presence in Pyongyang, as well as good relations with both Beijing and Washington, the Nordic states and especially think tank organizations in these countries, can continue to play an important role in facilitating official and unofficial dialogue between the main parties to the conflict.

Considerations:

The ability to reach desirable solutions through diplomatic channels requires the conduit governments to support those diplomatic objectives that are envisioned. If such objectives are seen as running counter to what China or the Nordic states consider their fundamental ideals, such avenue will likely close. Building goodwill requires understanding the conduit government's political realities and perceptions. Ultimately, better mutual understanding – developed and sustained on terms acceptable to the host society – is key.



6. Looking forward

China has become an indispensable actor in global political, economic and social affairs. Increasingly outward looking, China's current interest in the Nordic region is auspicious for laying a foundation for the further consolidation of relations and identifying areas of mutual interest in diverse domains, which range from deepening trade links to security cooperation. Recognition of such also demands that the Nordic countries expend greater policymaking efforts. While there exist inevitable differences and hurdles, these are far outweighed by the benefits for all actors. Elevating relations to a new plane requires mutual steps supported by concrete action. Some of these tasks will be easier to achieve than others. In looking ahead, this report suggests that the development of relations and cooperation could reasonably evolve as outlined below.

Short term: Consolidate gains and create a basis for further engagement

In the short term, China and the Nordics should set out to consolidate gains by creating a broader foundation of mutual understanding and interaction for further engagement. This can be achieved by pursuing more easily achievable goals such as through public diplomacy, promotion

of trade relations, supporting Chinese language-learning and culture, and expansion of academic exchanges. For the Nordic countries, expanding exchanges with and deepening understanding of contemporary China is needed as the latter becomes an increasingly proactive global actor. For China, this is a chance to present itself as a soft power which is modern, innovative, and an attractive partner for Nordic actors.

Medium term: Expand relations and develop a common Nordic profile

In the medium term, the basis above can set the stage to engage in more politically and economically challenging projects. China and the Nordics must set out to (further) develop frameworks stipulating mutually agreeable conditions for deeper relations. These will help guide both public and private initiatives and give these initiatives an impetus to be sustained in the long term. Although by no means ideal, Denmark's CSP, Iceland's FTA and Finland's "new kind of relationship" are examples of possible frameworks. Integration of such frameworks at the Nordic regional level would also enhance the sub-region's relevance and enable the five small countries to speak and coordinate with China with a single, stronger voice. To build trust, both sides can work towards aligning interests and policies such as in the

Arctic Council and similar multilateral bodies

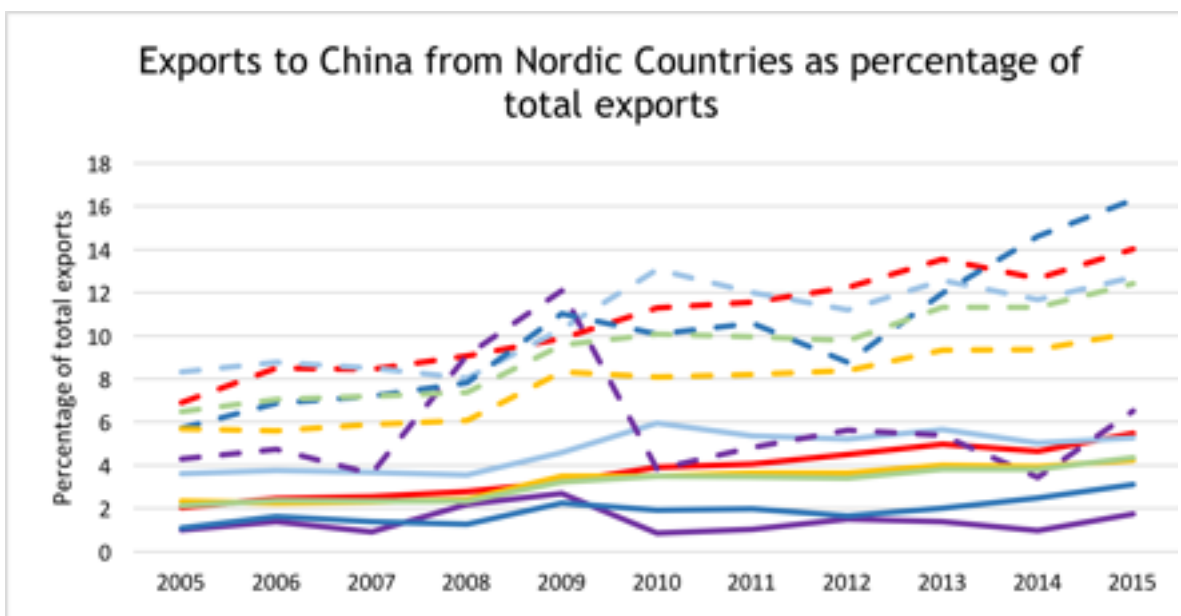
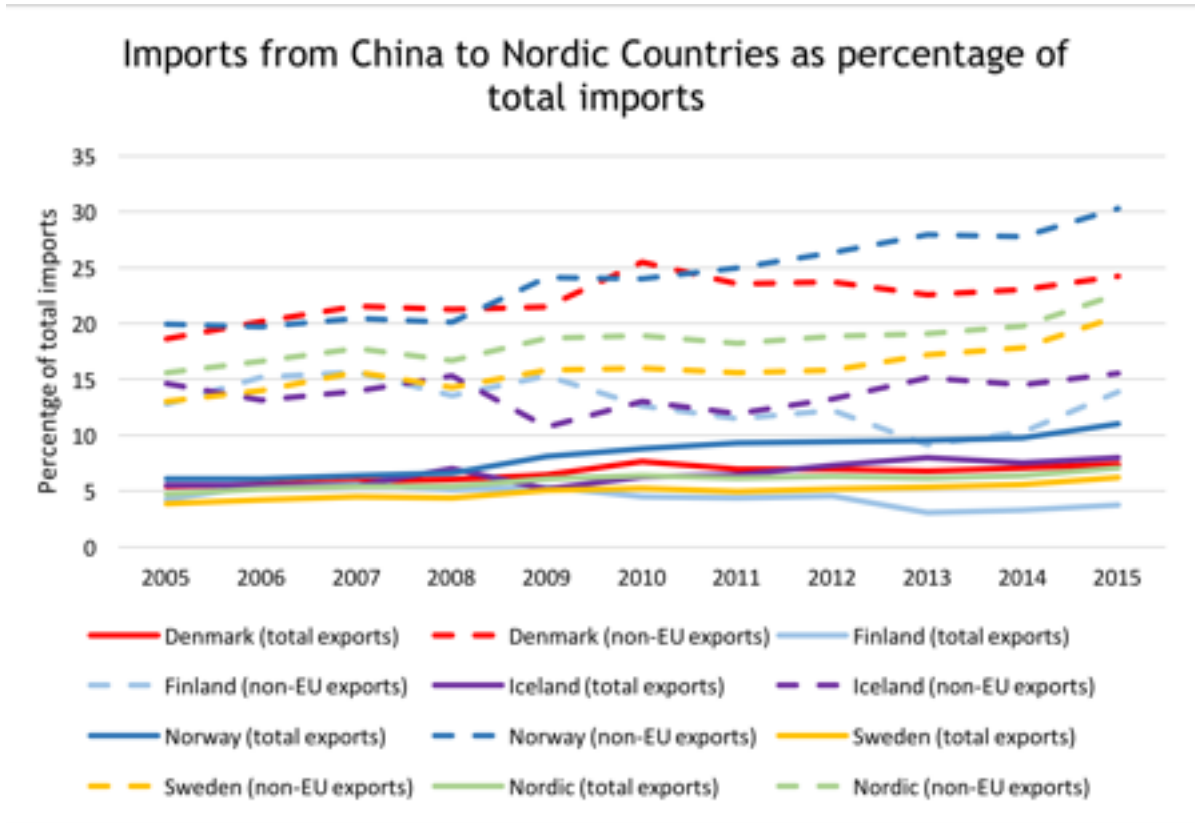
Long term: Deepen relations and establish Sino-Nordic linkages for international dialogue

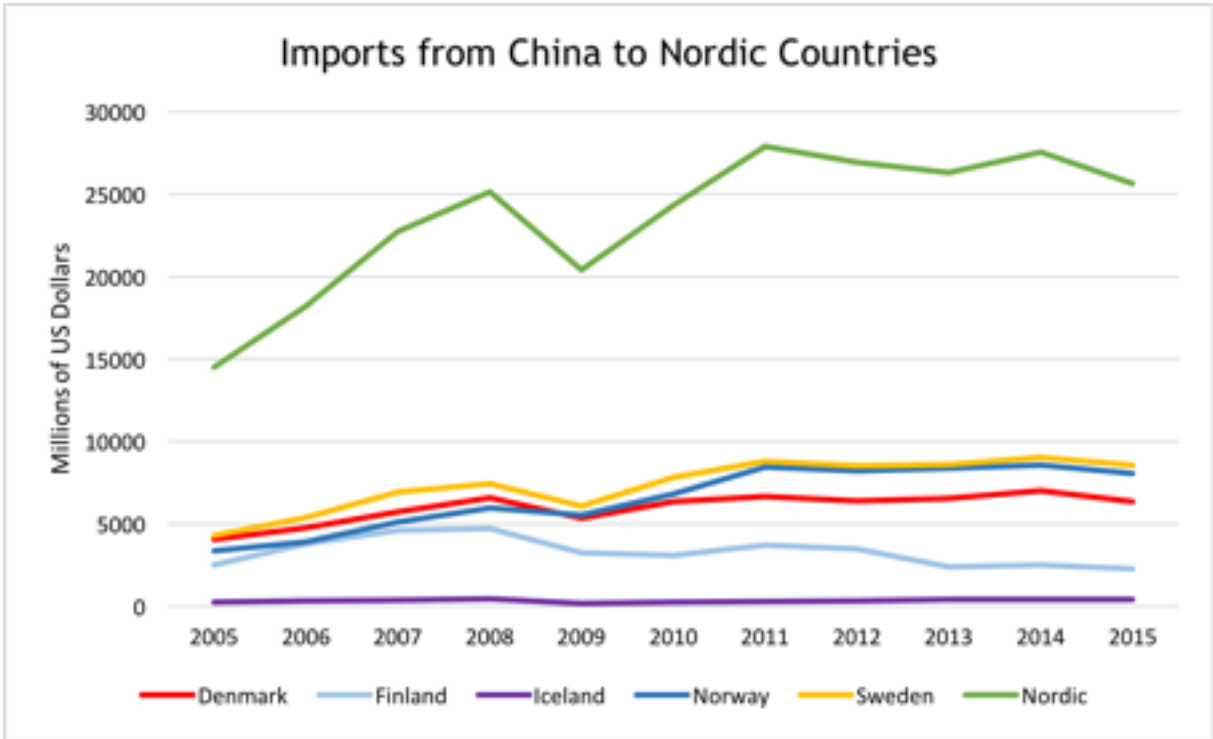
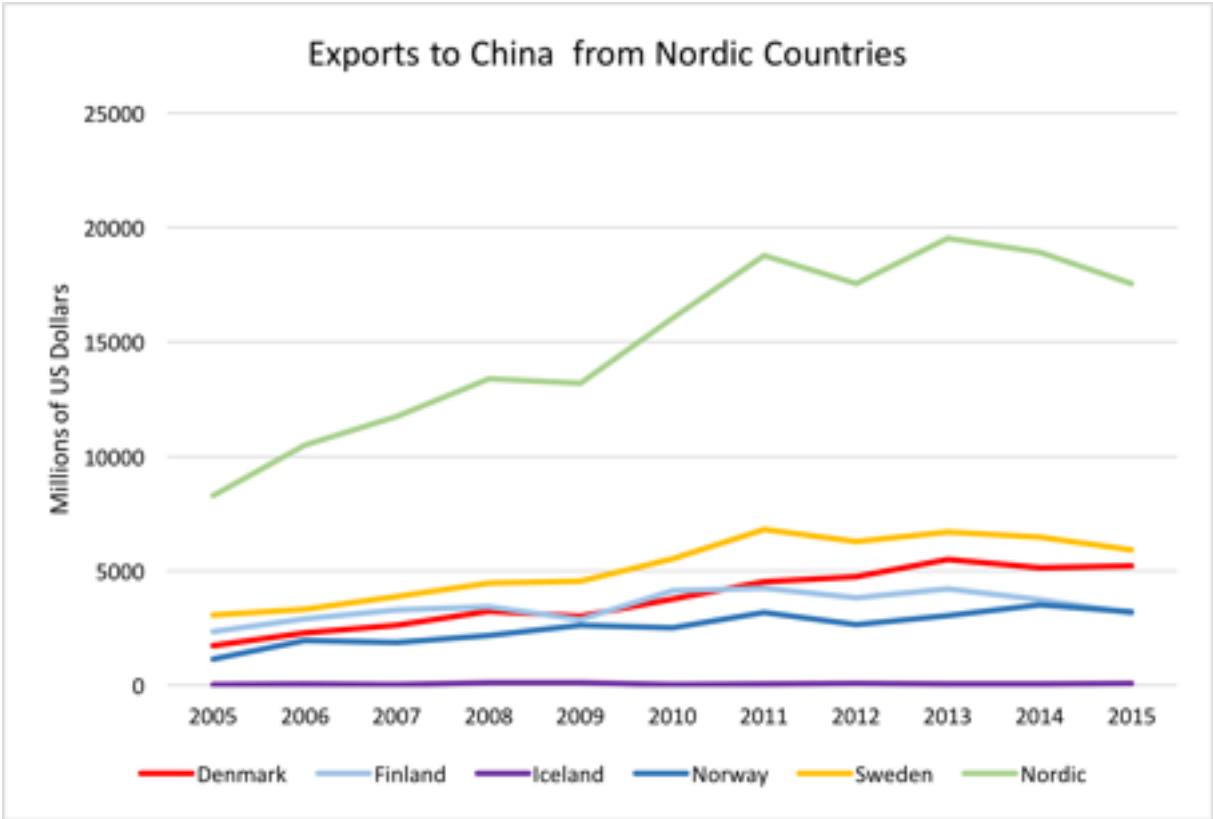
In the long term, established frameworks, networks, and trust will enable China and the Nordic region to deepen their level of cooperation, and extend it to joint action in international affairs. Deepening of participation on multilateral peacekeeping and anti-piracy missions can create valuable inter-institutional linkages. Diplomatic engagements can be explored where Nordic and Chinese abilities complement each other.

Nordic relative capabilities such as expertise and multilateral affiliations can be complemented by Chinese absolute capacities such as capital and hard power assets. The North Korean nuclear issue presents one ongoing opportunity, and others may arise as the Belt and Road develops further.



Appendix 1: Trade statistics





Data for “China” consists of an aggregate of statistics for Mainland China, Hong Kong and Macau. Data for “Nordic” consists of an aggregate of statistics for Denmark, Finland, Iceland, Norway and Sweden. Data based on statistics provided for Nordic countries. Calculations by ISDP.

Source: “Direction of Trade Statistics (DOTS),” *International Monetary Fund*, September 27, 2016, <http://data.imf.org/?sk=9D6028D4-F14A-464C-A2F2-59B2CD424B85&sId=1454703973993>

Appendix 2: Socio-political opportunities

Stockholm China Center at the Institute for Security and Development Policy (ISDP)

A platform designed to facilitate an avenue for better Sino-European mutual understanding and cooperation which serves as a hub for research, analysis, and dialogue on China-related security and development issues by utilizing its extensive in-country network.

<http://isdpeu/initiatives/china/>

Stockholm China Forum of the German Marshal Fund

A bi-annual dialogue that brings together senior European and U.S. representatives from the media, business and academia with top strategic thinkers from China.

<http://www.gmfus.org/forum/stockholm-china-forum>

Chinavia

A project initiated in 2012 that works toward making Scandinavia more appealing and welcoming to Chinese travelers, ensuring that Scandinavia keeps its position in the global competition to target the world's largest outbound travel market.

<http://www.visitcopenhagen.com/chinavia/copenhagen/chinavia>

Nordic Centre at Fudan University

A collaboration between 25 member institutions in Denmark, Finland, Iceland, Norway and Sweden allowing researchers and students to work with one another in order to better understand China.

<http://www.nordiccentre.net/>

Sino-Danish Centre

A center to promote and strengthen collaboration between Danish and Chinese learning environments and increase mobility of students and researchers between Denmark and China.

<http://sdc-socialscience.com/>

Appendix 3: Economic opportunities

Sweden in China map

Map of Swedish companies registered at the Swedish Chamber of Commerce in China.

<http://www.swedeninchinamap.com/>

Innovation Center Denmark Shanghai

A center to strengthen Danish companies and research institutions' international collaboration and to contribute to ensure that Danish research and innovation is among the best in the world.

<http://kina.um.dk/en/about-us/danish-representations-in-china/innovation-center-shanghai>

Innovation House China-Denmark (IHCC)

Newly opened space for cross-cultural innovation of Chinese and Danish enterprises.

<http://vaekstfabrikkerne.dk/vaekstfabrikker/china-house/>

Note that this center has opened on the 7th of September, 2016.

Sino-Danish center for Research and Education (SDC)

The Sino-Danish University Center in China is a platform for research collaboration within areas of high relevance to future development of both Chinese and Danish society, resulting from a Collaboration between the two countries in the fields of Research, Education and Knowledge.

<http://www.sinodanishcenter.com/>

China-Denmark Hospital Partnership project

The Sino-Danish partnership project aims at positioning Danish health care solutions in the Chinese hospital sector in a targeted and systematic manner.

<https://www.regionh.dk/english/businesses/china/healthcare%20cooperation/Pages/China-Denmark-Hospital-Partnership-project.aspx>

Danish-Chinese Business Forum

Independent, non-profit executive network organisation whose objective is to strengthen commercial ties between Denmark and China.

<http://dcbf.dk/>

Finland-China Trade Association

The Association is a contact forum for companies and individuals dealing with Finnish-Chinese trade and economic cooperation with the purpose of collecting and supplying information about the Chinese market, trade and economic cooperation, in addition to laws and regulations.

<http://kauppayhdistys.fi/suomi-kina/>

Sweden-China Trade Council (SCTC)

Leading independent network for doing business China providing expert consultancy and linking members together within the same sector of business.

<http://sctc.se/>

Appendix 4: Scientific and environmental opportunities

Finland-China Education Association (FICEA)

An organization to assist governmental sectors, schools and individual actors to expand their networks and enhance their knowledge in the field of education between Finland and China.

<http://ficea.fi/>

China-Finland principal Forum

A face-to-face platform to encourage communication between Finnish and Chinese educators to share their success and challenges.

<http://www.cfp.ficea.fi/>

Norwegian Centre for International Cooperation in Education

INTPART provides funding for the establishment and further development of formalised institutional cooperation on research and higher education with strong academic groups in the priority countries of Brazil, Canada, India, Japan, China, Russia, South Africa and the USA.

<http://siu.no/eng/Programme-information/Cooperation-outside-the-EU/INTPART>

Sino-Nordic Welfare Research Network (SNOW)

The Sino-Nordic Welfare Research Network (SNoW) was established in 2010 and received funding from NordForsk, an organization under the Nordic Council of Ministers that provides funding for Nordic research cooperation as well as advice and input on Nordic research policy.

<http://www.uib.no/en/snow>

Chinese Students and Scholars Association (CSSA)

An organization for overseas Chinese students and scholars, and a bridge between the Chinese and other communities.

<http://www.cssa.se/>

<http://cssa.fi/>

<http://cssa.no/>

NorAlumni China

A network for strengthening research collaboration, student exchange and industrial partnership between China and Norway.

<http://china.noralumni.no/>

Nordic Consortium for China Studies

A collaborative project for Chinese Studies between Stockholm, Oslo, Aarhus and Copenhagen University

to enhance high quality education in China Studies.

<http://www.su.se/asia/english/nordic-consortium-for-china-studies>

Vinnova – Swedish-Sino green energy cooperation

VINNOVA the Swedish government's innovation agency working under the Ministry of Enterprise, Energy and Communications, whereby China's growing strategic importance for innovation called for a joint project.

http://www.vinnova.se/upload/EPiStorePDF/va_14_07.pdf

Sino-Nordic Environmental Protection Cooperation (SNEPCO)

SNEPCO aims to promote cooperation between the Nordic countries and China in the field of financing environmentally sustainable projects in China. This will be done with assistance from the Ministry of Environmental Protection of China and the Ministries of Environment of the five Nordic countries.

<http://www.norden.org/en/news-and-events/news/nordic-agency-signs-framework-cooperation-agreement-with-china>



Appendix 5: Security and development opportunities

Finnish China Law Centre

A centre developed to coordinate research and education on Chinese law and legal culture in Finland, aiming to provide and facilitate the circulation of high-quality research, education and expertise on Chinese law and legal culture.

<http://blogs.helsinki.fi/chinalawcenter/>

Danish-Chinese Urban and Regional Cooperation (DACURC)

Forum for Danish actors with bilateral contact to Chinese authorities, such as Municipalities, Regional Authorities and various NGO's. It functions as a platform for networking the advancement of competences and sharing of experiences on relations with Chinese authorities in commercial matters.

<http://www.dc-cooperation.dk/content/agreements-and-mous>

China-Nordic Arctic Research Center

A center for academic cooperation on the Arctic and to promote cooperation for sustainable development of the Nordic Arctic and coherent development of China in a global context.

<http://www.cnarc.info/>

Arctic Circle

An open democratic platform of international dialogue and cooperation on the future of the Arctic.

<http://www.arcticcircle.org/>

Appendix 6: Asian Infrastructure Investment Bank Commitments

Asian Infrastructure Investment Bank commitments		
	Voting rights	Initial capital subscription
Denmark	0,5826	369,5
Finland	0,5314	310,3
Iceland	0,2778	17,6
Norway	0,7395	550
Sweden	0,8083	630

Source:

“Articles of Agreement”, Asian Infrastructure Investment Bank, June 29, 2015 <http://www.aiib.org/upload-file/2015/0814/20150814022158430.pdf>

Appendix 7: University rankings

Ranking of Chinese & Nordic Universities, 2007 vs. 2016				
Chinese Universities	2007		2016	
	QS	ARWU	QS	ARWU
Fudan University	85	305-402	43	101-150
Hong Kong University	18	203-304	27	101-150
Hong Kong University of Science and Technology	53	203-304	36	201-300
Peking University	36	203-304	39	71
Tsinghua University	40	151-202	24	58
Nordic Universities				
Copenhagen University	93	46	68	30
Helsinki University	100	73	91	56
Lund University	106	97	73	101-150
Oslo University	188	69	113	67
Uppsala University	71	66	98	60

Source:

“QS World University Rankings 2016”, QS Quacquarelli Symonds Limited, 2016 <http://www.topuniversities.com/university-rankings/world-university-rankings/2016>

“QS World University Rankings 2009”, QS Quacquarelli Symonds Limited, 2009 <http://www.topuniversities.com/qs-world-university-rankings>

“Academic Ranking of World Universities: 2016”, ShanghaiRanking Consultancy, 2016 <http://www.shanghai-ranking.com/ARWU2016.html>

“Academic Ranking of World Universities: 2009”, ShanghaiRanking Consultancy, 2009 <http://www.shanghai-ranking.com/ARWU2009.html>



Endnotes

¹ Jerker Hellström, "China's Political Priorities in the Nordic Countries". *Swedish Defence Research Agency* (FOI), 2014.

² Bjørnar Sverdrup-Thygeson, ed., *Dragon in the North: the Nordic Countries: Relations With China* (Oslo: Norwegian Institute of International Affairs, 2016).

³ The (parliamentary-level) Nordic Council and (inter-governmental) Nordic Council of Ministers share a secretariat and various functions, based in Copenhagen, which are referred to as "Norden". Note that (in contrast to e.g. the EU) these mechanisms currently have no executive, legislative or judicial mandate.

⁴ "Nordic prime ministers: The Nordic Region to be the most integrated in the world," *Norden*, September 28, 2016, <http://www.norden.org/en/news-and-events/news/nordic-prime-ministers-the-nordic-region-to-be-the-most-integrated-in-the-world>

⁵ Denmark has opted out of the following policy agreements: Economic and Monetary Union, Security & Defence (including foreign policy) and Home & Justice affairs.

⁶ One recent example is the "Sino-Nordic Young Champions Forum" on innovation and entrepreneurship in Yiwu, Zhejiang Province, hosted on November 11, 2015. This event was amongst others attended by Secretary General of the Nordic Council of Ministers Dagfinn Høybråten and China's Vice President Li Yuanchao. Chinese representatives have expressed interest in making this an annual event, although no 2016 edition appears to be scheduled yet.

⁷ "Applications granted Sino-Nordic network for higher education, research and innovation," *Norden*, accessed October 10, 2016, <http://www.norden.org/en/nordic-council-of-ministers/council-of-ministers/nordic-council-of-ministers-for-education-and-research-mr-u/invitation-for-project-tender/applications-granted-sino-nordic-network-for-higher-education-research-and-innovation/>

⁸ "FOTR44: Exports, 1000 euro, by country, reporting country and time," *Norden*, accessed October 7, 2016, http://91.208.143.100/pxweb/norden/pxweb/en/Nordic%20Statistics/Nordic%20Statistics__Foreign%20trade__Export/FOTR44.px/?rxid=0b14d4fb-a1be-404b-8d73-0a2c44045983

"FOTR43: Imports, 1000 euro, by country, reporting country and time," *Norden*, accessed October 7, 2016, http://91.208.143.100/pxweb/norden/pxweb/en/Nordic%20Statistics/Nordic%20Statistics__Foreign%20trade__Import/FOTR43.px/?rxid=b16ae77a-c3bf-4d7d-af3a-3c6d52ac03cc

⁹ CIMO, "International mobility of students," September 28, 2016, http://www.cimo.fi/services/statistics/international_mobility_of_students

¹⁰ Senter for Internasjonalisering av Utdanning, "Høyere utdanning," accessed October 10, 2016, <http://siu.no/Data-analyse-og-prioriterte-samarbeidsland/Data-og-statistikk/Hoeyere-utdanning>

¹¹ Statistiska centralbyrån, "Universitet och högskolor: Internationell studentmobilitet i högskolan 2014/15," May 22, 2016, http://www.scb.se/Statistik/UF/UF0209/2016A01/UF0209_2016A01_SM_UF20SM1503.pdf



¹² Ministry for Foreign Affairs of Finland, "Finland's China Action Plan," January 1, 2010, <http://www.formin.fi/public/default.aspx?contentid=326234&contentlan=2&culture=en-US>

¹³ For example: the lucrative Chinese tourist market is regarded as an industry where the Nordic countries are competitors. Cross-border tourist infrastructure remains limited.

¹⁴ Hellström, *China's Political Priorities*, 11.

¹⁵ Sources on Nordic perceptions of China remains sparse and often solely focused on Sweden. Comprehensive and regular research on this subject would enable more effective policy development.

¹⁶ Shannon Tiezzi, "Why 2020 Is a Make-or-Break Year for China," *The Diplomat*, February 13, 2015, <http://thediplomat.com/2015/02/why-2020-is-a-make-or-break-year-for-china/>

¹⁷ Hellström, *China's Political Priorities*, 42.

¹⁸ Officially known as: Zhejiang Geely Holding Group Co., Ltd.

¹⁹ Tony Fang, "Det är bra för mänskligheten att Volvo fått Kinesiskt ägare," *Dagens Industri*, Debate, October 12, 2010.

²⁰ Hellström, *China's Political Priorities*.

²¹ "Chapter 2. Aging in the U.S. and Other Countries, 2010 to 2050," *Pew Research Center*, January 30, 2014, <http://www.pewglobal.org/2014/01/30/chapter-2-aging-in-the-u-s-and-other-countries-2010-to-2050/>

²² "Humanity's Aging," *National Institute on Aging*, last updated January 22, 2015, <https://www.nia.nih.gov/research/publication/global-health-and-aging/humanitys-aging>

²³ E.g. (1) "Are patents indicative of Chinese innovation?," *Center for Strategic & International Studies*, accessed October 6, 2016, <http://chinapower.csis.org/patents/>

²⁴ "Innovation Centre Denmark in Shanghai," *Ministry of Foreign Affairs of Denmark*, accessed October 10, 2016, <http://kina.um.dk/en/about-us/danish-representations-in-china/innovation-center-shanghai>

²⁵ Ministry for Foreign Affairs of Finland, "Finland's China Action Plan," January 1, 2010, <http://www.formin.fi/public/default.aspx?contentid=326234&contentlan=2&culture=en-US>

²⁶ Silja Baller, Soumitra Dutta, and Bruno Lanvin, eds., *The Global Information Technology Report 2016* (Geneva: World Economic Forum, 2016).

²⁷ "Global entrepreneurship Index 2016," *Global Entrepreneurship Development Institute*, accessed October 10, 2016 <https://thegedi.org/global-entrepreneurship-and-development-index/>

²⁸ Official name: "The Silk Road Economic Belt and 21st Century Maritime Silk Road" (丝绸之路经济带和21世纪海上丝绸之路). Also known by its former name "One Belt, One Road" (一带一路). Refer to ISDP Backgrounder for more information.

²⁹ "China's US\$1.4 trillion 'One Belt, One Road' set to make bigger impact than US' Marshall Plan to rebuild post-war Europe," *South China Morning Post*, August 8, 2016, <http://www.scmp.com/news/china/policies-politics/article/2000835/chinas-us14-trillion-one-belt-one-road-extends-beijings>

³⁰ "Our bulldozers, our rules," *The Economist*, July 2, 2016, <http://www.economist.com/news/china/21701505-chinas-foreign-policy-could-reshape-good-part-world-economy-our-bulldozers-our-rules>

³¹ "Nordic agency signs framework cooperation agreement with China," *Norden*, November 7, 2011, <http://www.norden.org/en/news-and-events/news/nordic-agency-signs-framework-cooperation-agreement-with-china>

^{w32} Leonidas Milios, *Municipal Waste Management in Sweden* (Copenhagen: European Environment Agency, 2016).

³³ The Northern Sea Route or Northeast Passage, is one of three prospective Arctic shipping lanes and is expected to cut the distance between Shanghai and Europe by 40%.

³⁴ Besides the People's Republic of China, other Arctic Council observer states include: France (2000), Germany (1998), the Netherlands (1998), Poland (1998), Spain (2006), United Kingdom (1998), Italy (2013), Japan (2013), South Korea (2013), Singapore (2013), India (2013).

³⁵ Jonathan Harrington, "China in Antarctica: a history", *Southeast Conference of the Association of Asian Studies* 37 (2015): 14.

³⁶ "Chinese president makes four-point proposal on promoting women's rights," *Xinhuanet*, September 28, 2015, http://news.xinhuanet.com/english/2015-09/28/c_134665280.htm