

Enhancing China's Overseas Investment Image through Public Diplomacy

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The last decade showcased an increase in China's overseas investment and its private enterprises. Further to the internal changes that took place in China in the decade prior to that, the private sector was given greater leeway and encouraged to invest and engage in business activities with foreign stakeholders and governments.

With Chinese President Xi Jinping's announcement of the Belt and Road Initiative in 2013, which is a combination of the Silk Road Economic Belt and the 21st Century Maritime Silk Road, the Chinese investment has witnessed a further increase in numerous countries along the routes.

According to the action plan of the Belt and Road Initiative, released in March 2015, the initiative is aimed at promoting the free flow of economic factors and the allocation of natural resources, thereby allowing various segments of the market to be integrated with one another. Meanwhile, it intends to serve as a source of integration for regional markets.¹ This indicates the vast potential of the Belt and Road Initiative if it is harnessed properly.

The success of the Chinese initiative and investment lies in them being able to harness support from the local public. As a case study, this

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1 "Full Text: Action Plan on the Belt and Road Initiative," State Council of the People's Republic of China, March 30, 2015, http://english.gov.cn/archive/publications/2015/03/30/content_281475080249035.htm.

article analyses the investment made in South Asia and particularly in Sri Lanka. It examines the public opinions toward Chinese investment in the island state and studies the complicated feelings associated with these projects. The objective of this article is to ascertain the reasons for the dual image of Chinese investment in Sri Lanka, especially the unfavorable assessment held by some Sri Lankan people. The article thereafter proposes recommendations for the Chinese government to utilize public diplomacy to improve their overseas image.

In this context, an understanding of the concept of public diplomacy is required as the salient points of this paper will be drawn on it. It is equally important to comprehend the concept of soft power, as the main argument of this paper is based on its benefits to China, and programs such as the BRI rely on this power for success.

Concepts of Soft Power and Public Diplomacy

As defined by the US scholar Joseph S. Nye, soft power “is the ability to get what you want through attraction rather than coercion or payments.”² Depending on the context in which an inter-state relationship exists, coercion or seduction could be used by a nation state to obtain power, which can be broadly interpreted as the ability to influence and affect others’ behavior to reach the outcome one wants. As would be revealed by this article, influencing a populous society via soft means, such as attraction, may be more effective when seeking to achieve long-term interests than using incentives (“carrots”) or intimidation (“sticks”).

As soft power rests primarily on the ability to shape others’ preferences, there are several resources to cultivate a nation state’s soft power. The first is culture, which is a collection of values and practices that create meaning for a society. Culture can be divided into high and popular

2 Joseph S. Nye, *Soft Power: The Means to Success in World Politics*, New Delhi: KW Publishers, 2012.

culture, appealing to different segments of society, but the influence of culture is not necessarily visible in the short term and sometimes could only emerge in the long run. Commercial ties, personal contacts, visits, exchanges of students and official delegations, among others, are all methods of transmitting culture. A nation's domestic and foreign policies are another source of soft power. In fact, foreign policy affects a country's soft power to a large extent. Unlike hard power, these elements of soft power are not always under governments' control to achieve outcomes they desire, and some elements or activities initiated under soft power can attract, while others repel, others.

The term public diplomacy has evolved drastically since its coinage in 1965 by Edmund A. Gullion, who defined it as the means by which governments, private groups and individuals influence the attitudes and opinions of other people and governments in such a way as to exercise influence on their foreign policy decisions.³ It can be further interpreted as promoting a country's national interests by understanding, informing and influencing foreign audiences.⁴ In practice, public diplomacy is usually conducted in the form of diplomats' engagement with foreign civilian public in order to promote the national interests and foreign policy objectives of their own state. In this regard, public diplomacy in Sri Lanka becomes relevant to China given the large amount of Chinese investment currently in the South Asian country.

It is equally important to understand why diplomats engage in public diplomacy. First and foremost, it is to better interact and understand local stakeholders. According to the US-based Public Diplomacy Council, this can serve as a tool to forward foreign policy interests of the sending state.⁵ In addition, interaction through public diplomacy can be useful in safeguarding national interests and national security of the sending state as

3 "Public Diplomacy," The Fletcher School of Law and Diplomacy, Tufts University, <http://fletcher.tufts.edu/murrow/public-diplomacy.html>.

4 "Public Diplomacy," Public Diplomacy Alumni Association, <http://pdaa.publicdiplomacy.org>.

5 See the website of the Public Diplomacy Council at <http://www.publicdiplomacycouncil.org>.

well as expanding its interests abroad. Moreover, public diplomacy, as an element of “soft power,” does not appear to directly threaten a country’s security, and therefore is perceived more amicable than other forms of power. It is due to these reasons that countries invest in public diplomacy for the successful portrayal and interpretation of themselves in the eyes of the foreign public.

As a branch of traditional diplomacy that refers to government-sponsored programs and initiatives, public diplomacy transmits certain messages regarding a country’s foreign policy, political aims, economic cooperation efforts and even developments in tourism. It is a purely civilian aspect of diplomacy, which aims to inform foreign populations and citizens about the goals of a given country’s foreign policy through the use of information and culture. Therefore, it is even credited as an important tool for a diplomat. In practice, public diplomacy takes the form of actions (programs, activities, products and deeds) and messages (ideas themes, words, and values). As new media outlets are increasingly being used in public diplomacy to reach out and listen to people,⁶ governments need to increase their presence online. This indicates not only the importance of public diplomacy, but also the potential it has in terms of a country promoting its values and policies. One of the key features of public diplomacy is its ability to build relationships based on trust with its target audience and generate mutual understanding based on culture.

Chinese Investment in Sri Lanka

The “Silk Road” concept used in the name of Belt and Road Initiative takes into account China’s historical exchanges with Asia, Europe and Africa in the areas of politics, economics and culture,⁷ and reflects the

6 Aravind Gupta, “Usage of Technology and Social Media as a Proxy for Soft Power,” *Colombo Defence Seminar 2016*, Colombo: Sri Lanka Army, 2016, p.47.

7 Liu Cigui, “Reflections on Maritime Partnership: Building the 21st Century Maritime Silk Road,” *China International Studies*, July/August 2014, p.5.

Chinese government's realization that a revival of this ancient trade and commercial route would help its developing economy. In fact, one salient feature of this initiative is that it connects China's hinterlands with economic corridors on the Belt and Road, thus paving a way for these otherwise backward regions in China to also develop and positively contribute to the national economy. As for the outside world, the initial sentiments, such as those voiced in Indonesia, regarding the announcement of the Maritime Silk Road are also that it would create tremendous opportunities for the region to develop.⁸ Just as the success of the ancient Maritime Silk Road came from collaboration among ancestors from both the East and West,⁹ China has highlighted the spirit of communication and cooperation across the border in its promotion of a new Silk Road.¹⁰ This is in accordance with history and also of the BRI Action Plan published by the Chinese government.

Since the eradication of terrorism from Sri Lanka's territory in mid-2009, the island state has been focusing on economic development and reconstruction. The country also commenced improving its infrastructure such as its rail and road networks. It is at this juncture that vast amounts of Chinese investment entered the country, mostly because of the lack of contribution by Sri Lanka's traditional donors in the West. According to Saman Kelegama, Executive Director of the Institute of Policy Studies of Sri Lanka, "...our traditional donors in the West were not in a position to help. Only China was."¹¹ With the interest shown by the Chinese government and other Chinese private stakeholders, Sri Lanka witnessed a surge in Chinese investment and development projects.¹²

8 Wu Jiao and Zhang Yunbi, "Xi Calls for Building New 'Maritime Silk Road'," *China Daily USA*, October 4, 2014, http://usa.chinadaily.com.cn/china/2013-10/04/content_17008940.htm.

9 Liu Cigui, "Reflections on Maritime Partnership: Building the 21st Century Maritime Silk Road."

10 "Full Text: Action Plan on the Belt and Road Initiative."

11 Debasish Roy Chowdhury, "Passive Investor to Partner in Crime: How China Lost the Plot in Sri Lanka," *South China Morning Post*, December 22, 2015, <http://www.scmp.com/business/china-business/article/1750377/passive-investor-partner-crime-how-china-lost-plot-sri-lanka>.

12 Alvin Camba, "The Grand Narratives of Chinese FDI Aren't So Great," *Daily Mirror*, January 10, 2018, <http://www.dailymirror.lk/article/The-grand-narratives-of-Chinese-FDI-aren-t-so-great-143681.html>.

Due to the implementation of the “Go Global” strategy, this ability and availability on the part of the Chinese government has enabled the country to utilize its foreign exchange reserves.¹³ As a result, Sri Lanka saw a proportionately large loan of US\$1,204.3 million from China along with a grant of \$2.4 million in 2009.¹⁴ Grants from the Chinese government witnessed a positive trend with \$7.5 million being committed.¹⁵

According to available statistics, China has granted approximately \$5 billion to Sri Lanka in the form of aid, soft loans and grants for five years from 2010.¹⁶ Moreover, the assistance to Sri Lanka was always timely, given when the island state most required it, such as during the conflict and even afterwards, for reconstruction efforts the Sri Lankan government was carrying out.¹⁷ According to the annual reports of Sri Lanka’s Ministry of Finance and Planning, China is a key development partner that has provided 15 to 20-year long-term funds facilitating the post-conflict development agenda.¹⁸ Furthermore, roughly 70% of the infrastructure projects in Sri Lanka bear a Chinese name. According to Sri Lanka’s Ambassador to China Karunasena Kodituwakku, China emerged as the largest foreign direct investment (FDI) contributor to Sri Lanka in the year 2017.¹⁹ Table 1 depicts the investment climate in Sri Lanka in 2013 and the status of China in this environment.

13 Then Chinese Premier Wen Jiabao as cited in “China’s ‘Going Out’ Strategy,” *The Economist*, July 21, 2009, <https://www.economist.com/free-exchange/2009/07/21/chinas-going-out-strategy>.

14 Ministry of Finance and Planning Sri Lanka, *Annual Report 2009*, Colombo: Government of Sri Lanka, 2009, p.131.

15 Ministry of Finance and Planning Sri Lanka, *Annual Report 2010*, Colombo: Government of Sri Lanka, 2010, p.245.

16 Calculation made from the Annual Reports published by the Ministry of Finance and Planning Sri Lanka.

17 Calculation made from the Annual Reports published by the Ministry of Finance and Planning Sri Lanka. Such as providing over 3,000 tents to Sri Lanka in the post-conflict resettlement period. See *Sri Lanka’s Humanitarian Effort*, Colombo: Government of Sri Lanka, 2011, p.37.

18 *Annual Report 2010*, p.244.

19 Sandun A. Jayasekera, “Discipline Is the Foundation for a Peaceful Society,” *Daily Mirror*, January 11, 2018, <http://www.dailymirror.lk/article/-Discipline-is-the-foundation-for-a-peaceful-society--143757.html>.

Table 1 Major Sources of Foreign Direct Investment to Sri Lanka in 2013

Country/Region	FDI (US\$ Mn.)	Country/Region	FDI (US\$ Mn.)
China	240	Mauritius	23
Malaysia	176	Luxembourg	21
Hong Kong, China	139	Australia	18
Netherlands	118	Switzerland	18
Singapore	112	Thailand	16
United Arab Emirates	111	Germany	15
United Kingdom	70	British Virgin Island	13
India	51	France	12
Japan	38	Saudi Arabia	10
United States	35	Others	129
Canada	26	Total	1,391

Source: *Annual Report 2013*, Board of Investment Sri Lanka, p.20²⁰

As depicted above, China ranked the highest in bringing FDI to Sri Lanka with \$240 million, or 17% out of the \$1,391 million FDI the country received in 2013. This is reflective of China’s role in Sri Lanka since 2009, as it has been the largest contributor toward Sri Lanka’s development agenda.

Looking at the Chinese presence in Sri Lanka, a significant portion of their investment was in energy and transportation sectors as the country places zero restrictions on foreign investment in areas such as “... construction of residential buildings and roads, supply of water, mass transportation, energy production and distribution.” It must be noted that projects in these areas were commissioned because of Sri Lanka’s eager needs and great emphasis on large-scale investment in “sectors such as energy, roads including highways, ports and aviation, irrigation and water supply schemes” in order to reconstruct the country after the conflict.²¹ As a result,

20 http://www.investsrilanka.com/images/publications/pdf/Annual_Report_2013.pdf.

21 *Annual Report 2010*, p.244.

the Chinese government and private companies took on many "...multi-billion-dollar projects including new ports, airports, coal power plants, roads and railways."²² China invested in many mega projects on the island such as the deep-water Hambantota Port in the southern tip of Sri Lanka in close proximity to the sea lane of communication (SLOC), the Mattala International Airport and road networks, to name a few.

In the beginning, Chinese investment was greatly welcomed by Sri Lanka, but as its existence expands, some skeptical voice, mainly from opposition parties, has internally emerged. This is understandable from the social psychological perspective. After all, people tend to hold reservations and even resistant attitudes towards external factors appearing in the society. Besides, for a country which has been confined to a large extent to itself because of the 26-year civil war and stern sanctions imposed by Western countries, the whole Sri Lankan society needs time to get adapted to foreign elements. In addition, countries like India and the United States have been very vocal in extending their displeasure against Chinese investment in Sri Lanka. Analysts cite "Sri Lanka's strategic location along trade routes in the Indian Ocean" and "its location just off the coast of India" as two of the most pertinent reasons for this concern.²³ While it must be noted that much of the local criticism, especially in the form of public demonstrations that took place in cities like Hambantota, were not against Chinese investment projects, but directed at the Sri Lankan government which was illegally taking over citizens' private property to build the 15,000-acre industrial zone,²⁴ there is no denying that certain queries have ensued with the influx of Chinese investment.

22 Shihar Aneez, "China Is Sri Lanka's Top Investor, Commercial Lender," *Reuters*, December 3, 2013, <http://in.reuters.com/article/srilanka-china-idINDEE9B20F120131203>.

23 E. Brunjes, et al., "China's Increased Trade and Investment in South Asia," Workshop in International Public Affairs, Spring 2013, p.9.

24 "Protest over Hambantota Port Deal Turns Violent," *Al Jazeera*, January 7, 2017, <http://www.aljazeera.com/news/2017/01/protest-hambantota-port-deal-turns-violent-170107080155843.html>; Wade Shepard, "Violent Protests against Chinese 'Colony' in Sri Lanka Rage On," *Forbes*, January 8, 2017, <https://www.forbes.com/sites/wadeshepard/2017/01/08/violent-protests-against-chinese-colony-in-hambantota-sri-lanka-rage-on/#230c933813dd>.

First, there is little transfer of technology and know-how such as in the case of the Lakwijaya Power Station, which is also known as the Norochcholai Power Station. The construction of this power plant, commenced in May 2006, was funded by the Export-Import Bank of China (EXIM). Accordingly, \$891 million has been disbursed by the EXIM Bank toward the first and second phases of the project, which added 600 megawatts (MW) to the national grid.²⁵ The construction was estimated at \$1.35 billion, of which \$450 million for the initial phase was on long-term, low interest rates.²⁶ Carried out by China Machinery Engineering Corporation (CMEC), the three-phase project would eventually add 900MW to the national grid.²⁷ Given the country's ill-preparedness to meet people's demand for electricity before, this project has made great contributions to the national grid of Sri Lanka, and is of extreme importance to Sri Lankan people. However, according to some media reports, the lack of transfer of technology or know-how to Sri Lankan agencies after the project was completed has caused an "enormous burden" to the country, especially when there are disruptions and break-downs or when routine maintenance work is being carried out. According to Kelegama, "There's been zero technology transfer with Chinese investments. Every time there is a breakdown at Norochcholai, we have to get engineers from China. Local engineers can't fix it because even the instruction manual for equipment and machinery is in Chinese."²⁸

The second criticism pointed out in the media is that in an age when countries are moving toward renewable energy, China was "channeling components from its decommissioned power plants to developing countries" by constructing coal power plants that use outdated technologies. It added

25 "Norochchole Coal Power Project," Sri Lankan Ministry of Power and Renewable Energy, http://powermin.gov.lk/english/?page_id=1517.

26 According to the Ministry of Power and Renewable Energy, the EXIM Bank provided US\$300 million at an interest rate of 2%, while the balance \$150 million of the initial \$450 million was provided at an interest rate of 6%. See "Norochchole Coal Power Project."

27 "Case Study: The Lakwijaya Coal Power Plant," Environmental Foundation (Guarantee) Limited, 2016, <http://efl.lk/v2/wp-content/uploads/2016/04/Lakvijaya-Coal-Power-Plant.pdf>.

28 "Passive Investor to Partner in Crime: How China Lost the Plot in Sri Lanka."

salt to the wounds when Chinese-built products such as Norochcholai had caused inconvenience to the public when it recurrently broke down.²⁹ Economists, engineers and the general public have questioned the quality of Chinese projects such as Norochcholai, which costs \$1.35 billion.³⁰

Chinese-driven projects not employing locals is another discontent the Sri Lankans have. More often than not, when investment comes into the country, there are employment opportunities for the locals. However, this has not been the case with Chinese projects. In the seven years ending in 2013, the Sri Lankan government issued approximately 26,000 work visas to Chinese nationals.³¹ There were also debates that some investors brought Chinese workers into Sri Lanka on tourist visa.³² Commendable as it is that foreign revenue is entering the country, such projects do not drive the local economy as there is meager generation of employment, thus creating a lesser sense of ownership among the locals.

The fourth contention regarding Chinese investment is the lack of transparency on the terms and conditions attached to the projects. This has been the situation with the Mattala International Airport, the Hambantota Port and the Colombo Port City (renamed Colombo International Financial City in 2016) projects. A question associated with these projects is that there is no clear indication of the interest rates.³³ Not having these agreements available to the public too is causing misinterpretation and mistrust.

Damage to the environment is the fifth concern raised by Sri Lankans. Environmentalists, local residents and lawyers, among others, have raised concerns regarding the impacts of projects such as the Norochcholai Power Plant and the Colombo International Financial Centre to Sri Lanka's ecosystem, environment and public safety at large. The concerns state that the projects have not received appropriate clearance from legal bodies and

29 Janaka Ratnasiri, "Norochcholai Coal Power Plant," *The Island*, July 26, 2012, http://www.island.lk/index.php?page_cat=article-details&page=article-details&code_title=57719.

30 "Passive Investor to Partner in Crime: How China Lost the Plot in Sri Lanka"; "Norochcholai Coal Power Plant."

31 "Passive Investor to Partner in Crime: How China Lost the Plot in Sri Lanka."

32 *Ibid.*

33 *Ibid.*

environmental agencies.³⁴

Importance of Strengthening China's Image in Sri Lanka

Given the abovementioned concerns, there are negative consequences that would critically affect China if its image is not restored or uplifted in Sri Lanka. The most critical and foremost would be the loss of public opinion on Chinese investment and China as a whole.³⁵ This is because politicians and other opportunists will make use of these public outcries and make it difficult for Chinese investment to positively operate in Sri Lanka. It is worthy of mention that despite criticisms on the operation of the projects, Sri Lankans have a very positive attitude toward China when compared with other countries.

Second, not addressing the unfavorable publicity toward Chinese investment and projects in Sri Lanka would be visible worldwide, thus resulting in the lack of credibility in Chinese investment the world over and discredit the initiatives President Xi has commenced to increase China's soft power.³⁶ Therefore, it is important for the Chinese Embassy to engage in public diplomacy and improve the image of China in Sri Lanka, in order to build the Chinese narrative.

Third, it is important for the Embassy to carry out a public diplomacy campaign because China's economic diplomacy is viewed as a major component of its overall diplomatic work.³⁷ Therefore, not addressing the impacts caused to the "image" would adversely affect China's diplomatic

34 Vishakha Wijenayake, "The Colombo Port City Development Project," *Groundviews*, May 24, 2014, <http://groundviews.org/2014/05/29/the-colombo-port-city-development-project>; "Case Study: The Lakwijaya Coal Power Plant"; "Comments Sent by Environmental Foundation Limited on SEIA on Colombo Port City Project," Environmental Foundation (Guarantee) Limited, 2016, <http://efl.lk/v2/wp-content/uploads/2016/02/EFL-Port-City-SEIA-Comments.pdf>.

35 This has previously occurred in places such as Myanmar with the construction of the Myitsone Dam project being frozen in 2011. See Evelyn Goh and James Reily, "How China's Belt and Road Builds Connections," *Daily Mirror*, January 9, 2018, <http://www.dailymirror.lk/article/How-China-s-Belt-and-Road-builds-connections-143579.html>.

36 David Shambaugh, "China's Soft Power Push," *Foreign Affairs*, July/August 2015, <https://www.foreignaffairs.com/articles/china/2015-06-16/china-s-soft-power-push>.

37 Ye Hao, "Thoughts on Deepening Economic Diplomacy," *China International Studies*, November/December 2013, p.119.

standing as a responsible major country.

Recommendations for Enhancing China's Image

The Chinese government and stakeholders have invested heavily in Sri Lanka's infrastructure development and tourism sector. Therefore, it is important for the Chinese government, perhaps assisted by the Sri Lankan government, to project a positive image of Chinese investment. Thus far, the Chinese Embassy has refrained from being publicly associated with these criticisms. It is evident that as of 2015, then Chinese Ambassador to Sri Lanka Yi Xianliang became vocal in providing China's point of view to the Sri Lankan media.³⁸ Ambassador Yi became the face in protecting his country's interests abroad, as is his responsibility according to the 1961 Vienna Convention on Diplomatic Relations.

However, merely responding to negative criticisms by issuing rebuttals and media statements could not satisfy the needs of public diplomacy.³⁹ The Embassy should be proactive in its engagement with traditional media and the local population via social media. Given China's unwavering friendship toward Sri Lanka and support for the island state in diplomatic fronts as well as during the conflict, the public image of China in Sri Lanka has been generally positive, which would make the Embassy's task less complicated. Keeping the public sentiments toward China in mind, it is recommended that the Chinese Embassy improve its public diplomacy in Sri Lanka via the following means.

Taking into account the discussions on the lack of transparency.

38 "No 'Hidden Chinese Agenda' in Sri Lanka: Ambassador," *Zee News*, November 2, 2016, http://zeenews.india.com/news/world/no-hidden-chinese-agenda-in-sri-lanka-ambassador_1945690.html; Meera Sirinivasan, "Sri Lanka to Summon Chinese Envoy over Controversial Remarks," *The Hindu*, November 6, 2016, <http://www.thehindu.com/news/international/Sri-Lanka-to-summon-Chinese-envoy-over-controversial-remarks/article16438344.ece>.

39 "The Port City Explains Its Position," *The Island*, March 8, 2015, http://www.island.lk/index.php?page_cat=article-details&page=article-details&code_title=121006; "Chinese Ambassador H.E Yi Xianliang Meets with Local Media," Chinese Embassy in Sri Lanka, March 13, 2015, <http://lk.china-embassy.org/eng/xwdt/t1245468.htm>.

Although it is the Sri Lankan government's responsibility to keep its civilians informed of the information they desire to know, it would help settle public debate against Chinese investment if the Chinese Embassy could also provide details of financial cooperation between the two governments. Furthermore, it is helpful for the Embassy, in consultation with Sri Lankan stakeholders, to provide public information about the terms and conditions on which these agreements were approved. The Embassy also has the potential of engaging with the Sri Lankan government in this regard, as dispelling public criticism toward the projects it has approved would create a positive image for the Sri Lankan government as well. Thanks to Sri Lanka's Right to Information Act in 2016, the Chinese Embassy's endeavors would also be easier, as the Sri Lankan government now has to publicize all government information that is not sensitive to the country's national security.⁴⁰

Another act of public diplomacy the Embassy can engage in is ensuring there is transfer of technology in future projects as well as in past projects. The Norochcholai Power Plant is a case in point. The necessity for Chinese workers to come to Sri Lanka to fix the problems and the handover of management to the Chinese to ensure there are no breakdowns⁴¹ indicate two possible scenarios. First, the Ceylon Electricity Board (CEB) technicians might be actually causing a disruption in the smooth functioning of the plant. If so, the Chinese side needs to release a statement, clarifying that the technology has indeed been transferred and that the power plant would function smoothly if the guidelines in the manual are adhered to. Second, it may indicate that the technology has not been transferred properly. If so, the Sri Lankan government has not been attentive to include sections pertaining to technology transfer in the agreement, which is a shortcoming from the Sri Lankan side.

Therefore, in order for China's name to be cleared, it is imperative that the Embassy showcases that the necessary technology and know-how has been

40 "Right to Information Act, No.12 of 2016," Parliament of the Democratic Socialist Republic of Sri Lanka, http://www.media.gov.lk/images/pdf_word/2016/12-2016_E.pdf.

41 Tudor Wijenayake, "CEB Engineers, Back to Old Practices," *Daily FT*, December 7, 2016, <http://www.ft.lk/article/584378/CEB-Engineers--back-to-old-practices>.

transferred along with all the manuals and other documentation in English. The Embassy could organize a short function for this purpose, where the presently employed Chinese engineers and workers transfer the operations of the plant to the CEB and there is a handing over of documentation. The media could be invited to the event and witness the transfer. The Embassy could seek the assistance of Sri Lanka's Ministry of Power and Renewable Energy in this regard and organize a media visit to the plant to showcase how the project functions. This enables the process to be documented and made available to the public via traditional and social media.

The Embassy could also seek the assistance of qualified personnel such as Chartered Civil Engineers to cite proper facts and figures of projects such as Norochcholai in the articles they write, or even facilitate media interviews. The project teams and the Embassy also need to engage with local environmental groups and the civil society to recognize the concerns they have and address them before they are highlighted in the media. Therefore, it is advisable that a Corporate Social Responsibility (CSR) division be established in all these projects.

The Chinese Embassy has two possible actions with regard to the concern of inadequate employment opportunities created by Chinese projects in Sri Lanka. The first is to encourage and advise investors to employ as many locals as possible for their projects. Second, the Embassy, together with the investors, could highlight the amount of job opportunities they have created. These statistics can even be published in the media, detailing the types of jobs created and even conduct interviews with the people who are being employed.

As communication technology is changing the way people access and respond to events, presence on social media is imperative for the Embassy to improve China's overseas image. Social media is changing the dynamics of soft power strategies of governments.⁴² Therefore an online presence would enable the Embassy to not only understand the thinking of local people, but also engage with the people, enabling them to discredit ill-formed opinions. As a majority of

42 "Usage of Technology and Social Media as a Proxy for Soft Power," p.47.

Sri Lankans are active on social media platforms such as Facebook and Instagram, the Chinese Embassy could create a Facebook page and engage with Sri Lankans, citizens and media alike, by providing information of Chinese-sponsored projects in Sri Lanka. This will help alleviate misinterpretation of facts by the media, as people can engage with the Embassy directly.

Conclusion

Sri Lanka is a crucial station in the Belt and Road Initiative, with ample opportunities for business and investment. Regardless of the positive image the Sri Lankan general public have toward China, the lack of a robust public diplomacy strategy by China is creating unfavorable atmosphere toward Chinese investment in the island state. The article discussed five areas of concern, regarding technology transfer, use of outdated technologies, lack of employment opportunities for locals, inadequate transparency in the projects, and damage to the environment, for which Chinese investment is criticized and becomes the target of sensational news media.⁴³ This negative image, if not addressed, can cause repercussions to the global initiatives China is currently unfolding. Therefore, it is high time for the local Chinese Embassy to initiate a well thought out public diplomacy campaign in Sri Lanka to dispel the discontent associated with Chinese investment and projects. In the process of this campaign, the Embassy could play a crucial role by connecting with local traditional media and the local population, encouraging and advising investors to employ locals, seeking assistance of qualified personnel, making presence on social media platforms, etc. Through such public diplomacy, a shared culture of mutual trust, mutual understanding, mutual assistance and constant communication can be created, and this soft power is vital in eliminating reservations toward Chinese investment and China itself. Sri Lanka's case illustrates the instrumental role that key figures can play in building soft power resources and conducting public diplomacy. 🌐

43 "Discipline Is the Foundation for a Peaceful Society."