Cultural Diplomacy and Trade: Making Connections

Technical Report

Report prepared for the Copyright and International Trade Branch of the Department of Canadian Heritage

North American Cultural Diplomacy Initiative
culturaldiplomacyinitiative.com
March 2018
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Trade promotion is cultural diplomacy and cultural diplomacy is trade promotion.

When a politician asserts that their country is “open for business,” they are not only inviting economic investment, but are also stating that this “attractiveness” facilitates trade and export, which in turn forges connections supporting international recognition and reputation.
Executive Summary

This report intends to strengthen and develop knowledge and expertise around the intersection between trade and cultural diplomacy in order to provide a foundation for policy development.

Building a Common Language: Discussion and Policy Direction

Culture is a way of life, encompassing values, attitudes, beliefs, and experiences. Culture encompasses both creative expression and tangible creative goods and services.

Thinking expansively about culture facilitates a broader understanding of the kinds of connections and intersections that foster more robust trade relationships. Understanding what nurtures these relationships allows policymakers to harness existing yet underutilized intersections to advance policy. Non-Western understandings of culture exist alongside Western notions of universality. For this reason, the ways the state mobilizes culture to serve foreign policy objectives must be culturally sensitive (i.e., based on understandings of culture rooted in both Western and non-Western frameworks).

Recommendation 1: In the development of cultural exports at the intersection of trade and cultural diplomacy, Canada would do well to incorporate and draw on the great diversity provided by Indigenous, Métis, and Inuit ontologies as well as non-Western ontologies held among diasporic communities in Canada. It should also foster the acquisition of the (inter)cultural competency skills that enable Canadians to productively engage with non-Western ontologies internationally.

Cultural diplomacy has been characterized in the literature as an instrumental practice employed by states in order to deploy culture in support of policy objectives and the national interest. It is one of the ways state and non-state actors engage with their foreign counterparts.

In contrast, cultural relations are seen as less instrumental, serving the national interest indirectly by building trust abroad.

Cultural diplomacy and cultural relations should work together productively as interwoven strategies. Cultural relations practitioners have always been involved in cultural diplomacy and, by extension, in creating the social and creative contexts for productive trade relations.

Cultural diplomacy is currently seen as a subset of public diplomacy: the work of international actors – state or otherwise – to engage with foreign publics. When a state engages in public diplomacy, it assumes that its investment will bring about an understanding of national ideals and institutions as part of a larger attempt to build support for political and economic goals.

When practiced by the state, public diplomacy falls within the scope of soft power: the ability of a country to get what it wants through attraction rather than coercion, drawing on the attractiveness of the country’s culture, political ideals, and policies. Traditionally, soft power’s effectiveness has been
limited by its unidirectionality. For maximum impact, public diplomacy strategies must engage with the cultures of others; that is to say, with values, attitudes, beliefs, and experiences.

Trust is the foundation of successful trade relationships.

Trust is built by mutual understanding, which is fostered by respect and openness born of (inter)cultural competency. Cultural competency requires the acquisition of critical skills necessary to maintain an awareness of the cultural assumptions one brings to intercultural encounters. This requires critical distance from Western notions of universality. Giving equal value to differing cultures and ensuring that benefits accrue to all parties builds long-term, sustainable relationships based on trust.

Cultural diplomacy helps to create a foundation of trust with other peoples, upon which policymakers can build to achieve their political and economic goals.

Participation by foreign publics in cultural activities associated with host countries builds trust, which in turn leads to a greater desire to do business with the host country. Therefore, expanding cultural interaction (i.e., greater exposure to Canadian creative products broadly understood) increases opportunities to build trust, and to create the conditions that foster the development of economic and commercial relationships.

Recommendation 2: Public diplomacy initiatives, whether directly related to “culture” or not, must be grounded in culture, in an understanding of the values and identities of others, and in thinking about the ways that culture and creative industries can be mobilized to accompany broader (public) diplomacy initiatives that seek to improve political and economic relations.

Museums, and by extension all cultural institutions, are seen as more trustworthy than governments and media outlets. They are, therefore, important platforms on which to build the trust that is essential to the positive relations that facilitate stronger economic ties.

Recommendation 3: It is necessary for the Canadian government to take an expansive approach to cultural diplomacy that considers the cultural activities of non-state actors and how they engage and partner with diverse networks to productively exploit synergies, alignments, and shared goals, and to develop coordinated cultural diplomacy strategies that are beneficial to all involved.

From a Western perspective, cultural diplomacy efforts are more trustworthy when the political and policy agendas of government appear to be at arm’s-length from one another.

Cultural Diplomacy and Trade

Trade promotion is cultural diplomacy and cultural diplomacy is trade promotion.

When a politician asserts that their country is “open for business,” they are not only inviting economic investment, but are also stating that this “attractiveness” facilitates trade and export, which in turn forges connections supporting international
recognition and reputation. In the Canadian context, the importance of linking cultural diplomacy and trade has long been recognized, with public funds used to send culture abroad, to project a positive image, and to create an environment conducive to generating trade and investment.

**Recommendation 4:** Canada should review and understand its cultural diplomacy successes in order to establish and build on best practices.

Popular culture is the greatest untapped resource in the cultural diplomacy arsenal.

Increased access to new markets through creative exports means that foreign publics have greater opportunity to engage with expressions of Canadian creativity. For Canada to generate the greatest benefit from its creative exports, it must scale return on investment to the potential success of the products in question. This can be achieved by capitalizing on several global trends:

- The rise of creative goods and services that target niche audiences in an era of media fragmentation, proliferation of platforms for cultural content, and pockets of fans of sub-genres;

- The increasing expenditures on entertainment, leisure, and tourism among rapidly-growing “middle class” populations in emerging countries;

- The proliferating cultural capital of transnational global tastemakers and digital “influencers,” who shape consumption, especially among younger audiences. To this, we add the potential of domestic diasporic audiences to influence publics in their countries of origin.

Cultural diplomacy can strengthen strained bilateral ties. This is particularly resonant in Canada’s current trade environment.

**Recommendation 5:** It is important to consider the range of cultural assets that Canada can use to leverage its culture, including both “traditional” assets (e.g., international tours and exhibitions and public broadcasting), as well as those that fall in the culture-as-values basket, for example, diverse hiring to demonstrate Canada’s image as an open meritocracy, engaging with diaspora communities, etc. Canada’s current trade environment also invites consideration of existing cultural diplomacy tools, such as student exchanges, and how they can be linked more explicitly to trade.

**Recommendation 6:** The majority of cultural resources lie outside of direct government control. Therefore, in order to draw a range of actors into play, governments must cultivate the constituencies of diverse networks and develop strategies that align with the priorities of independent actors, but do not supersede their interests.

Government can positively impact trade relationships by recognizing that existing policies can serve as instruments of cultural diplomacy, even if that is not their primary objective.
A recent article in the Globe and Mail suggests that Canada’s strong showing at the 2018 Academy Awards will improve ongoing trade negotiations with the US. Here is evidence of the power of culture to portray an image of Canada as an attractive nation with which to do business. This international success – the strengthening of Canada’s image abroad – affirms government support for the arts and creative industries.

Recommendation 7: Long-term outcomes should be integrated into existing performance measurements in order to provide additional justification for public investment in culture.

Measuring the Benefits of Cultural Diplomacy

In order to make the case for cultural diplomacy, governments must develop robust indicators that effectively assess the impact of government investment in cultural diplomacy.

Key Considerations

• Cultural products are not necessarily received abroad in the spirit in which they are sent, necessitating careful research into existing audience behaviour, with a particular emphasis on the meaning-making process of reception;

• Building trust takes time. Cultural diplomacy requires an extended conceptual timeframe. In order to ensure long-term funding, it is important to develop demonstrable short- and medium-term policy outputs without losing sight of longer-term outcomes;

• Chosen indicators need to embrace the complexities of cultural diplomacy. Complexity cannot be used as a reason not to measure cultural diplomacy’s impact, or worse, to not consider investing in it in the first place.

Case Studies: Key Research Takeaways

Researchers have tried to understand the complexities of cultural diplomacy in order to measure its impact. We summarize several studies that provide insight on how Canada might develop performance measurements for its cultural diplomacy initiatives and creative exports:

• Evaluation is only possible when concrete, verifiable subsidiary targets are formulated. Evaluating culture is not about finding perfect answers, but rather about asking the right questions – relevant to the context – and evaluating them with qualitative and quantitative methods;
A country’s exports are higher if it is perceived to exert a positive global influence. Cultural exports are both an engine of global influence and its beneficiary. Cultural exports as a tool of cultural diplomacy strengthen trust between nations. This increased trust results in an elevated desire by recipient countries to do business with the host country, which in turn results in increased exports;

There are statistically significant causal relationships between soft power “assets” (e.g., respect for democracy, citizen prosperity, cultural assets) and outcomes such as increased international student enrollment and positive trade relations. Trust pays!

Where Canada Stands

Researchers are attempting to evaluate and rank countries’ contributions to global society, including the outcomes of their investments in cultural diplomacy. Since these studies use different indicators, it is important to take a comprehensive view to minimize biases and assumptions. Canada generally scores well in terms of its image abroad and contribution to global wellbeing; however, according to the Good Country Index, Canada ranks only 25th out of 30 countries in global contribution to culture. In other words, the Creative Export Strategy is timely.

Recommendation 8: We recommend the development of a comprehensive set of indicators to monitor and demonstrate the impact of Canada’s cultural diplomacy.

Cultural Diplomacy Abroad: Drawing on Case Studies

“Canada isn’t doing enough.”

Many observers note that Canada does not spend nearly enough on cultural diplomacy and lags behind other nations in its efforts. Here it is important to consider both the social and political realities of Canada. Countries face very different cultural and geopolitical contexts, and good cultural relationships involve flexibility in adapting programs that resonate with these contexts. Approaches to cultural diplomacy must be situated in historically-specific national narratives. For Canada, this means recognizing that:

- Canada has traditionally eschewed overt displays of nationalism and celebrations of national identity, and that current displays such as Canada 150 acknowledge Canada’s colonial history and the impact of that history on the contemporary moment;
The World Needs More Canada
Canada is a confederation in which culture is an area of shared jurisdiction;

There has never been national consensus in Canada that government ought to be involved in culture in the first place. Ideological opposition to this notion, politically expressed, can help to explain why government funding for cultural diplomacy fluctuates over time;

There has been a tension between the value assigned to the intrinsic and instrumental elements of culture in Canadian cultural diplomacy.

Learning from Australia

Australia’s recent cultural diplomacy initiatives provide insight for Canada, since the countries share many characteristics in terms of ethno-historical formations, colonial legacies, multicultural populations, and a middle-power stature in the world.

Australia has identified cultural diplomacy as a tool to mobilize foreign policy objectives in which the link to culture is not necessarily explicit. In this way, creative goods and services are mobilized to reinforce Australia’s image as an open, diverse society, which in turn cultivates the perception that Australia is an attractive partner with whom to trade and invest;

Australia is exploring how to build transnational business relationships with Asia through its “diaspora advantage”; the innovation, enterprise, and entrepreneurialism of Australia’s four million citizens who identify as being of Asian origin;

Australia is investing in student exchanges in the Indo-Pacific region to facilitate transformational learning that builds the skills needed to deepen Australia’s relationships in the region.

**Recommendation 9:** Canada should take a pan-governmental approach that embeds culture in foreign policy objectives.

**Recommendation 10:** Canada should engage with postsecondary educational institutions to increase dynamic exchange opportunities for Canadian students as a means of building cultural competencies and skills. These will in turn advance Canada’s trade missions and investments, as well as the country’s values of openness and inclusion.

Japan and South Korea: Cautionary Tales for Creative Industries and Trade

Both Japan and Korea have heavily invested in the export of creative products to deepen understanding and trust. Yet these initiatives have been limited by several factors. For Japan, failing to deal with cultural diversity and the country’s historical legacies has weakened the appeal of its creative export. For South Korea, the explicit linkage of creative export strategies to instrumental government objectives has met with resistance and necessitated a more networked approach. These examples provide further evidence that cultural exchange must be dialogical and multidirectional to set a foundation of trust that builds productive, long-term relationships.

**Recommendation 11:** Canada should work collaboratively with a range of actors, including Canadian missions abroad, cultural organizations and practitioners, and diaspora networks to understand the economic, political, and cultural realities that underpin meaning-making in countries that receive Canadian cultural export. By so doing, Canada can maximize the potential for exports and ensure that their effectiveness is not hindered by unintentional blind spots and misunderstandings.
Part I: Building a Common Language: Providing a Clear Foundation of Understanding and Common Language to Inform Discussion and Policy Direction

“As a fundamental means of communication between and among peoples, culture mediates and enables the complicated relationships that foster the sense of belonging in the world.”

- Lynda Jessup and Sarah E.K. Smith
Embedding Trade in the Concept of Culture

A little over forty years ago, British cultural historian Raymond Williams famously said, “culture is one of the two or three most complicated words in the English language.” Why is the word “culture” so complicated? Our understanding is that it has to do with the diverse range of ideologies and values underpinning its various definitions and how these shape the way we conceptualize culture.

In the nineteenth century, culture was seen as a way to “uplift” humanity, counteracting the deleterious effects of modernity – to “humanize the masses” in the face of industrialization. Writing at that time, cultural critic Matthew Arnold defined culture as the “best that has been thought and said in the world.” Today, we see this equation of culture with “civilization” not only in esteem for the so-called “fine arts” (e.g., opera, ballet, literature, painting, etc.) and their use in international relations to put a country’s “best foot forward,” but also in resistance toward these forms as elitist and exclusionary. Williams, writing in 1958, countered this thinking by stating that “culture is ordinary.” In other words, culture is not the preserve of elites, but consists of the values, experiences, attitudes, and behaviours that also underpin everyday activity and “popular” forms of art and learning. As Williams noted, “We use the word culture in these two senses: to mean a whole way of life – the common meanings; to mean the arts and learning – the special processes of discovery and creative effort. Some writers reserve the word for one or the other of these senses; I insist on both, and on the significance of their conjunction.”

We do not intend to oversimplify something that is inherently rich and complex; nor do we wish to add to the discourse of “defining” culture. Rather, we suggest definitions of culture that can serve as a framework to move beyond current perceptions of how culture and trade intersect. Conceiving of culture broadly not only expands the field of analysis but also facilitates a broader understanding of the kinds of connections and intersections that can foster more robust trade relationships. By extension, understanding what nurtures these relationships allows policymakers to harness existing yet underutilized intersections to advance policy directions.

Based on this premise and a study of scholarly literature, we offer the following definitions of culture:

1. **Culture as “ways of life”:** encompassing values, attitudes, beliefs, and experiences as expressed in individual identities, collectivities, and communities.
2. **Culture as expression:** “expressive culture” that encompasses “elite” and “popular” forms.
3. **Culture as industry:** tangible cultural and creative goods as well as services.

It is important to note, however, that even the attempt to define culture is predicated on Western, secular, post-Enlightenment understandings of the world. As sociologist Tony Bennett explains,

2. Raymond Williams, *Keywords: A Vocabulary of Culture and Society* (New York: Oxford University Press, 1976), 76.
6. That is, relationships between governments and cultural relations practitioners (e.g., individual creators, organizations and institutions, and individuals who engage with publics and audiences)
7. “Culture” as understood in the context of Western modernity arose in opposition to a unified “nature.” This dualist view of the world is not shared by everyone yet has been successfully exported beyond Europe as part of imperialist and colonial enterprises with huge reverberations today. See Phillippe Descola, *Beyond Nature and Culture* (Chicago: University of Chicago Press, 2013).
many non-Western traditions do not parse out or classify those elements of existence that are “culture” and those that lie outside of it. As prominent Indigenous artist and curator Gerald McMaster reminded audience members at a recent NACDI event, many Indigenous communities seek to repatriate art and artifacts from museums because they view them as animate members of the community rooted in community networks. In other words, they are subjects, not objects.

More to the point, as J.P. Singh and Stuart MacDonald note, one of the key developments in the world today is the “emergence of a more multi-polar world where it cannot be assumed that Western culture will be dominant, or Western ‘universal’ values accepted.” Recognition that non-Western understandings of culture exist alongside Western notions of universality is therefore necessary. Certainly, such recognition is key to the successful realization of Creative Canada’s work to “invest in Indigenous creators” or, in the context of the Creative Export Strategy, to appropriately value and market “products” made by Indigenous artists. At base is the acknowledgement that culture itself is a “contested and conflictual set of practices of representation.” This recognition is especially important given Canada’s efforts to reconcile itself with its colonial legacy and to engage in meaningful reconciliation with Indigenous peoples. In other words, the ways the state mobilizes culture to serve foreign policy objectives can be contested on cultural grounds (i.e., based on understandings of culture rooted in non-Western contexts) – a notion to which we will later return.

As a way of linking understandings of culture to the ways culture is mobilized to advance Canada’s trade interests, the Creative Export Strategy demonstrates that Canada not only supports its creative industries (culture as industry) but also values and believes in cultural diversity and freedom of creative expression (culture as way of life), even to the extent that it supports creative expression that challenges the values and interests Canada aims to project. As Singh and MacDonald note, in our current environment in which governments – both democratic and non-democratic – compete for international attention, culture is central, since it “exemplifies the values of freedom of expression, creativity and innovation associated with open societies.” These values are themselves powerful currencies that can be mobilized to foster productive international relations and trade. Indeed, Canada was invited to the 2020 Frankfurt Book Fair (the world’s largest, and an important venue for cultural exports) as the guest of honour precisely because it is perceived to embrace these values. As the Fair’s director Juergen Boos said, “There is strong international interest in learning more about Canadian publishers, authors, culture and media. Canada brings to the world stage a strong commitment to its bilingual tradition and embraces the diverse immigrant cultures that contribute to its society.”

In order to effectively explore the intersection between cultural diplomacy and trade, it is important to locate the former within what Ien Ang, Yudhishthir Raj Isar, and Philip Mar refer to as the “semantic constellation” of the various ways state and non-state actors engage with foreign counterparts. Drawing on scholarly literature, we define the ways in which state and non-state actors engage with one another. Defining concepts like soft power, cultural relations, and cultural diplomacy, as well as the congruencies and tensions within and between these concepts, provides a foundation of understanding and a common language to inform government decision making and policy direction.

Cultural Relations and Cultural Diplomacy

Cultural relations, cultural diplomacy, public diplomacy and soft power form a constellation of terms used to denote cross-border cultural activities that, whether intentionally or not, bear upon a country’s reputation, influence and attractiveness. [All] invoke cultural encounters as a way to bridge understanding between peoples, while each also refers to distinct sets of practices. How then do they differ?

In response to this question, the Goethe-Institut and the British Council describe cultural relations as follows:

Cultural relations are understood as reciprocal transnational interactions between two or more cultures, encompassing a range of activities by state and/or non-state actors within the space of culture and civil society. The overall outcomes are greater connectivity, better mutual understanding, mutually beneficial transactions and enhanced sustained dialogue between people and cultures, shaped through engagement and attraction.

In general, cultural relations and cultural diplomacy are perceived as adjacent fields of practice, commonly distinguished by the degree of instrumentality practitioners use to achieve their objectives. Cultural diplomacy refers to a more instrumental practice located in the state policy sphere, through which governments try to “harness, support or direct” relations to achieve certain outcomes. Cultural diplomacy is also seen as self-interested, caring not whether any benefit is gained by other parties. For British diplomat Tim Rivera, cultural diplomacy “takes a promotion and advocacy approach, using cultural content for the specific purpose of supporting policy objectives and the national interest.”

As Rivera notes, those engaged in promoting cultural relations also seek to achieve amity and influence, but through longer term relational processes such as trust building and mutual understanding; processes arguably antithetical to a more instrumental approach. Located outside the state policy sphere, the cultivation of cultural relations is often viewed as falling under the purview of non-state actors.

However, as Paul Bové points out, “It goes without saying, as we have all known for many years now, that the work of the extended state occurs in the spheres of culture, of narrative, and symbolic production. … [...] it must also be said,” he continues, “that this sort of … work does the business of the state precisely in its extended spheres and it does it not by directing policy decisions but...”
rather by making available as a knowledge-form symbolic systems politicians and state players can manipulate and deploy.”20 In other words, as Professor of diplomacy Jan Melissen makes clear, both service state interests; the former directly and the latter indirectly. “Cultural institutes prefer to keep the term ‘cultural relations’ for their own activities, serving the national interest indirectly by means of trust-building abroad. Cultural relations are in this view distinct from (public) diplomacy, in the sense that they represent the non-governmental voice in transnational relations.”21

Thus, there are limits to the benefits of drawing distinctions between the two adjacent areas of cultural diplomacy and cultural relations. First, the effort works to downplay the fact that cultural relations practitioners are always already involved in cultural diplomacy. Indeed, the cultural disciplines (prominent among them cultural studies) argue that the extent of the historical and ongoing involvement of cultural relations actors has not been fully appreciated by states or by scholars in the disciplines that have dominated discussion of cultural diplomacy to date, prominent among them, Political Studies, International Relations, and Diplomatic Studies.22 Second, doing so limits the possibilities for thinking about alignments between state and non-state actors, which in turn reduces the scope of possibilities available for aligning culture and trade. Third, such distinctions privilege the idea that the state can only act instrumentally to achieve its objectives, when in fact the state also advances its interests by working toward relationships that are mutually beneficial and by cultivating strategic partners whose interests intersect. Finally, this distinction fails to acknowledge that culture can be instrumentalized without government involvement and can contribute to policy goals without formal steering by national governments.

Cultural Diplomacy, Public Diplomacy, and Soft Power

Cultural diplomacy is currently seen as a subset of public diplomacy, which is defined by Nicholas Cull as the work of international actors – state or otherwise – to engage with foreign publics.23 David Clarke describes it as “the utilization of channels of communication ... to influence foreign publics and, as a consequence, their governments.”24 When a state engages in public diplomacy, M.N. Maack notes, the assumption for policymakers is that investment in such activities will “bring about an understanding of national ideals and institutions as part of a larger attempt to build support for political and economic goals.”25

It is in this sense that diplomacy scholar R.S. Zaharna argues for a “cultural awakening in public diplomacy,” since, in her view, the degree to which public diplomacy efforts succeed or fail is due to the capacity of governments to engage with culture in order to understand the national identities and interests of foreign counterparts. As she notes, “public diplomacy is not ‘culture free’... When public diplomacy initiatives fail and even backfire, the reason may be hidden in the culture ... [which] tends to hide in political, economic, and even bureaucratic factors.”26 In a multicultural, multidirectional world, Zaharna argues for cultural

27. Ibid., 52.
awareness as a way to “identify the cultural ideals that motivate policy, such as the advocacy of democracy or individual empowerment.”

Zaharna’s orientation aligns with that of Harvard professor Akira Iriye, who contends that all international relations are in fact intercultural relations, since the relationship between nations takes place between different domestic “culture systems” (distinctive traditions, intellectual orientations, political arrangements, etc.), which state power mobilizes to create an “interplay of relations” between countries. Therefore, public diplomacy initiatives, whether directly related to “culture” or not, can be strengthened if they are grounded in understanding the values and identities of others, and if they include thinking of ways that culture and creative industries can be mobilized to accompany broader public diplomacy initiatives that seek to improve political and economic relations.

Mutuality

When practiced by the state, public diplomacy falls within the scope of what American scholar Joseph Nye calls “soft power,” the ability to get what you want through attraction rather than coercion. For Nye, soft power arises from the attractiveness of a country’s culture, political ideals, and policies. Furthermore, in his view, “hard and soft power are related because they are both aspects of the ability to achieve one's purpose by affecting the behaviour of others.” In this sense, as Ang et al. point out, the soft power Nye advocates the US to deploy operates “alongside – not instead of – its hard power.” Nye’s is an understanding of power measured from the perspective of a superpower such as the US. In fact, scholars have argued that the concept of soft power itself is an expression of US hegemony in international affairs; that the emphasis on a necessary relationship between soft and hard power privileges US perspectives based on military and economic dominance.

Perhaps more to the point, while soft power posits that states can gain influence through non-coercive means, its effectiveness is limited by the fact that it is inherently unidirectional. It does not explicitly attempt to engage with the cultures of others; that is to say their values, attitudes, beliefs, and experiences. Given the limitations of thinking of CD as yoked to soft power, there is an increasing recognition in international cultural relations of the importance of mutuality (also referred to as mutual understanding or reciprocity). Rather than seek to influence the behaviour of “others” as a way to perpetuate asymmetrical distributions of power as soft power does, mutuality insists on the knowledge that both parties might be transformed in the process of building a relationship, and that this knowledge builds trust. In other words, as Irye states, “respect and openness offered earn respect and openness in return.”

Respect and openness are key to, but only part of, the toolkit for effective cultural relations. Another key competency is self-awareness. Zaharna notes that cultural awareness is a “two-sided equation that involves both the self and the other. Without cultural self-awareness, it is difficult to accurately perceive or understand the behaviour of others.” Self-awareness – critical awareness of the cultural assumptions one brings to such encounters – fosters genuine reciprocity, since, as Gillespie et al. note, it requires a “willingness to shift one's own opinions or behaviour, as well as expect shifts from others.” At its most foundational level, self-awareness requires increased critical

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30. Ibid.
32. Ibid, 10.
34. Gillespie et al., *Cultural Value*, 11.
distance from Western notions of universality, and an acceptance that the notion of universality is specific to Western cultures.

Mutual understanding is an admirable objective but is not an end in itself. Rather, mutuality helps to create conditions for increased trust – the foundation on which societal, economic, and political relationships are built. For British researchers Martin Rose and Nick Wadham-Smith, mutuality consists of “eschewing one-way traffic in cultural relations, of giving equal value to differing cultures, and of ensuring that benefit accrues to all parties in the building up of long-term, sustainable relationships built on trust.”

Similarly, the US State Department asserts that cultural diplomacy “helps create a foundation of trust with other peoples, which policy makers can build on to reach political [and] economic agreements.”

The British Council has demonstrated that one of the most effective ways to build this foundation of trust is to foster effective cultural relationships abroad. As it shows, participation by foreign publics in cultural activities associated with the UK (e.g., arts, education, and English-language activities) leads to an increase in trust of the UK, which in turn has demonstrable and measurable benefits for the UK economy, as we will later explain. In short, “trust pays.”

Club to Network Diplomacy

For scholars in the disciplines that have dominated discussion of cultural diplomacy to date – namely, Political Studies, International Relations, and Diplomatic Studies – the practice of diplomacy has shifted; it is no longer perceived as exclusive to a privileged “club” of nation states as it was in the Cold War era. With increasing globalization, these scholars argue, we are “witnessing a shift from ‘club’ to ‘network diplomacy.’” Where the “former is based on a small number of players, a highly hierarchical structure...written communications, and on low transparency; the latter is based on a much larger number of players (particularly from civil society), a flatter structure, a more significant oral component, and greater transparency.”

For the cultural disciplines, which have only very recently entered the discussion, this growing awareness of other actors in the field of cultural diplomacy is a function of the diminishing power of nation-states to act unilaterally. From their perspective, the disciplines describing a shift from club to network diplomacy are simply recognizing the decentring of the state within an always already broad field of actors. Applying this argument to the cultural domain, Ang et al. narrate how government-driven cultural diplomacy is but “one strand of global flow in [a] web of intersecting cultural relations being spun incessantly by myriad small and large players between nation-states and across the globe.”

39. Ibid., 22.
The Importance of Non-State Actors

As a consequence of scholarship on both sides of the disciplinary discussion, there is a growing acknowledgement of the important role non-state actors play in cultural diplomacy. Creative Canada recognizes this change, stating, “more than ever before, our creators are ambassadors of our country. They are our inspiration at home, and reflect who we are to the rest of the world.”41 This acknowledgement is particularly timely; studies are showing that in our age of fake news and twitter politics creators and cultural institutions are seen by the public as more trustworthy sources of “believable” information than governments and news outlets. A recent study by the British Museums Association concludes that “museums hold a unique position of being trusted, which is particularly important given the perceived lack of trusted organisations in society such as the government and the media. Both of these are seen as biased and operating under agendas. Participating members of the public see museums as guardians of factual information and as presenting all sides of the story.”42 As such, museums, and by extension all cultural institutions, provide important platforms on which to build the trust that is essential to the positive relations that facilitate stronger economic ties.

This example speaks to the benefits of taking an expansive approach to cultural diplomacy, one that considers the cultural activities of non-state actors – philanthropic foundations, international organizations, non-governmental organizations, cultural and educational institutions and networks, epistemic communities, transnational cultural elites, and publics – as well as the cultural politics of global Indigeneity. As Ramesh Thakur asserts, the key to network diplomacy is “cultivating all relevant constituencies.”43 While Thakur uses this characterization to refer to the work of diplomats in foreign countries, we would argue that it is useful in a domestic context as well. By cultivating all relevant constituencies – engaging and partnering with the diverse networks of non-state actors mentioned above – advocates for the creative industries can productively exploit networks, synergies, alignments, and shared goals, and develop coordinated cultural diplomacy strategies that are beneficial to all involved.

As described earlier, culture is perceived as a function of values, beliefs, attitudes, and experiences. Culture is also understood as the physical and organizational expression of these intangibles. Exposure to these values, beliefs, attitudes, and experiences (as well as to their expressions) provides individuals and groups with the opportunity to actively engage with them, identify with them, and view them as attractive and desirable, which in turn builds trust. Therefore, expanded cultural interaction (i.e., greater exposure to Canadian creative products broadly understood) increases opportunities to build trust – to create the conditions for the development of economic and commercial relationships.

David Clarke, Anna Cento Bull, and Marianna Deganutti suggest “there is a consensus that cultural diplomacy works best when states rely on networks of autonomous (although often state funded) institutions to engage with foreign publics on their behalf.”44 Government has an important role to play, since its financial support (in the Canadian context at least) makes cultural diplomacy and cultural relations possible; however, as Cull notes, from a Western perspective, cultural diplomacy efforts are more credible when they appear to be operating at arm’s length from

41. Canadian Heritage, Creative Canada, 6.
government agendas. He points out, for example, that “international broadcasters know that the impression of an editorial connection to government runs counter to credibility; cultural organizations are able to flourish in places where a formal arm of the state would have no credibility.” Applying this maxim to the creative industries and exports, governments should be careful when attempting to use culture toward economic ends. As Urs Matthias Zachmann of the University of Edinburgh testified before the UK House of Lords in 2014, “when Japanese elite bureaucrats appropriate Japanese pop culture outputs and gear them to official national interests, the pop culture ‘loses its claims to the subcultural and, thus, its allure and power.'” In other words, the appeal of culture can be tarnished when it is seen to be explicitly part of a government agenda. We will return to this notion again in Part IV.

At this point, it is useful to explore the ways in which other actors, such as cultural institutions, academic institutions, and cultural practitioners, engage in cultural relations in order to consider cultural relations in a broader sense, one that might contribute to a better frame of reference for understanding how culture can productively build the trust necessary to foster trade and economic development. Here, we consider the operation of culture beyond government actors, acknowledging the role of diverse networks of cultural exchange in our globalized world. Such actors can include, for instance, artists, students, cultural institutions, and non-governmental organizations (or the collaborative networks thereof), in addition to actors actively engaged in the work of cultural diplomacy, such as diplomats. This consideration also allows us to foreground people-to-people, inter-organizational, and multi-institutional relations, in addition to the state-to-people relations characteristic of Cold War cultural diplomacy. It embraces the notion of a new cultural diplomacy that is multidirectional and rich in its capacity to capitalize on mutual interests to create enduring and fruitful ties between individuals, groups, and emergent trading partners.

Cultural Relations Practitioners and Organizations

While governments may view creators and cultural organizations as the “new diplomats,” it is important to note that these people and organizations may question this characterization, even as they seek international markets for their work. Given the imperative to independently question, complicate, and challenge established norms and values, artists and cultural organizations like museums may feel co-opted by state mobilizations of their work in international contexts. Clarke builds on Bourdieu’s observation that the Western artist’s desire for autonomy and integrity can conflict with the imperative to sell their work commercially and receive public support. Clarke states, “cultural diplomacy provides a source of funding through which cultural practitioners can continue their work, but the perceived purpose of that funding can stand at odds with their sense of identity as an artist.” It is imperative, therefore, that creators, as members of the “network of cultural diplomacy,” are given the opportunity to engage in meaningful dialogue with policymakers so that their perspectives can inform strategic direction. Furthermore, as noted above, it is the practitioner’s very independence that can make them effective diplomats – albeit inadvertent ones – as they connect to their epistemic communities on a transnational level.

45. Ibid., 25.
Museum Diplomacy: The ROM and China

The Royal Ontario Museum (ROM) in Toronto, an agency of the Government of Ontario, is an example of a non-state actor heavily involved in international cultural relations. For several decades now, the ROM has built a programmatic engagement with China and the Chinese diaspora in Canada. This work includes staff and knowledge exchanges, joint publications, archaeological fieldwork and other research projects, and the mounting of several major exhibitions from China (e.g., The Warrior Army and China's Terracotta Warriors, The Forbidden City: Inside the Court of China's Emperors). In 2017, the ROM sent a selection from its Egyptian collection to two venues in China where it was seen by one million visitors. The ROM has fostered close ties to many peer institutions in China; for example, a long-standing partnership with Nanjing Museum. Mirrored by a continued focus on China at other museums (e.g., the Metropolitan Museum of Art in New York or the British Museum in London), this work demonstrates network diplomacy in which multilayered connections between organizations foster ever deeper cultural connections.

City Diplomacy

A tradition of collaboration between states and cities is well-established. For example, city and state governments have long worked together on projects serving mutual interests, such as events like the Olympics and World Expos. Cities are sites of creative dynamism, cultural and economic capital, and technological innovation. They also form “creative superclusters – agglomerations of creative businesses and workers that collaborate and compete with each other.”51 As cities grow and become more dynamic, they are increasingly becoming policy entrepreneurs, forging connections, attracting tourists and students, and building international prestige. For all these reasons, it is crucial that cities and states engage in productive cultural relations based on understanding and trust to cultivate mutual interests related to creative export, and to negotiate overlapping interests, jurisdictional issues, and potential clashes between professional cultures.52 One of the ways in which productive cultural relations between cities and states can be mobilized is through branding – by “market[ing] a particular location for the purposes of attracting inward investment, customers for export products or visitors for its tourist industry.”53 At the sub-state level, place branding involves a range of stakeholders with competing interests, so dialogue and mutual understanding are key to developing coordinated strategies that maximize potential.54

54. Ibid.
A report by the Center on Public Diplomacy at the University of Southern California recently outlined the various ways that cities are increasingly engaging in cultural diplomacy initiatives, both ambitiously large-scale and very particular. The report suggests that the strength of dynamic commercial relationships between European cities might mitigate the negative impact of Brexit. At the individual city level, Melissa Fitch provides insight into the inner workings of “tango diplomacy”; the concerted effort by a network of government and non-state actors in Buenos Aires to capitalize on the fact that “Tango tourists form the backbone of the entire tourism industry in the city, accounting for the vast majority of travelers.”

Educational Diplomacy

One of the ways governments can extend the lifespan of their investments in cultural diplomacy is by engaging with postsecondary educational institutions to increase dynamic exchange opportunities for Canadian students. Global Education for Canadians, a recent report of the Study Group on Global Education (a research collaboration between the Centre for International Policy Studies at the University of Ottawa and the Munk School of Global Affairs at the University of Toronto) argues that Canada needs to rethink its approach to global learning, and advance global education as a means of building cultural competencies and skills, which will in turn advance Canada’s trade and investment, as well as the country’s values of openness and inclusion. The report notes, “relationships with emerging countries are becoming increasingly important to Canada’s prosperity. The current generation of young Canadians will need to be comfortable working with people from different backgrounds. They will need self-awareness and self-confidence, a willingness to take smart risks, and knowledge of the world and other societies ... Global education fosters these skills.” These opportunities can build the cultural competencies needed to foster trust and mutual understanding, which are essential to maximizing the benefits (cultural, political, and economic) of presenting Canada as an open, diverse, and internationally connected society. Our examination of Australia’s cultural diplomacy strategy in Part IV provides further insight in this regard.

Part II: Cultural Diplomacy and Trade

Simply put, trade promotion is cultural diplomacy and cultural diplomacy is trade promotion. When a politician asserts that their country is “open for business,” they are not only inviting economic investment, but also are stating that this “attractiveness” facilitates trade and export, which in turn forges connections supporting international recognition and reputation. In addition, as we show in Section II, studies demonstrate that the prosperity made possible by trade has a direct positive impact on attracting international students. As mentioned just above, connections between Canadian and international students can help to build the trust necessary for fostering future business and entrepreneurial relationships between Canada and international students’ home countries.

Historical Foundations

As Jessica C.E. Gienow-Hecht and Mark Donfried recount, the period immediately following World War II marked the first time that many countries, including Canada, made a concerted and centralized effort to foster distinct international personas. This policy approach had closely linked political, economic, and cultural objectives: “[The] motivations ranged from prospects of improved exports to cultural and political recognition around the world; often both converged in one and the same country.” The authors cite Canada as one of the countries that espoused both policy goals. Certainly, the 1949–51 Royal Commission on National Development in the Arts, Letters, and Sciences (The Massey Commission) not only explicitly noted the link between cultural diplomacy and trade but also highlighted the importance of government involvement as a catalyst for this linkage. As the report states, “the promotion abroad of Canada is not a luxury but an obligation, and a more generous policy in this field would have important results, both concrete and intangible. Information about Canada as a nation serves to stimulate our international trade, and to attract tourists and immigrants.” This passage serves as a reminder that in the Canadian context, the importance of linking cultural diplomacy and trade has long been recognized. In fact, the Massey Commission explicitly referenced the trade benefits of cultural export, arguing that “the promotion of international exchanges in arts, letters and sciences would … give the worker in the creative arts a wide export market and in return would enrich the cultural fare received by Canadians from abroad.”


61. Ibid.

Classic Conceptualizations

The following hypothetical scenario is drawn from testimony offered by former Canadian diplomat Colin Robertson during his appearance before the Standing Senate Committee on Foreign Affairs and International Trade as part of its current study of the use and impact of Canadian culture and arts in Canadian foreign policy and diplomacy.

Imagine you are a prominent businessperson in New York. Because of your profile, you are on the diplomatic invitation list for cultural happenings around town. One day, you get an invitation from the Canadian Consul General to attend a performance by the Alberta Ballet (whose tour is sponsored in part by the Government of Alberta). You are a busy person, but you attend. To your surprise, you are impressed. You have only vaguely heard of Alberta, but they sure can dance. And is it not something that they commissioned a ballet to the music of Joni Mitchell (she’s Canadian?)? Intrigued, you attend the post-performance reception where you learn that the provincial government is launching a strategic investment fund. You think, “if a country can do this, maybe this is a country worth investing in.” So, you find more information, you make some interesting connections, and you decide to invest, and this investment in turn yields economic benefits for Alberta.

A concrete example of the capacity of culture to foster foreign investment is Cirque du Soleil, which Louis Patrick Leroux argues has become a “potent cultural and economic symbol of the successful marriage of creativity and entrepreneurship … a distinctive model for creativity emerging from a
distinct society,"\(^{64}\) whose international success was made possible by investment from the Quebec Government.\(^{65}\)

These scenarios (one hypothetical, one real) characterize traditional conceptualizations of the intersection between cultural diplomacy and trade. In these scenarios, public funds are used to send culture abroad (or to facilitate international expansion), which projects a positive image of Canada to the host country, thus creating an environment conducive to productive people-to-people relationships. Government officials often accompany these cultural events to drum up business, and local diplomatic networks facilitate connections in order to spark productive economic relationships.

Creative Exports, Cultural Diplomacy, and Trade

While traditional cultural diplomacy has relied on elite forms of expressive culture (ballet, classical music, theatrical productions, art), the capacity of these forms to appeal to a wider audience is limited when compared to the more popular idioms increasingly prominent in our contemporary globalized world.\(^{66}\) American diplomat Cynthia Schneider asserts that “popular culture is the greatest untapped resource in the cultural diplomacy arsenal”\(^{67}\) because of its ability to reach a diverse range of audiences. For example, Patricia Goff argues that through its successful export of popular culture idioms such as manga graphic stories, anime video, and film, Japan has “successfully created access points to its culture that might be inaccessible to many.”\(^{68}\) This notion of access points, or sites of interaction, is compelling. Increasing the number of such access points through creative exports ostensibly means providing foreign publics with greater opportunity to engage with expressions of Canadian creativity. This notion of access points is particularly evocative if one thinks about the breadth of possibilities in our digital world.

At the same time, it is important to note that the linguistic and cultural diversity of Canadian cultural exports means that promoting monolithic cultural idioms such as “manga,” “Hollywood,” or “Bollywood” is neither appropriate nor desirable. Indeed, Goff’s depiction of popular culture as the fruit of mass-produced commercial enterprise, and her tendency to adopt a binary distinction between elite and popular culture, exemplifies tendencies in the scholarly literature on culture diplomacy grounded in the US context.

In the Canadian context, we have blockbusters and bestsellers, but government also makes possible the existence of diverse, less commercially-oriented products from a broad range of Canadian voices. For Canada to generate the greatest benefit from its cultural exports, it must scale return on investment to the potential success of the

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65. Proceedings of the Standing Senate Committee on Foreign Affairs and International Trade, issue 34:30.
products in question. One of the ways to do this is to capitalize on several global trends characterizing the consumption of cultural goods and services:

- The rise of creative goods and services that target niche audiences in an era of media fragmentation, characterized by the proliferation of platforms for cultural content, as well as discrete pockets of enthusiastic fans for particular sub-genres;  

- The increasing expenditures on entertainment, leisure, and tourism among rapidly-growing middle class populations in emerging countries;

- The cultural capital of transnational global tastemakers and digital “influencers,” who may be small in number but whose ability to shape consumption is considerable, especially among younger audiences with high levels of trust in the recommendations. To this point we would add the potential of domestic diasporic audiences to influence publics in their countries of origin.

Cull understands cultural diplomacy as the deployment of a state’s culture in support of foreign policy goals. One of its specific uses is to prepare the ground for future trade and economic relations by fostering people-to-people understanding and longer-term relationships. In the 1970s, Canada sponsored exhibitions of Canadian art in China in order to foster bilateral ties shortly after the resumption of diplomatic relations between the two countries. More recently, France indicated that it will send the famed Bayeux tapestry to the UK for an exhibit in order to signal the importance of Franco-British relations in the wake of Brexit. Cultural diplomacy can work to establish relations between states where none exist, or improve bilateral and multilateral ties where they are strained. For example, North and South Korea marched under one flag at the 2018 Winter Olympics in Pyeongchang.

The development of cultural diplomacy can accompany multilateral trade negotiations in order to better assure their success. Speaking at the Berlin International Economic Congress in 2012, the Indonesian Minister of Tourism and the Creative Economy, Dr. Mari Elka Pangestu, stated,

“I think cultural diplomacy plays a large role in overcoming challenges that arise in multilateral trade negotiations. “Soft power” often does help during hard negotiations. When you are learning about each other, whether it’s through cooperation in culture, the arts, collaboration between films, or collaboration between music, that does so much for increasing the understanding between any two countries or group of countries, which I believe often paves the way for a better environment during the more economical/political negotiations.”

The potential for cultural diplomacy to strengthen strained bilateral ties resonates particularly in Canada’s current trade environment. As the Standing Senate Committee on Foreign Affairs and International Trade observed in 2017, the perception that the benefits of free trade have been asymmetrically distributed has contributed to a rise of populist protectionism, which has rendered Canada increasingly isolated in advocating for free trade agreements as a tool of prosperity. This populist trend not only has the potential to significantly impact Canada’s trading relationships, notably with the United States, but arguably threatens the mechanisms underpinning the rules-based trade environment in place since the end


of World War II. The United States, for example, recently asserted that it does not feel bound by its treaty obligations under the World Trade Organization (WTO).\textsuperscript{74} Indeed, Barrie McKenna suggests that the Trump administration’s threat of tariffs is part of a campaign to “undermine the WTO, “and in so doing, to distance the US from multilateral trade, come what may.\textsuperscript{75} The possibility of trade uncertainty, coupled with the unpredictability that has characterized recent trade developments, means now is an opportune time for Canada to re-examine the full spectrum of resources at its disposal to achieve its trade objectives, including those related to culture in all its forms.

At the time of writing, Canada asserted that it will respond to the threat of US tariffs with appropriate retaliatory action. In such an environment, we argue that the power of culture, both in terms of values and the physical manifestation of those values in cultural products, cannot be overestimated.

Relationship building and people-to-people ties are crucial to advancing Canada’s trade agenda. As we have demonstrated, cultural relations and cultural diplomacy are key to building these relationships. The current trade environment invites thinking about how existing cultural diplomacy tools, such as student exchanges, can be explicitly linked to trade. For example, \textit{A Global Education for Canadians} sharpens the focus of this cultural diplomacy strategy on trade by suggesting that student exchanges should target countries with which Canada wants to develop trade relationships (rather than prioritize, as in the past, political, military, or other issues). The objective here is to promote collaboration with students in host countries with a view to fostering trust relationships that might lead the host country/students to partner with Canadians in the future. Such exchanges could also indirectly increase market access for Canadian creative products, since Canadian students would be motivated to share what is meaningful to them.

As Canada defends its trade interests, it must also seriously consider the potential of cultural diplomacy to act in concert with other initiatives, especially given that Canada is a middle power without the same recourse to hard power assets that larger trade partners such as the United States have.\textsuperscript{76} As John Ralston Saul argues, Canada (like other middle powers) depends more on the promotion of its culture abroad than do countries with other means of displaying their image.\textsuperscript{77} He states,

\begin{quote}
That is our image. That is what Canada becomes in people’s imaginations around the world when the time comes for non-Canadians to buy, to negotiate, to travel. Canada’s chance or the attitude toward Canada will already have been determined to a surprising extent by the projection of our culture abroad.\textsuperscript{78}
\end{quote}

What are the resources, or “soft power assets” as they are often called, available to Canada to communicate its culture abroad, and how can government come to realize their potential? A recent report by the British House of Lords that enumerated the UK’s cultural assets, such as international tours, exhibitions, and public broadcasting, also made recommendations to enhance those assets that fall in the culture-as-values basket, such as diverse hiring among senior government officials (to enhance the UK’s image abroad as an open meritocracy), and engaging with diaspora communities (to find synergies between government initiatives and diaspora community links with their home countries).\textsuperscript{79}

\textsuperscript{74} Lawrence Herman, “Global Trade Suffers Under Chaos and Stress Wrought by Trump,” \textit{Globe and Mail}, March 5, 2018.

\textsuperscript{75} Barrie McKenna, “Trump’s Real Target isn’t Foreign Steel or Aluminum; It’s the WTO,” \textit{Globe and Mail}, March 9, 2018.

\textsuperscript{76} This said, Potter notes that Canada has employed its military in multilateral “peacekeeping roles,” contributing to the perception of Canada as a “helpful fixer.” Potter also notes that Canada’s role in peacekeeping “served as a powerful means of reinforcing national unity, since pride of place in Canada’s blue berets was one of the few components of Canadians’ self-identity that cut across all linguistic and regional divides.” Evan Potter, \textit{Branding Canada: Projecting Canada’s Soft Power Through Public Diplomacy} (Montreal and Kingston: McGill-Queen’s University Press, 2009), 5.

\textsuperscript{77} John Ralston Saul, quoted in Potter, \textit{Branding Canada}, 7.


\textsuperscript{79} House of Lords, \textit{HL Paper} 150, 112-114.
It is important to note that the majority of these cultural resources lie outside of direct government control. For example, while governments provide funding to cultural resource providers such as educational and cultural institutions and public broadcasters, they do not generally determine their policy directions. Therefore, in order to draw a range of actors into play, governments must “cultivate constituencies” of diverse networks, or “construct strategies regarding their international goals that align with the priorities of independent actors (yet) in no way ‘harness their efforts.’”80 In addition, as we demonstrate later on, it is precisely the perception of cultural content’s independence from government control that makes it credible, and therefore a resource for cultural diplomacy.

**“Score One for NAFTA”**

Investing (both directly and indirectly) in cultural relations initiatives is crucial, as is cultivating networks of constituencies, to achieving foreign policy objectives. These initiatives, however, are also time-consuming and demand additional resources. Another way that government can foster Canadian culture abroad to positively impact trade relationships is by recognizing how existing policies can serve as instruments of cultural diplomacy, even if this is not their primary objective. For example, a recent article in the *Globe and Mail* suggests that Canada’s strong showing at the 2018 Academy Awards might improve ongoing trade negotiations with the US:

> **Score one for NAFTA:** Canada got possibly the most vocal love it’s ever received at the Academy Awards. There were several Toronto shout-outs by Canadians Paul Austerberry, Jeff Melvin, and Shane Vieau, who shared the best production design Oscar for the GTA-shot *The Shape of Water*, plus a Montreal tip of the hat from the victorious team behind *Blade Runner 2049*’s visual effects. Somewhere, Justin Trudeau is nodding his head enthusiastically.81

Even if the author overstates the case, the fact that Hertz thought this publicity might improve Canada’s image abroad to the extent that it could affect trade negotiations provides yet another example of the perceived power of culture to portray an image of Canada as an attractive nation with which to do business. More importantly, it could be argued that Canada’s success at the Oscars was due in part to longstanding federal policies that support the creative industries. For example, one of the reasons *The Shape of Water*

80. Ibid., 44.
81. Barry Hertz, “Relive the Best, Worst and Weirdest Moments from This Year’s Academy Awards,” *Globe and Mail*, March 4, 2018.
was shot in Toronto was likely the attractiveness of Canada’s production tax credits, including the Film or Video Production Services Tax Credit (PSTC), designed to promote Canada as a “location of choice” by offering eligible foreign audiovisual productions a tax rebate on a portion of their Canadian labour expenditure.82

The Montreal-based companies that contributed to the Academy Award-winning visual effects of Blade Runner 2049 explicitly link government policy with international success. In a recent media article, these creators attributed their international success and the dynamism of the Montreal post-production industry to Quebec’s visual effects tax rebate, which draws producers to Montreal, and to the Quebec education system, which they argue prepared them to work in the industry.83

This international success, and its resultant strengthening of Canada’s image abroad, can therefore be viewed as a positive externality of existing government support policies and programs. We argue that such long-term outcomes should be integrated into existing performance measurements in order to provide additional justification for public investment in culture.

These triumphs should not be viewed as isolated and random events, but as the fruit of concerted, decades-long government support for the creative industries. That the “invisible hand” of the government was not explicitly highlighted in coverage of Canada’s Oscar successes only adds to the effectiveness of these programs, if we accept that public diplomacy mechanisms work best when government operates at arm’s-length.

Questions about cultural diplomacy’s efficacy have led to an interest in metrics. While Hall and Smith assert that there is a belief among governments that soft power strategies are effective, Singh and MacDonald contend that governments do not have the frameworks in place to measure their impact. In order to make the case for cultural diplomacy, governments must therefore develop measurement frameworks that effectively assess the impact of investment in cultural diplomacy. We present several studies that provide insight into how Canada might develop such frameworks. In order to understand the impact of government investment in cultural diplomacy activities, however, it is first important to address limiting factors with a view to how they inform the development of metrics.

### Qualitative Metrics and Quantitative Indicators

While Singh and MacDonald contend that some qualitative indicators such as perceptions and understandings are “fuzzy” and hard to measure, Zaharna counters that this perception is based on a Western “intellectual heritage that directs research attention and public diplomacy analysis … [in favour of] quantitative metrics over intuitive insights.”

In measuring the impact of cultural diplomacy activities, quantitative and economic metrics are beneficial if limited because they fail to fully address the long-term benefits of investment. Culture is both an economic and a social good. The preamble to UNESCO’s 2005 *Declaration on the Protection and Promotion of the Diversity of Cultural Expressions* states, “cultural activities, goods and services have both an economic and a cultural nature because they convey identities, values and meanings, and must therefore not be treated as solely having commercial value.”

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86. Ibid.

### Messaging

Clarke notes that cultural products are not necessarily received abroad in the spirit in which they are sent. He suggests that “policy-makers in the field of cultural diplomacy need to begin by undertaking careful research into existing audience behaviour, with a particular emphasis on the meaning-making aspect of reception.” This recommendation in turn points to the importance of understanding the economic, political, and cultural realities that underpin meaning-making in countries that receive Canadian cultural exports in order to both maximize the potential of those exports and ensure that their effectiveness is not hindered by unintentional blind spots and misunderstandings. The Japanese Government’s Cool Japan Fund (a $500 million public-private partnership designed to capitalize on Japan’s “cool factor” to increase exports of Japanese cultural products), for example, provides funding for the “outbound ‘localization’ (i.e., translation/modification) of Japanese products, including digital content” in order to increase the capacity for success in specific overseas markets. As a way to maximize export potential, Canada’s Creative Export Strategy should consider translation and modification of creative goods as an eligible expense in its funding criteria.

On the other hand, in our increasingly digital world, the potential for cultural goods to “go viral,” to be “mashed up,” and to be cited ironically are integral parts of the artistic process, and can yield new connections. Scott Lash and Celia Lury note, “(cultural) products no longer circulate as … already fixed, static and discrete, determined by the intentions of their producers. Instead cultural entities spin out of the control of their makers.”

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90. Clarke, “Theorising the Role of Cultural Products,” 147.
The prevailing accountability framework that guides policy development increasingly privileges the ability to demonstrate return on investment. While it is important to acknowledge that governments ought to demonstrate sound financial stewardship of public resources in the short term, Cull argues that cultural diplomacy activities require an extended conceptual timeframe.93 Similarly, Melissen notes that building trust-rich relationships through public diplomacy (of which he considers cultural diplomacy a part) takes time and care, and therefore benefits from a long policy horizon: “[Public diplomacy] should be in tune with medium-term objectives and long-term aims. [It] builds on trust and credibility, and it often works best with a long horizon.”94 For example, the Cool Japan Fund was designed with an investment horizon of twenty years.95

Addressing the issue from a funding perspective, the British House of Lords highlights in its 2014 report on the influence of the UK the importance of stable investment in cultural diplomacy activities. While the report talks about soft power, some of its messages can be applied to less instrumental forms of relationships such as those created by cultural diplomacy and intercultural relations. It stresses that soft power will only grow in importance in the years ahead due to global trends such as the digital empowerment of individuals and groups, the complexity of global trade, and transnational challenges that are “diffusing and fragmenting traditional state power, and enabling the world’s people to be increasingly interconnected and interdependent.”96 Specifically, the report highlights the importance of stable investment as a means to achieve long term goals:

We emphasize that if the UK is to benefit from its significant soft power potential, the Government needs to recognize that some of the bigger gains will only emerge over time and as conditions evolve. An overemphasis on immediate returns on investment will dilute the urgent attention that the pursuit and exercise of soft power require.

The task for the Government will be to ... avoid the false economies of short-termism in areas where results take time to mature ... We emphasize that investment now will realize significant future returns, not least because it is cheaper to support established and successful soft power assets now than it would be to attempt to regenerate neglected assets later, when the benefits of soft power become even clearer. In addition, the Government needs to express honestly to the public that successes in the generation of soft power may come only from long-term commitments.97

Policymakers have the opportunity to develop demonstrable short- and medium-term policy outputs without losing sight of longer-term outcomes; a process we encourage in our exploration of various studies seeking to measure the impact of cultural diplomacy initiatives.

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97. Ibid., 226–27 (emphasis added).
Asking the Right Questions

American sociologist William Bruce Cameron once stated, “not everything that can be counted counts, and not everything that counts can be counted.” Cultural commentator Tiffany Jenkins goes so far as to assert that the impact of culture cannot actually be measured: “The value of the arts, the quality of a play or a painting, is not measurable. You could put all sorts of data into a machine: dates, colours, images, box office receipts, and none of it could explain what the artwork is, what it means, and why it is powerful.”

The authors of the Massey Commission report anticipated the significance of Cameron’s maxim when they spoke of the “intangible” impacts of investing in cultural diplomacy. Part of the difficulty of measuring these impacts effectively, however, may have arisen from the fact that, as Zaharna points out, “in international studies culture was seen as a ‘non rational’ element that, like religion and emotion, did not fit nicely in rational models.” The challenge, therefore, is to develop evaluation models that embrace the complexities of cultural diplomacy, rather than view these complexities as a reason not to measure its impact, or worse, not to consider investing in the first place. As the British Council recently observed, “the complex and nuanced nature of cultural relations suggests … that attempts to evaluate them will themselves have to be sophisticated, nuanced, and sensitive to the different contexts in which they are taking place and different actors involved.”

Researchers primarily in the UK (and to some extent, Germany) have done substantial work in recent years to navigate the complexities of cultural diplomacy and cultural relations in order to effectively measure their impact. We present the highlights of several studies here in order to provide statistical methods and evidence upon which Canada could draw to develop performance measurement frameworks for the Cultural Export Strategy.

Culture Works

In its 2015 report, *Culture Works: Using Evaluation to Shape Sustainable Cultural Relations*, Germany’s Goethe-Institut provides some useful insights into the development of metrics frameworks:

- The achievements of cultural initiatives, such as “intercultural understanding” or “the safeguarding of democracy,” are the result of complex processes subject to a wide range of influences. This makes evaluating the contribution of culture to such long-term objectives impossible. Evaluation is only possible when “concrete, verifiable subsidiary targets are formulated”;  
  105. Ibid., 6.

- Evaluation of culture is not about finding perfect answers but about “asking the right questions, questions that are relevant to the context, and investigating them with quantitative and qualitative methods”;  
  106. Ibid., 2.

- Qualitative and quantitative methods should be used in combination in order to achieve a more holistic view of an initiative’s impact;

- It is important to maintain ongoing dialogue between project initiators, target groups, partners, and other stakeholders so that a given project remains relevant. In other words, an initiative can only have impact if it is relevant; if it has meaning.

While these recommendations are compelling, it is necessary to calibrate the tools and resources for evaluation to the human and fiscal resources available for this purpose. The notion of ongoing dialogue between state and non-state actors could be useful here, since it is arguably in the best interest of all involved to contribute information that could be used for evaluation in order to provide the justification necessary for continuing a program over the long-term.

Trust Pays

In 2012, the British Council published *Trust Pays*, a quantitative study designed to “understand the role of international cultural relationships in building trust for the UK and underpinning the success of the UK economy.”  

107. Through structured interviews with young adults (the age group deemed to possess the greatest potential to build future relationships) in ten countries deemed important to Britain’s economic, political, and strategic interests, researchers found that participation in cultural relations activities with the UK (those related to the arts, education, and the English language) was associated with an increase in the average level of trust of people from the UK.

The report also showed that this increased trust resulted in higher levels of interest in doing business and trading with the UK. Further, the researchers were able to demonstrate that


105. Ibid., 6.

106. Ibid., 2.


108. The countries identified were Brazil, China, India, Pakistan, Poland, Russia, Saudi Arabia, and Turkey.
the more cultural activities in which interview subjects participated, the more trust developed. While above we presented theoretical arguments supporting trust as the foundation of effective economic relationships, the British Council’s findings provide clear evidence that this is so. Further, this study explicitly makes clear that cultural diplomacy and trade are intrinsically linked, and that investment in the former leads to greater possibilities in the latter.

Importantly, the British Council also examined the constitutive elements of trust. For example, the researchers found that the factor that most contributed to a sense of trust in people from the UK was a perception that Britons are tolerant of others. “The data show that if an individual from, for example, Pakistan, says that he or she trusts people from the UK, to a large extent what they are saying is that they believe that people from the UK are tolerant and respectful of people from other cultures – tolerant and respectful of people like themselves.”109 In sum, this study was able to quantitatively demonstrate how cultural relations build trust. Equally important, it also determined what people in different countries think of as trust. This kind of specificity is crucial, since we know that values are not universally held. Individuals’ notions of how values (including trust) are defined and maintained differ between cultures,110 further necessitating mutual understanding through increased self-awareness and (inter)cultural competency. We stress the importance of equipping creative industry workers with the critical skills needed to remain self-aware on an ongoing basis in their exchanges with foreign industry partners and audiences in order to navigate how trust is built and sustained across cultures.

Going forward, Canada might develop a similar study to measure the impact of its investment in cultural export, identifying priority countries for investigation, as the UK did. Such a study could be especially beneficial because Canada perceives itself as a voice for moderation and tolerance in an age that seems increasingly characterized by radicalization, the resurgence of right-wing nationalisms, the urge to close borders, and the re-introduction of protectionist measures (e.g., Brexit, Trump-era US policies). Because the British Council was able to quantitatively measure the degree to which participation in cultural activities builds trust and, by extension, fosters the potential for commercial relations, its findings counter arguments made by researchers such as Singh and MacDonald who suggest that outcomes such as perceptions and understandings are “fuzzy” and hard to measure.111


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110. Foundational to this understanding and its application to cultural diplomacy is Umberto Gori’s exploration of how the concept of peace may have different meanings in various cultures and civilizations. Gori, “Critical View on Cultural Diplomacy,” in Cultural Self-Comprehension of Nations, ed. Hans Köchler (Tübingen and Basel: Horst Erdmann Verlag, 1978), 120.
**Cultural Value Project**

In 2016, the UK Arts and Humanities Research Council published the findings of The Cultural Value Project, which attempted to 1) identify the various components that make up cultural value, and 2) consider and develop the methodologies and evidence to evaluate these components. Specifically, the project sought to reconcile several seemingly intractable dichotomies that hinder the development of effective performance measurement frameworks for culture, notably the “intrinsic v the instrumental, the elite v the popular, qualitative v quantitative and the publicly-funded v the commercially oriented.”

In order to break down these boundaries, the report advocates for a repositioning of individual experiences of arts and culture at the heart of enquiry about cultural value, arguing that,

> some of the most important contributions of arts and culture to other areas are embedded in that individual experience: perhaps not economic impact but rather the capacity to be economically innovative and creative; perhaps not urban regeneration driven by large new cultural buildings but rather the way small-scale arts assets and activities might help communities and neighbourhoods.

Particularly relevant to our assertion that trust and mutual understanding between cultures are predicated on self-awareness is the report’s finding (arrived at through several case studies) that “cultural engagement shapes reflective individuals, facilitating greater understanding of themselves and their lives, increasing empathy with respect to others, and an appreciation of the diversity of human experience and cultures.”

**Like Me, Buy Me**

Using sophisticated quantitative analysis, Andrew K. Rose demonstrates in “Like me, Buy Me: The Effect of Soft Power on Exports” that countries receive a commercial return on their soft power. He quantifies the gain a country receives when its global influence is considered admirable. Using bilateral trade as a model, Rose shows that “a country’s exports are higher if it is perceived by the importer to be exerting a more positive global influence.” Rose’s results are “statistically and economically significant; a 1 percent net increase in perceived positive influence raises exports by around 0.8 percent.” Note that in Rose’s survey, conducted in 2013, 54.8 per cent of respondents felt that Canada exerted a positive influence in the world. Of the sixteen countries he studied, only Germany scored higher.

According to Rose, cultural exports are both an engine of global influence and the beneficiary of this positive influence. Cultural export as a tool of cultural diplomacy works to strengthen trust between nations. This increased trust results in an elevated desire by recipient countries to do business with the host country, which in turn results in increased exports.


113. Ibid., 6.

114. Ibid., 7.


116. Ibid., 216.

117. Ibid., 232.
Soft Power Today: Measuring Influences and Effects

Singh and MacDonald argue that recent political changes (e.g., Brexit, the election of President Trump, the resurgence of right-wing nationalism in Europe) suggest that "many of the assumptions underpinning the liberal world order may require a new ‘post liberal’ approach ... dependent on the strong relationships which soft power helps to engender." The authors draw on David Goodhart’s concept of postliberalism. Where liberalism measures progress in terms of “freedom from constraint,” postliberalism sees people as “embedded in relationships, and wider groups, and conceives of their wellbeing as being dependent on those relationships and the state of the wider communities they are a part of” – a notion that aligns with the perceived shift in international relations from club to network diplomacy described above. These larger communities could include global diasporas, professional and educational networks, artistic linkages, etc. Actions that seek to nourish these communities and relationships (such as those related to cultural diplomacy) are crucial to people’s sense of wellbeing, even as they generate measurable results for nation states.

In support of this thinking, Singh and MacDonald developed statistical models to quantify the positive effects of soft power in seventeen countries. Specifically, they were able to demonstrate statistically significant causal relationships between soft power “assets” (e.g., respect for democracy, citizen prosperity, cultural assets) and specific outcomes.

<table>
<thead>
<tr>
<th>Description</th>
<th>Finding</th>
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<tbody>
<tr>
<td>Citizen prosperity is attractive.</td>
<td>Every 1% increase in per capita income acts as a soft power pull factor for anywhere from a 0.35% to a 0.98% increase in international students.</td>
</tr>
<tr>
<td>Cultural institutions are influential for attracting international tourists and foreign direct investment (FDI)</td>
<td>A 1% increase in the number of countries a cultural institution from country X covers results in an average 0.73% increase in international students for that country.</td>
</tr>
<tr>
<td>A country’s cultural ranking in the world matters for attracting FDI, and for political influence in the world.</td>
<td>The overall impact of being in the top 15 countries for culture is important: it translates into a 0.52 point move in the ideal point by country. The impact of a high culture rank is more significant than any of the factors in the models that influence UN voting.</td>
</tr>
<tr>
<td>Higher percentages of populations connected on the Internet lead to higher numbers of international students and tourists, FDI, and global political influence.</td>
<td>Every 1% increase in Internet users from country X results in an almost 0.5% increase in the number of international students for that country.</td>
</tr>
</tbody>
</table>

120. Singh and MacDonald, *Soft Power Today*.
121. The “ideal point” refers to voting at the United Nations along moderate rather than extreme lines. “Soft power here lies not in the moderation of the countries with soft power but countries affected by soft power, or the ability of high soft power states to pull other countries toward moderation” (Singh and MacDonald, *Soft Power Today*, 36).
Where Canada Stands

Just as governments are increasingly preoccupied with developing performance measurements for cultural diplomacy, researchers are also attempting to evaluate and rank countries’ contributions to global society, including the outcomes of their investments in cultural diplomacy. The following studies use various metrics and methods to evaluate a country’s individual impacts. Perhaps the most important single observation from these studies is that a country’s overall standing depends on what indicators are examined, as well as the assumptions that go into the development and selection of those indicators. As such, a comprehensive view is necessary to minimize the biases and assumptions in each individual study as it relates to Canada.

Soft Power Today: Canadian Implications

In contrast to the author of “Like Me, Buy Me,” Singh and MacDonald argue that Canada’s soft power profile is waning, that Canada is “adrift, and has been for over a decade.” Specifically, they report that “Canada’s image and reputation are low due to budget cuts and the perceived incompetence in the management of Canada’s international relations.” That said, the authors note that the current government is leading a revival, which consists of, among other things:

• A comprehensive international policy review, leading to the articulation of a forward-looking grand strategy;

• Establishing new alliances and partnerships with universities, think tanks, NGOs, diaspora communities, and businesses;

• Expanding and re-profiling Canada’s representational footprint abroad to reinforce the vital connection to place.

Soft Power 30 Index

Countering Singh and MacDonald’s assessment of Canada’s profile, the Soft Power 30 Index developed by the Center on Public Diplomacy at the University of Southern California, which uses objective data and polling to evaluate the soft power assets of 30 different countries, gives Canada a favourable ranking. In the 2017 survey, Canada ranked fifth, and has maintained a position in the top five for the last three years. Soft Power 30 notes that Canada’s soft power has increased since the 2015 election, due largely to Prime Minister Trudeau’s media profile and his “savvy online presence,” which he has used to strengthen relations with other nations, notably Mexico – an important consideration given the current NAFTA negotiations. On the other hand, the report also notes that Canada’s digital diplomacy, once viewed as a model to follow, has apparently “run out of steam” in the last year.

122. Ibid., 73.
123. Ibid.
124. The authors go on to note the need for countries to re-examine their understandings of soft power assets in light of the increasing ubiquity of digital communications media.
Noteworthy as well is Canada’s second place ranking in education, but only ninth in terms of how others perceive Canada’s culture and government. Regarding entrepreneurial dynamism, Canada does not rank in the top ten. Such results reveal that initiatives such as the Creative Export Strategy, which mobilizes government resources to support culture and entrepreneurship, are important as ways for Canada to improve in these categories.

**Good Country Index**

The Good Country Index uses reputable statistical data sources to evaluate the contributions of 30 countries to the “good of humanity” in several categories such as science and technology, prosperity and wellbeing, climate, education, and culture. While Canada ranks ninth overall, it falls to twenty-fifth in terms of its global contribution to culture.¹²⁵ In his December 2017 appearance before the Standing Senate Committee on Foreign Affairs and International Trade as part of the latter’s study of the impact and utilization of culture and the arts on foreign policy and diplomacy, former Canadian diplomat Jeremy Kinsman made reference to Canada’s ranking in the Index. According to Kinsman,

*We shouldn’t have myths about ourselves. There is a set of rankings in international diplomacy called the Good Country rankings. The Good Country rankings don’t show us off to be exactly the stars in the world we think we are. We’re well liked, and I think that now most people understand the virtues, values and relevance of Canada’s management of pluralism and diversity. But on the things that we’re talking about, for example, in culture we rank, in the opinion of others, twenty-fifth in the world.* ¹²⁶

One of the ways this index measures a country’s contribution to culture is by its exports of creative goods relative to the size of its economy using data from the most recent Creative Economy Report from the United Nations Conference on Trade and Development (UNCTAD).¹²⁷ UNCTAD defines creative goods as those related to design, publishing, audiovisuals, performing arts, art crafts, new media, and visual arts. While Canada ranks ninth among top exporters of creative goods from developed economies, it is the only country that reported a decrease in terms of the value of its creative exports and their global market share between 2003 and 2012. During that time, the value of Canada’s creative goods fell from $11.8 billion to $7.8 billion CAD, a decrease of 34 per cent. The report does not speculate on the reasons for this decline, but nevertheless it reveals two things: 1) this statistic merits further study; and 2) the Creative Export Strategy is timely.

Part IV: Cultural Diplomacy Abroad: Drawing on Case Studies

Our goal in this section is to provide strategic information about international cultural diplomacy by viewing practices through three distinct lenses:

1. The ways in which cultural diplomacy practices are shaped by historical, cultural, and geopolitical conditions;

2. How Canada might adopt best practices employed by Australia, a country with many shared characteristics;

3. Lessons learned from studying other countries that have used creative export as a public diplomacy tool, notably Japan and South Korea.
Factors Implicating the Practice of Cultural Diplomacy

Before we begin to discuss the cultural diplomacy orientations of other countries, it is important to highlight a persistent observation of Canadian cultural diplomacy, namely that Canada is not doing enough – it does not spend nearly enough on cultural diplomacy, and it lags behind other nations. This observation periodically resurfaces, and its persistence warrants exploration.

One factor in this sometimes reluctant approach to cultural diplomacy is that Canada has traditionally eschewed overt displays of nationalism.128 Today, celebrations of national identity such as Canada 150 are necessarily tempered by a growing acknowledgement of Canada's colonial history and its impact on the contemporary moment.129 Canada is also a federation in which culture is an area of shared jurisdiction between the federal and provincial governments.130 This means that provinces also actively engage in cultural diplomacy. Ontario, Alberta, and British Columbia have official representatives abroad to foster international relations, while Quebec maintains its own discrete diplomatic network. Indeed, one of the defining features of cultural diplomacy in Canada for many years has been a “turf war” between Canada and Quebec.131

Another factor to consider is a lack of national consensus in Canada on what government’s role in culture ought to be in the first place.132 Ideological opposition to this notion, politically expressed, can help to explain why government funding for cultural diplomacy has fluctuated. Contrast this indecision with Germany, where a “consensus of justification” views art and culture as “good and meaningful in themselves, [such] that it is not necessary to ask questions about outcomes or money spent on them.”133 Yet, as the late Canadian diplomat Freeman Tovell noted, “Germany is of special interest to Canadians because, as a federal state, its policy formulation and programme implementation are subject to similar constitutional constraints.”134

In reviewing Canada’s engagement with cultural diplomacy, it is important to bear in mind both the social and political realities of Canada, as well as those of other countries also searching for inspiration, or looking to engage with other countries, through cultural diplomacy. As the British Council and the Goethe-Institut observe, countries “face very different cultural and geopolitical contexts. Good cultural relationships necessarily involve flexibility in adapting programmes in ways that resonate with these contexts.”135 They further note that in order to be understood, approaches to cultural diplomacy must be situated in historically specific national narratives.136

Another way to understand different approaches to cultural diplomacy is to ascertain the value assigned to intrinsic versus instrumental elements of cultural relations. For example, Germany’s Goethe-Institut stresses intrinsic value, in which culture is important in and of itself. This orientation is shared by France, frequently cited as a model

128. There are, of course, exceptions to this rule, such as Expo 67 and the Centennial of Confederation, that have had significant impacts on Canadian cultural diplomacy.
132. Ibid., 9; See also Paul Litt, The Muses, the Masses and the Massey Commission (Toronto: University of Toronto Press, 1992).
133. Goethe-Institut, Culture Works, 6.
135. Gillespie et al., Cultural Value, 5.
136. Ibid., 5.
of cultural diplomacy due to a strong projection of its culture and the benefits this has yielded. France’s success in cultivating its image abroad can be attributed to its long engagement with cultural diplomacy, ample spending, and its ability to mobilize resources due to a strong centralized bureaucracy. Yet, it is important to note that all of these actions are grounded in France’s historic *mission civilisatrice*, in which culture, diplomacy, and trade have always “gone hand in hand.”  

Great Britain shares an arm’s-length approach to cultural diplomacy with Germany (the British Council is technically a private organization but operates in countries chosen by the government). At the same time, however, the state advances culture to achieve both intrinsic and instrumental goals, increasing the profile of culture “for its own sake” on the one hand, and on the other, using culture to advance specific foreign policy objectives. Interestingly, noted Canadian scholar Andrew Fenton-Cooper suggests that the tension between these two approaches has also characterized the development of cultural diplomacy in Canada. This tension suggests that in developing a “brand,” governments can and do disregard conceptions of culture that do not align with those they wish to project.

Australia is a useful example for study because it is a middle power that has been thinking about how to mobilize cultural diplomacy. Like Canada, Australia is a part of the Anglosphere, the core of which is formed by a group of English-speaking countries (Canada, Australia, New Zealand, the United States, and the United Kingdom). These core countries share a racialized Anglo-Saxon heritage, and their prominence in international politics and economics has been enabled by a shared history of colonization, empire building, and industrialization. Notably, as Srdjan Vucetic (2011) observes, “although Australians, Americans, British, Canadians, and New Zealanders make up less than 7 percent of the world’s population today, their language is the global language, their economies produce more than a third of the global gross domestic product (GDP), and their version of liberalism in society and economy defines most human aspirations.” Like Canada, Australia is increasingly aware of this history, and like Canada, it is thinking through its colonial formations, its multicultural present, and its place in a globalized future increasingly dominated by the Asia-Pacific region.

**Australia’s Public Diplomacy Strategy**

In 2014, Australia’s Department of Foreign Affairs and Trade (DFAT) presented its Public Diplomacy Strategy, the objective of which is to “strengthen Australia’s influence and relationships by promoting a clear, creative and confident vision for Australia’s international policy agenda that reflects … national interests.” One of its key pillars is a cultural diplomacy strategy based on the recognition that “culture provides a unique and critical forum for fostering mutual understanding and relationship building.”

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140. “The Quebec government was prepared to go much further than the recommendations of the Massey commission. The Quebec government’s concept of culture was also much wider than that envisaged by the commission, encompassing as it did the total culture or collective consciousness of the French-Canadian people. Because it regarded … Quebec as the political instrument of a distinct and unique cultural group in Canada, the Lesage administration was less attracted to the arm’s-length principle.” Fenton Cooper, “Canadian Public Diplomacy,” 9.
143. Ibid., iv.
144. Ibid., 5.
To this end, the Australian government announced investment in activities that would not only expand audiences for Australian artistic works and creative projects, but also promote Australian expertise in arts production and management, and recognize the role of “cultural actors as authentic and accessible barometers of social change.” The goals of these investments are to influence perceptions of Australia, both domestically and abroad, and through art, to strengthen bilateral ties.

In this vein, the strategy contains targeted initiatives to promote Australia’s cultural exports and creative industries, such as:

- A focus country program to deepen bilateral ties and build enduring cultural connections with artists and cultural institutions in target countries (Brazil, Germany, and Japan) through cultural events and activities promoting Australian creative excellence and innovation;

- The International Cultural Visits (ICV) program, which supports visits to Australia by arts and cultural industry leaders from overseas to improve commercial opportunities in overseas creative industry markets for the domestic arts industry. The program includes targeted exchanges visits (both inward and outward bound) to support two-way engagement, with a particular emphasis on identified market priority countries and current and future focus country programs;

- The Aboriginal and Torres Strait Islander Program, which supports expressions of Indigenous culture through two-way Indigenous exchange/visitor programs, performances, and visual arts exhibitions. The objectives are to 1) demonstrate Australia’s respect for, and recognition of, cultural diversity and heritage, and 2) promote greater international understanding and awareness of Australia’s Indigenous cultures. The program is part of a larger Australian initiative to work with international partners and to influence international policy to advance the interests of Indigenous peoples in Australia and around the world. In this way, cultural diplomacy activities support broader policy objectives.

The strategy also identifies cultural diplomacy as a tool for mobilizing foreign policy objectives in which the link to culture is not necessarily explicit. As part of its strategy to advance Australia as a “modern, contemporary society with high levels of ethnic diversity and social harmony,” DFAT instructed its foreign service network to strengthen people-to-people ties through exchange programs and initiatives related to “fashion and design diplomacy” and “sports diplomacy.” In this way, the state mobilizes creative goods and services to reinforce Australia’s image as an open and diverse society, which cultivates the perception that Australia is an attractive partner with whom to trade and invest.

The Australian government asserts, “Through cultural diplomacy, alliances are just as likely to be forged along the lines of cultural understanding as they are on economic or geographic ones.” Taking this concept one step further, we argue that Australia’s targeted and strategic approach to cultural diplomacy demonstrates a belief that relationships based on cultural understanding also serve to reinforce economic and geographic relationships. In this way, the strategy directly links cultural understanding, mobilized by cultural diplomacy, to trade objectives.

It is worth noting that DFAT has signaled its intention to work collaboratively with the Australian Ministry of the Arts, the Australia Council for the Arts, and other organizations to achieve these objectives.

As part of its strategy, Australia is developing a framework to measure its public diplomacy activities, which will include “realistic indicators

145. Ibid., 5.

146. Ibid., 5.
... [and] qualitative evidence that demonstrate outcomes over time ... to generate best practice case studies to facilitate learning and continuous improvement.”147 Going forward, such a framework might provide useful insights for Canada. Of particular interest is the value the Australian government sees in qualitative measurements used to assess the impact of its cultural diplomacy initiatives, a move that questions Singh and MacDonald’s assessment of such indicators as “fuzzy” and lacking in validity. NACDI will continue to monitor Australia’s progress on the measurement front.

**Smart Engagement with Asia: Leveraging Language, Research, and Culture**

While Australia possesses a long history of relations with the Indo-Pacific region and Asia, these relations have been occluded by the prominence of Anglospheric histories and narratives. Political and economic shifts, both globally and regionally, mean that Australia is now re-examining the nature of its engagement with these areas, reconsidering its soft-power strategies of the past, and considering approaches designed to foster reciprocity and mutual understanding.

Similar to other studies discussed here, *Smart Engagement with Asia*, a 2015 report by the Australian Council of Learned Academies, advocates for connections grounded in mutual trust and understanding as a way to sustain economic development over the long term.148 Specifically, the report highlights the principle of reciprocity, meaning that relationships related to culture, language, and research must be beneficial to all parties so that long-term benefits may be realized. The report makes several recommendations designed to foster reciprocity:

- Recognize that being monolingual in English is no longer sufficient for building effective relationships. The report asserts the centrality of foreign language education to “cultivate a preparedness to recognize the inherently complex language diversity within the region and the capacity and sensitivity to navigate this complexity.”149

- Rather than a one-way projection of soft power to make up for Australia’s perceived deficit of soft power in the region, foster collaborative approaches to cultural diplomacy, notably those engaging Asian and Pacific diaspora communities;

- Move beyond narrow interpretations of the national interest; develop institutional arrangements between Australia and Asian countries that go beyond the “self-interested bias of the national state” in order to find solutions to shared problems.

147. Ibid., 11.


149. Ibid., 16.
Australia’s Diaspora Advantage and China’s ‘Belt and Road Initiative’

Building on the recommendations of *Smart Engagement with Asia*, the Australian Council of Learned Academies published another report in 2016 that expands on the notion of building transnational business relationships with Asia through “diaspora advantage”; in other words, by tapping into the innovation, enterprise, and entrepreneurialism of Australia’s four million citizens who identify as being of Asian origin. The report acknowledges that Australia has underutilized its diasporic population in attempts to enhance its engagement with Asian countries.  

While Australia has long recognized the importance of engaging with the Indo-Pacific and Asia, recent developments have added a sense of urgency to its re-examination of these policies. For example, China recently launched the “One Belt One Road” initiative (also known as the “New Silk Road”), its largest foreign policy initiative to date, which will mobilize hundreds of billions of dollars to spend on infrastructure in sixty-five countries across Asia, the Middle East, Europe, and Africa.  

Seen in this light, mobilizing Australia’s diaspora advantage is particularly strategic, since it recognizes that “members of diasporas maintain emotional and cultural links with their country of origin and use their transnational networks to extend business activities and opportunities.” The 2016 report’s call for Australia to ensure that these relationships work to Australia’s advantage is especially prescient in anticipation of the One Belt One Road Initiative, and its potential to revolutionize geopolitical, cultural, and economic relations.

The New Colombo Plan

Deepening its expression of interest in fostering engagement with Asia, DFAT launched a scholarship program in 2014 for Australian students to study and participate in work placements in forty locations across the Indo-Pacific region from Pakistan to the Cook Islands. Over the last five years, the program, known as the New Colombo Plan, supported more than 30,000 Australian undergraduates. The program’s objectives are as follows:

- Encourage a two-way flow of students between Australia and the rest of the Indo-Pacific region by complementing the thousands of students from the region studying in Australia each year;
- Facilitate transformational learning to build the skills necessary to deepen Australia’s relationships in the region, and allow Australians to contribute to the regional economy;
- Develop an influential and diverse network of Australians with experience in the Indo-Pacific, as well as strong professional and personal networks that contribute to Australia’s future prosperity.


Going forward, Australia’s recent cultural diplomacy initiatives could provide insight for Canada since the countries share many characteristics in terms of ethno-historical formations, colonial legacies, multicultural populations, and stature in the world as middle powers.

Japan and South Korea: Cautionary Tales for Creative Industries and Trade

The popularity of Japanese media products such as manga comics and anime products began to attract policy attention in the late 1980s. In order to deepen understanding of and trust in Japan, in 2006 Japan’s Ministry of Foreign Affairs (MOFA) launched “pop-culture diplomacy” as its primary cultural diplomacy mechanism. While the program was designed to facilitate intercultural exchange and dialogue, cultural studies scholar Koichi Iwabuchi argues that pop-culture diplomacy “(went) no further than a one-way projection of Japanese culture.” Iwabuchi attributes this limitation to two factors: first, Japan did not meaningfully engage with its own cultural diversity, and instead constructed a homogeneous national pop-culture brand that led to suboptimal domestic engagement; second, Japan’s failure to engage with its colonial and imperialist past meant that the projection of Japanese pop culture was negatively received in China and South Korea, countries previously subjugated to Japanese colonial rule. To remedy these shortcomings, Iwabuchi recommends the expansion of national interest beyond narrow economic and political goals. He advocates for “advancing cultural exchange in a more open, dialogic, and cosmopolitan way to tackle various issues of a globalized world such as complex cultural flows and connections, historically constituted international relations, and the growing cultural diversity within national borders.”

In a parallel example, Hyungseok Kang notes that since its mid-2000s rise in popularity, Korean popular culture (known as the “Korean Wave”) has been “explicitly adopted by the government as a national success story, reinforcing both the government’s neoliberal economic agenda and domestic cultural nationalism.” However, the appropriation of the Korean Wave to serve a nationalist agenda has led to claims of cultural imperialism. In response, the government has adopted a decentralized approach to creative exports involving a range of actors from both the public and private sectors.

These two examples provide further evidence that cultural exchange must be dialogic and multidirectional in order to set a foundation for the kind of trust that builds productive, long-term relationships. In the Japanese example, failing to deal with cultural diversity and historical legacies weakened the appeal of creative exports. For South Korea, the explicit linkage of creative export strategies with instrumental government objectives met with resistance, and necessitated a more networked approach.

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155. Ibid., 430.
157. Ibid., 444.
Conclusion and Recommendations

Trade promotion is cultural diplomacy and cultural diplomacy is trade promotion. Therefore, the Creative Export Strategy not only yields benefits for the creative industries in terms of increased market access, but is also an attractive orientation for Canada, since it demonstrates that Canada not only supports its creative industries but also values and believes in cultural diversity and freedom of creative expression. As we have shown, this attracting power facilitates trade and export, which in turn forges connections supporting international recognition and reputation.
By cultivating all relevant constituencies to build networks of shared purpose between state and non-state actors, governments can unlock the full potential of cultural diplomacy to achieve specific policy objectives, including those related to trade. This is particularly important in today’s uncertain trade environment, since cultural diplomacy can strengthen strained bilateral ties.

Fully seizing the economic benefits of cultural diplomacy means fostering the trust necessary to build productive relationships. Building trust requires an orientation of self-reflexivity to nurture the respect and openness necessary for achieving mutual understanding and trust. And, as we have shown, trust is the foundation of successful trade relationships. By building trust between state and non-state actors domestically, government can harness the power of creators and cultural institutions to communicate Canada’s culture abroad. This is particularly important because these non-state actors are seen by publics as trustworthy.

Such relationship-building takes time and care, and it is important to demonstrate this when developing performance measurement strategies. It is also crucial that these strategies reflect the complexity of culture. Using both quantitative metrics and qualitative indicators is key, as is recognizing that existing policies and programs can serve as instruments of cultural diplomacy, even if that is not their primary objective.

Canada can learn from recent developments in Australia, which is engaging with its diaspora communities to deepen relationships, and fostering student exchange to build intercultural understanding. As Canada learns from others, however, it is important to situate approaches to cultural diplomacy in their own historically-specific national narratives.

Going forward, we offer recommendations to provide insight as Canada develops such approaches:

1. In the development of cultural exports at the intersection of trade and cultural diplomacy, Canada would do well to incorporate and draw on the great diversity provided by Indigenous, Métis and Inuit ontologies as well as non-Western ontologies among diasporic communities in Canada. It should also foster the acquisition of (inter)cultural competency skills that enable Canadians to productively engage with non-Western ontologies internationally.

2. Public diplomacy initiatives, whether directly related to “culture” or not, must be grounded in culture, in an understanding of the values and identities of others, and in thinking about the ways that culture and creative industries can be mobilized to accompany broader (public) diplomacy initiatives that seek to improve political and economic relations.

3. It is necessary that the Canadian government take an expansive approach to cultural diplomacy that considers the cultural activities of non-state actors and how they engage and partner with diverse networks to productively exploit synergies, alignments, and shared goals, and to develop coordinated cultural diplomacy strategies that are beneficial to all involved.

4. Canada should review and understand its cultural diplomacy success stories in order to establish and build on best practices.
5. It is important to consider the range of cultural assets that Canada can use to leverage its culture, including both ‘traditional’ assets (e.g., international tours and exhibitions and public broadcasting), as well as those which fall in the culture-as-values basket (e.g., diverse hiring to demonstrate Canada’s image as an open meritocracy, engaging with diaspora communities, etc). Canada’s current trade environment also invites consideration of existing cultural diplomacy tools, such as student exchanges, and how they can be linked more explicitly to trade.

6. The majority of these cultural resources lie outside of direct government control. Therefore, in order to draw a range of actors into play, governments must cultivate constituencies of diverse networks and develop strategies that align with the priorities of independent actors, but do not supersede their interests.

7. Government can positively impact trade relationships by recognizing that existing policies can serve as instruments of cultural diplomacy, even if that is not their primary objective. These long-term outcomes should be integrated into existing performance measurement strategies in order to provide additional justification for public investment in culture.

8. We recommend the development of a comprehensive set of indicators to monitor and demonstrate the impact of Canada’s cultural diplomacy.

9. Canada should take a pan-governmental approach that embeds culture in foreign policy objectives.

10. Canada should engage with postsecondary educational institutions to increase dynamic exchange opportunities for Canadian students as a means of building cultural competencies and skills. These will in turn advance Canada’s trade missions and investments, as well as the country’s values of openness and inclusion.

11. Canada should work collaboratively with a range of actors, including Canadian missions abroad, cultural organizations and practitioners, and diaspora networks to understand the economic, political, and cultural realities that underpin meaning-making in countries that receive Canadian cultural exports. By so doing, Canada can maximize the potential for exports and ensure that their effectiveness is not hindered by unintentional blind spots and misunderstandings.
The North American Cultural Diplomacy Initiative (NACDI) is a multidisciplinary partnership that includes academics, policymakers, and practitioners from North America and beyond.

As a vibrant research community NACDI advances cultural diplomacy as a critical practice, generates new research, trains students and practitioners to create effective cultural initiatives and linkages, and engages in outreach through activities accessible to diverse constituencies and broader publics.

NACDI operates from Queen's University, Faculty of Arts and Science, in Kingston, Ontario, Canada.

culturaldiplomacyinitiative.com
info@culturaldiplomacyinitiative.com

Title: Cultural Diplomacy and Trade: Making Connections
Format: Electronic book
ISBN: 978-1-9993837-0-1

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