A systemic view of the soft power

Andrey A. Kudryavtsev

European University Institute

Robert Schuman Centre for Advanced Studies

Global Governance Programme

A systemic view of the soft power

Andrey A. Kudryavtsev

Robert Schuman Centre for Advanced Studies

The Robert Schuman Centre for Advanced Studies (RSCAS), created in 1992 and directed by Brigid Laffan since September 2013, aims to develop inter-disciplinary and comparative research and to promote work on the major issues facing the process of integration and European society.

The Centre is home to a large post-doctoral programme and hosts major research programmes and projects, and a range of working groups and *ad hoc* initiatives. The research agenda is organised around a set of core themes and is continuously evolving, reflecting the changing agenda of European integration and the expanding membership of the European Union.

Details of the research of the Centre can be found on:
http://www.eui.eu/RSCAS/Research/

Research publications take the form of Working Papers, Policy Papers, Distinguished Lectures and books. Most of these are also available on the RSCAS website:
http://www.eui.eu/RSCAS/Publications/

The EUI and the RSCAS are not responsible for the opinion expressed by the author(s).

The Global Governance Programme at the EUI

The Global Governance Programme (GGP) is research turned into action. It provides a European setting to conduct research at the highest level and promote synergies between the worlds of research and policy-making, to generate ideas and identify creative and innovative solutions to global challenges.

The GGP comprises three core dimensions: research, policy and training. Diverse global governance issues are investigated in *research* strands and projects coordinated by senior scholars, both from the EUI and from other internationally recognized top institutions. The *policy* dimension is developed throughout the programme, but is highlighted in the GGP High-Level Policy Seminars, which bring together policy-makers and academics at the highest level to discuss issues of current global importance.The Academy of Global Governance (AGG) is a unique executive *training* programme where theory and "real world" experience meet. Young executives, policy makers, diplomats, officials, private sector professionals and junior academics, have the opportunity to meet, share views and debate with leading academics, top-level officials, heads of international organisations and senior executives, on topical issues relating to governance.

For more information:
http://globalgovernanceprogramme.eui.eu

Abstract

Soft power is a useful concept of political theory and sociology developed by J.S. Nye Jr. in 1990. However, this concept can be overly abstract and hence somewhat artificial. In particular, this concept has been criticized by other sources and points of view. This paper develops a more complex and systemic approach to the concept of soft power targeted to the field of international relations and aimed at being useful for decision-making. Such an approach could be used in other fields and provides alternative analytic possibilities.

Keywords

1. An introduction

The concept of soft power was initially introduced by J.S. Nye Jr. in 1990 (Nye, 1990a) and further developed in a series of books (Nye, 1990b; Nye, 2002; Nye, 2004; Nye 2008; Nye, 2011). Nye defined soft power as "the ability to shape the preferences of others" (Nye, 2004, p. 5) or "the ability to attract" (ibid, p. 6). This indirect influence is believed to be more important and popular in the modern world than the traditional, realist tools of power.

Modern political theory considers soft power to be useful concept in the field of international relations, especially for guiding diplomatic efforts and human rights initiatives. Nye used the concept of soft power to analyze US foreign policy; it is also applied for EU external relations (e.g. Haine, 2004; Matlary, 2006; Regilme, 2011) or China's international influence (Li et al., 2011; Palit, Palit, 2011).

Nevertheless, there is a consensus that the concept of soft power has not been adequately defined. Researchers agree that soft power exerted through factors such as technological transfer, educational programs, cultural exchanges and the international dissemination of information, ideas and values. Nye's attempt to combine these mechanisms into one category – attractiveness – has been strongly criticized. For example, in a discussion of US soft power, N. Ferguson asked why Islamic kids love Coke and Big Macs but hate the United States (Ferguson, 2003, p. 21). In other words, the sale of typical North American products and the resultant improvement in the attractiveness of US culture has not translated into the boost in the power of the United States. In particular, this suggests that the attractiveness of a culture is not sufficient to achieve a true ability to influence; the mechanisms involved in power structures are much more complex.

Similar arguments have been also used in academic discussions. A constructivist critique was provided by J.B. Mattern who showed that Nye used the term 'attractiveness' in at least two different ways: "Nye assigns two ontological status of attraction – one as an essential condition and one as a result of social interaction" (Mattern, 2005, p. 591). This leads to confusions in and misunderstandings of the role that soft power plays.

T. Hall showed that soft power (as defined by Nye) may not constitute an analytical category; however, it could still be considered as a useful 'category of practice' (Hall, 2010). Hall explained that this type of category is intuitively understandable to a wider audience and is based on common sense, whereas the former type of category is formally defined by analytical (scientific) attributes and mechanisms. Certain categories of practice can be analytical, but not all categories of practice are (e.g., a populist's catchphrase). When analyzing sources of soft power, Hall showed that the concept of attractiveness is not rigorous enough to provide a foundation for an analytical tool.

Nye's approach has also been criticized from different theoretical points of view. In particular, P.Bilgin and B.Eliş proposed that the work of Nye represented an attempt to relax constraints of the traditional realist approach by introducing additional tools with which to influence the behavior of others and thereby provide additional arguments supporting this approach (Bilgin, Eliş, 2008). S. Lukes criticized the idea of soft power from a radical point of view: he suggested that Nye's vision of soft power is not adequately described in detailed theoretical terms, as Nye

> "draws no distinction between modes of persuasion or ways of 'shaping preferences'. He simply says that the US, as an agent with power, must be more strategically effective in wielding its soft power and 'projecting' its values"
>
> (Lukes, 2005, p. 487).

In other words, the mechanisms of influence undergirding soft power are not sufficiently explained. E. Lock cited the lack of an adequate description of the interdependence of the agent and the subject of power as a failing of Nye's definition (Lock, 2010, p. 37). Other authors are also critiqued Nye's definition of soft power.

The aim of developing the notion of soft power is to provide additional tools with which to explain phenomena of international relations. This requires not only an abstract and purely theoretical discussion but also the development of new tools with which to build of foreign policy initiatives and support the effectiveness of traditional foreign policy activities. These two aims are not mutually exclusive, as practical tools must be theoretically well-founded. However, the notion of soft power lacks a theoretical foundation as relevant definitions pertaining to this concept do not all fit the framework of different political theories (realism, constructivism, *et cetera*). In other words, the idea of soft power should be more adequately developed to provide a foundation for a new approach to international policy. A more systemic vision of soft power than that espoused by Nye and his adherents must be developed.

Such a systemic vision would allow a researcher to extend the application of this concept beyond the traditional areas in which soft power is currently applied (such as diplomatic efforts or human rights movement). This systemic approach could be useful for other fields, including, among many others:

- the valuation of the EU development policy (which would be more specific than discussing the EU as an international actor in general),
- the investigation of the short- and long-term results of international policy and its dynamics,
- the analysis of the direction and volume of the international transfer of technology (in addition to its contribution to soft power in general),
- the popularity of educational programs (with links to international relations),
- the measurement of the effectiveness of global government activities.

Some of these applications are discussed further.

This paper is devoted to the discussion of a more systemic vision of soft power. The next section reviews different definitions and interpretations of soft power. Section 3 discusses a much more complex and systemic approach to the concept of soft power. In section 4, examples of this expanded approach are provided. Section 5 concludes the paper.

2. A review of different visions of soft power

According to Nye, soft power is defined as something that is different from hard power (i.e., military strength and economic pressure). Hard power is associated with tangible resources (military, economic, scientific), whereas soft power is associated with intangible resources – national cohesion, universal culture and international institutions (Nye, 1990b).

The above definition is actually a negative definition[*] (Lock, 2010, p. 33–34). To avoid uncertainties and ambiguities associated with this negativity, Nye attempted to explain his ideas in a more positive way. In particular, he discussed the following concepts:

---

[*] In this paper, the terms 'negative' and 'positive' do not have any ethical sense (i.e., 'bad' or 'good'). Moreover, all discussions of soft power lie beyond the scope of ethical matters, as soft power is concerned with which policies support the dissemination of ideas, not the content of the ideas. This is not obvious, as, in the literature, hard power is usually illustrated by ethically negative examples (pressure, coercion, and conflict) whereas soft power tends to be exposed by ethically positive examples (pleasure, attraction, and consensus). In this paper, a 'negative definition' means that a subject is defined by the rejection of a concept, while a 'positive definition' is understood as an assertion of a concept.

(a) attractiveness as a main characteristic of soft power,

(b) three sources of soft power: culture, political values and foreign policies,

(c) hard and soft power as different ends of a power spectrum,

(d) smart power as a strategic combination of hard and soft power.

The first three concepts were discussed in Nye's earliest works (for the most detailed description, see Nye, 2004), whereas smart power was introduced later (Nye, 2006). The description of soft power was also changed: earlier, Nye defined this concept in a more general way (Nye, 1990b, p. 32):

> "The ability to establish preferences tends to be associated with intangible power resources such as culture, ideology, and institutions. This dimension can be thought of as soft power, in contrast to the hard command power usually associated with tangible resources like military and economic strength."

See also ref. 11 on page 267 in (Nye, 1990b) for additional commentaries.

However, this supplemental information clarifies little (neither mechanisms of interest nor their consequences). Both concepts (a) and (b) were criticized because the definition of soft power derived from these concepts is still not sufficiently workable; as a result, soft power is defined in such a way that it cannot be used as an analytical tool (Hall, 2010). Even less abstract wording used in the later explanations (i.e., political values instead of ideology and foreign policies instead of institutions) did not clarify the definition of soft power sufficiently to render this term scientifically definitive and workable.

The idea of a power spectrum is potentially convenient for scientific analysis. However, Nye rendered this concept useless by applying it only for an illustration of the association between different portions of the spectrum and various types of power. In other words, Nye is essentially reiterating that military and economic power is different from co-optive power. Nye's definition of smart power involves stressing the fact that hard power and soft power have different natures.

The idea of contrasting military/economic domination and ideological power is not new. In a seminal paper on international politics between world wars, E.Y. Carr analyzed the 'power over opinion' which, in his terms, is equivalent to propaganda. This power over opinion differs from military and economic strength (Carr, 1962). Carr referred to the similar vision of Scottish philosopher D. Hume. However, it is possible to find similar discussions in the earlier history of political philosophy (see the epigraph to this paper, among many other references).

Nye modified the differentiation of these two types of powers. Whereas Carr understood propaganda as a form of hard power and did not contrast 'hard power' and 'soft power' (Carr, 1962, p. 132 – 145), Nye actually introduced soft power as a new type or dimension of power and characterized it as 'attraction'. Both of these notions are important as they differentiate the visions of Carr and Nye.

Propaganda is a process or a mechanism, whereas attraction is a final result that can be (and usually is) achieved by alternative mechanisms. Nye avoided the use of the term 'propaganda', preferring the terms 'culture' and 'values'. Although it could be argued that the sharing of values is a result of propaganda, Nye stresses the indirect and 'soft' nature of this form of influence.

The softness espoused by Nye appears to be the result of a certain reputation, an assumed leadership and hegemony. It is obvious that "shaping the preferences", "attractiveness" and even the "co-optive end of the spectrum of behavior" (Nye, 2004, p.7) are results of an indirect influence rather than of a direct pressure. When Nye wrote that soft power is different from influence, he was differentiating a direct influence (imposition) from an indirect influence, which is akin to shared values and seduction.

In this context, Nye's concept resembles the theory of cultural hegemony formulated by the Italian communist and political theorist A. Gramsci. In particular, G. Zahran and L. Ramos describe this link in the following way (Zahran, Ramos, 2010, p. 14):

> "Gramsci's influence on Nye is easy to see: hegemony, as soft power, works through consent on a set of general principles that secures the supremacy of a group and, at the same time, provides some degree of satisfaction to the other remaining groups."

The main difference between Nye and Gramsci is that the latter used his ideas to analyze the class structures of a society, whereas the former attempted to apply this concept to international relations.

To make his concept more workable, Nye also described other characteristics of hard and soft power, including the behavior of policymakers, primary currencies (tools) and types of governmental policies (Nye, 2004). This appears to render the notion of soft power more complex. However, Nye actually restricted himself with some separate examples instead of producing a more workable definition.

This restriction has been criticized by Lock, among others. He showed that Nye's approach is

- badly structured (as very different forms of power are discussed) (Lock, 2010, p. 35);
- not adequately conceptualized (ibid., p. 36);
- agent-centered rather than subject-centered (ibid., p.36 – 38).

According to Lock, a new 'strategic' approach should be developed: "power must be conceived of in relational terms (rather than as a property of an agent)" (ibid., p. 45).

An analogous process-oriented approach was offered by U. Vyas who developed a detailed theory and tested it in the context of Sino–Japanese relations (Vyas, 2011). He attempted to describe certain procedures (mechanisms) by which influence is exerted by different agents on different levels (governmental offices, municipal bodies, companies, individuals, *et cetera*), with a focus on the transfer of ideas and information. This network of links organized through a set of actions brings about structural changes in the receiving country. In this context,

> "the essential elements of soft power are the active or passive transfer between people of different communities of ideas and ideals, the willing acceptance of those ideas, leading to changes in the habits, practices and norms of the receiving communities, and the benefit which therefore accrues to the originator of the ideas"
>
> (Vyas, 2011, p. 43).

The transfer of technology represents an example of an appropriate mechanism whereby soft power is exerted.

This more systemic concept describes how separate actions contribute to the influence and reputation of a country. Important elements of this approach include the following:

- the levels of transfer (governmental, sub-governmental and non-governmental),
- the types of transferred information,
- the agents in different countries (transferors, transferees and intermediaries),
- actions and links as tools of transfer,
- the diffusion of the transferred ideas,
- the structural (institutional) context of the transfer processes.

Unfortunately, the idea of soft power actually disappears in this 'network' approach. In fact, the term 'soft power' is used by Vyas only to describe a general target of the transfer processes. Nevertheless, the concept is important and is able to offer explanations and predictions. A more thorough and comprehensive approach to soft power is needed to link the advantages of Nye's 'classical' vision with the 'network' viewpoint of Vyas.

3. Towards a systemic conception of soft power

As outline in the review given above, an updated definition of soft power should include the following:

- a distinction between hard and soft power that reflects the discrepancy between tangible and intangible political resources;
- a differentiation between sources of power (usually military, economic and ideological);
- a focus on the mechanisms and functions of soft power;
- a consideration of the process of the construction and the use of soft power;
- an analysis of the roles played by different agents in the abovementioned process;
- dynamic aspects of the construction and the use of soft power;
- a consideration of the transfer processes and the diffusion of new ideas, ideals and values in a receiving society.

The concept of soft power cannot be considered systemic and complex if any of the elements listed above are lacking.

One of the main disadvantages of the existing approaches to soft power is that the first two items in the above list are confused. A possible explanation for this confusion could be that both criteria are based on a certain vision of political resources and therefore of the nature of power. However, these criteria consider different aspects of political resources. The discussed classification of power (hard vs. soft) originates with the notion of tangible and intangible political resources, whereas the division of power into military, economic and ideological categories is derived from a branch (i.e., a source) of the considered type of power.

The idea of the power spectrum becomes workable in the context of this approach. Nye used this concept to reiterate his arguments that hard and soft power differed and were linked to the opposite ends of this spectrum. In this paper, we argue that the idea of a power spectrum should be applied to *each* type of power (i.e., military, economic and ideological).

Whereas soft power is understood by Nye to be the only form of ideological power, Carr discussed the hard ('dark') side of ideological power which takes the form of propaganda (Carr, 1962). The latter definition is still currently used, whereas Nye and his adherents prefer to focus on attractiveness as the soft ('light') side of ideology. Another example of ideological hard power is emotional blackmail, which is widely used by mass media today.

An analogous situation exists in economic relations. It is unclear why Nye and other political theorists believed that economic power only represented the ability to sanction or to excessively bargain. Although these aspects are very important in political and economic context, certain wealthy countries with high-performing economies and high GDPs are very attractive and therefore have great soft power generated by their economies.

For example, Germany has a very good economic reputation (and therefore great economic soft power) because it is a wealthy country with effective economic institutes (among many other factors). This attractiveness is completely different from the ability of Germany to economically sanction and blackmail its counterparts as an element of economic hard power.

Many countries attempt to reproduce elements of European legislation and the regime of the EU economic regulation. These attempts are consequences of economic soft power of the EU and are not, of course, results of a direct threat of trade sanctions. For example, the Solvency II project is of particular interest to countries such as Russia and Kazakhstan even though this project has still not introduced in the EU itself. This is because the regulatory regime of the project is highly regarded and perceived as progressive, modern and economically well-founded. Despite this, nobody in the EU actively promotes Solvency II as a program that should be adopted outside the European Economic

Area. Moreover, even if such a promotion of the European legislation were to be attempted, tools of economic hard power would *not* be used to do so.

Even hard and soft aspects of military power can be discerned. Political theories usually consider military power to be a part of only hard power (e.g., the ability to begin war or 'readiness to war', also known as the British principle 'fleet in being'). However, Ph. Jones from the UK Ministry of Defense noted that a "country in economic decline, and with diminishing military status, may lose some of its attractiveness and ability to shape the international environment… [T]he traditional hard power military instrument can also achieved soft power effects" (Jones, 2010, p. 4). This author refers to defense diplomacy and military co-operation as examples of military soft power.

Another example is cultural. In certain cultures, military power itself is a value, and a country with a strong army is considered respectable in these societies (which is also a part of soft power). Although such a situation is not common, it is still possible and, hence, should be a subject of political theory. Even if international perception is different from the perception within this hypothetical society, it is important for decision-makers to understand how members such a society would react to certain international activities and initiatives. In a military strategy report, it was written that "[s]oft power is perilously reliant on the calculations and feelings of frequently undermotivated foreigners" (Gray, 2011).

These arguments and examples are compiled in Table 1.

Table 1. Types of power

	Hard power	Soft power
Military power	Threats to war or violence; 'fleet in being'	Military co-operation; specific cultural perception of military force
Economic power	Trade sanctions; excessive bargaining force	Attractiveness of wealthy countries with high-performing economies
Ideological power	Propaganda; emotional blackmail	Attractiveness of new ideas; shared values

This table provides a systemic and complete view of the tools associated with power.

Mixtures of hard and soft types of power can differ. Military power is primarily hard and therefore tends to be associated with the lower portion of soft power. It is natural to expect that hard and soft economic power occurs in equal proportions. Ideological power tends to consist predominantly of soft power.

The approach developed in this paper is also useful for analyzing relationships between hard and soft power. In a sense, hard and soft power represents different sides of one coin. These types of power co-exist, but their proportions depend on policy and could be changed by policy-makers. The idea that soft power is the main instrument in international relations today is simply a reflection of the ethical choice made by policy-makers to adapt soft power over hard power.

The traditional approaches to soft power are based on subjects and structures; in particular, these approaches are based on answers the questions "What is it?", "What is its subject?" and "What does it involve?". However, if we believe that soft power could be a workable basis for policy-making, a framework with appropriate mechanisms and functions must be developed. Such a concept should answer the following questions "What does soft power do?", "How has it performed so in the past?" and "Which factors were important?". Such a functional approach is needed to develop a workable approach to soft power.

In this context, hard power is responsible for a direct and external influence. Developing a similar vision, P. Bilgin and B. Eliş referred to hard power as the result of an influence associated with a

visible conflict (Bilgin, Eliş, 2008). Hard power is usually described by terms such as "pressure", "coercion", "imposition", "blackmail" and "violence". In contrast, soft power should be based on an indirect and mediated influence that leads to internally recognized and conviction-based actions or, according to P. Bilgin and B. Eliş, influence in the absence of conflict (ibid.).

The approach developed in this paper is different from the traditional interpretation of the notion of soft power. Nevertheless, it is able to distinguish hard power from soft power and remains related to Nye's initial vision of soft power. Moreover, all discussions about soft power in the realm of international relations could be easily understood in this context (with almost no need for re-formulations).

The need for a process-oriented approach was demonstrated by E. Lock (Lock, 2010) and U. Vyas (Vyas, 2011). This approach should pay more attention to the constructional mechanisms and processes associated with soft power in addition to the roles played by different agents. Whereas Lock developed a solid argument for such a need, Vyas attempted to build the theory of a soft power process and test it in practice. In particular, it was shown that the transfer of ideas and knowledge is an appropriate tool for the development of soft power. The transfer of technology represents a special case of this tool.

If we understand soft power as a set of indirect influences with the goal of supporting a reputation, we should widen the toolbox associated with such influences. In other words, a much larger set of mechanisms should be taken into account. In this context, almost every activity (from the organization of an international tour to the development of technology) improves or reduces soft power. In other words, soft power could be managed by tools from a larger toolbox.

Although Vyas has made important contributions to the theory of soft power, his ideas do not explain why non-governmental bodies are interested in increasing soft power that is ultimately used by the government. As a result, the government that bases its international policy on soft power developed by other agents resembles a social parasite. However, this vision is not entirely correct. The solution is to enlarge the targeted group. Indeed, it is not just the government that is interested in soft power for its international policies; companies are also interested in soft power for an expansion of their products selling, and citizens are interested in soft power to travel more safely abroad.

We must ask whether the widening of the concept of soft power appropriate and whether the notion of soft power becomes too general to constitute a workable approach. From a sociological point of view, such a widening is appropriate, as it provides an adequate description of the interaction between different societies and social groups. In the context of political theory, such a widening is not appropriate, as it renders the situation too detailed and thereby diminished our ability to understand governmental behavior. However, for non-governmental bodies that, for example, wish to exploit soft power in the context of global governance, the widened vision is more useful, even though it is also more complex.

One of the disadvantages of Nye's subject-oriented conception of soft power is its static nature. In the framework of the traditional vision, it is difficult to explain why soft power of the USA or of the EU has changed, as the evolution of soft power and its drivers is systematically underestimated. A process-oriented vision of soft power, which is dynamic by definition, is more appropriate.

The functional approach focuses on these drivers and on other mechanisms underlying soft power. This approach allows researchers and politicians to effectively manage variety of situations. In this framework, the category 'soft power' becomes analytical and workable. In other words, for drawing a more complex and adequate picture, it is necessary to describe all agents and their involvement in the relationships and mechanism underlying soft power.

An important mechanism of underlying development of soft power is the transfer of knowledge or ideas. As a result, the diffusion of ideas in a recipient society is also very important. Efforts to support

soft power could be wasted if the transferred ideas are not appropriately diffused within a recipient society. This means that the theory of diffusion must be combined with the concept of soft power.

4. Soft power, the transfer of knowledge, and global governance

The concept of soft power is usually applied to the analysis of diplomatic efforts and human rights movements. This restricted application is actually a result of the limited definition espoused by Nye. The broader vision allows us to apply the concept of soft power to different fields with non-governmental actors. Examples are provided in this section. An example of a traditional application of this concept (i.e., the transfer of knowledge) demonstrates the additional analytical possibilities associated with the expanded conception of soft power. The example of global governance shows how this concept can be applied to a new field.

4.1. Soft power and the transfer of knowledge

The transfer of knowledge is important in the modern world. It has been studied in general (Argote et al., 2000) and in more specific manner (Kedia, Bhagat, 1988; Mathias, 1975). However, certain structural aspects of this process are not effectively described in the scientific literature.

Although the transfer of knowledge is considered a natural part of soft power application, the traditional view considers that the transfer of knowledge occurs only via governmental bodies and is therefore not able to solve all problems. One such problem concerns whether the government should (or is even able to) restrict and regulate the transfer of commercial technology from business to business to achieve its aims in the field of soft power. Another aspect of this problem is that soft power could be changed by business (i.e., non-governmental) activity. This problem and similar problems could be solved only within the framework of the widened approach.

The transfer of knowledge is not a uniform process. Certain actors transfer more knowledge to others than they receive. In other words, certain actors are net transferors, whereas others are net transferees.

In this context, knowledge flows themselves are not balanced. This balance is maintained by developing tangible or intangible flows. If knowledge is commercially transferred, the knowledge flows are exchanged alongside money (or other valuable goods). In other cases, knowledge is balanced with a reputation and/or deeper respect. This means that the transferor has a greater ability to influence the transferee. In other words, the transferor has greater soft power.

We now return to functional and dynamic definition of soft power. The transfer of knowledge is one of the mechanisms contributing to the changing nature of soft power. This change could be positive (growth) or negative (decline) that depends on the quality of the transferred knowledge, the speed of diffusion, the degree of the adoption of this knowledge and other aspects.

The connection between soft power and the transfer of knowledge is more complex. In particular, it seems that the flows of knowledge (at least those under non-commercial transfer) are directed from the countries with greater soft power towards countries with less soft power. In other words, the difference in soft power produces a gradient of the expected flows of knowledge.

Soft power could be an important tool for the analysis of knowledge transfer that explains the mechanisms underlying the changing nature of soft power and the direction of the flows knowledge. As a result, the theory of knowledge transfer can be applied as a tool for measuring effectiveness of policies.

4.2. Soft power and global governance

Another example of the application of soft power to new fields is the link between soft power and global governance. Global governance is a concept for international co-ordination of global actors on a non-governmental level. These actors include some intergovernmental organizations, supra-national bodies, transnational corporations, rating agencies, global non-governmental organizations (NGOs), and professional groups (Murphy, 2000).

All these actors listed above could use their attractiveness as a form of soft power to achieve their aims. In other words, these actors can produce and support soft power for their own purposes. This means that the broader concept of soft power could be easily extended to non-governmental actors in different non-traditional fields.

Examples of using soft power by global non-governmental actors as a tool to achieve their aims are the following. Rating agencies play important roles only if their ratings are credible to firms, governments and investors. NGOs are effective because the public shares their values. In other words, actors such as rating agencies and NGOs must have an appropriate level of soft power; otherwise their activity is meaningless.

Furthermore, soft power is a result of the activity of these actors, as the auxiliary aim of each actor is to develop appropriate tools with which to achieve its basic aims. Global actors must support and develop their soft power. Reputational risk, for example, is a form of declining soft power that is intensively discussed in economic and business literature (Soprano *et al*., 2009; Jackson, 2010). For instance, Arthur Andersen LLP, one of the largest and most powerful international audit and consulting companies, was ruined following the loss of its reputation (or, in our terms, the zeroing of its soft power) due to its involvement in the Enron scandal.

Global actors could also develop the same soft power used by governments. For instance, the non-governmental supra-national EU institutions could grow soft power of the union, which, in turns, could be used by governments of the member states.

In summary, soft power could be used as a workable tool with which to analyze global governance activity.

5. Conclusions

Soft power is a helpful concept used in political theory to describe some aspects of international relations. Nevertheless, it has disadvantages that have been criticized by critics with different points of view. Attempts have been made to update Nye's initial vision for providing solutions of such problems. However, these efforts were not sufficient as they lacked a systemic framework and complexity.

An expanded vision of soft power is offered in this paper. First of all, a more complex but adequate classification of the types of soft power was provided. The forms of political resources and the nature of power should be classified using different criteria. Furthermore, soft power should be defined in a functional and dynamic context. This means that different mechanisms for the development and use of soft power must be studied. The theory of soft power should be process-oriented. The set of agents interested in the growth of soft power must be expanded and should include other actors outside government. These actors can improve and further use soft power for their own aims. In particular, the theory of soft power should be combined with the theory of the diffusion of knowledge.

Practical examples of the application of the new approach are also discussed. The role played by soft power in the process of knowledge transfer shows the new analytic possibilities of this expanded concept. The use of soft power in a new field of application (the analysis of global governance) is also described.

6. References

Argote, L. *et al.* (2000). Knowledge Transfer in Organizations: Learning from the Experience of Others. *Organizational Behavior and Human Decision Processes*, **82**(1) (May): 1–8

Bilgin P., Eliş B. (2008). Hard Power, Soft Power: Towards a More Realistic Power Analysis. *Insight Turkey*. **20**(2):5–20

Carr E.Y. (1962). *The Twenty Years' Crisis, 1919 – 1939: An Introduction to the Study of International Relations*. London: Macmillan

Ferguson N. (2003). Power. *Foreign Policy*. **134**:18–22

Gray C.S. (2011). *Hard Power and Soft Power: The Utility of Military Force as an Instrument of Policy in the 21st Century*. US Army War College. SSI Monographs.

Haine J.-Y. (2004). The EU's Soft Power: Not Hard Enough? *Georgetown Journal of International Affairs*. **5**(1):69–77

Hall T. (2010). An Unclear Attraction: A Critical Examination of Soft Power as an Analytical Category. *The Chinese Journal of International Politics*. **3**:189–211

Jackson P.M. (2010). *Reputational Risk Management: The Essential Guide to Protecting Your Reputation in Crisis Situations*. Business Expert Publishing

Jones Ph. (2010). *The Military Contribution To Soft Power: A Comparative Analysis*. Royal College of Defense Studies. Seaford House Paper

Kedia, B.L., Bhagat, R.S. (1988). Cultural Constraints on Transfer of Technology across Nations: Implications for Research in International and Comparative Management. *The Academy of Management Review*, **13**(4) (Oct.): 559–571

Li M. (ed.) et al. (2011). *Soft Power: China's Emerging Strategy in International Politics*. Lexington Books

Lock E. (2010). Soft power and strategy. Development a 'strategic' concept of power. In: *Soft power and US foreign policy: Theoretical, historical and contemporary perspectives*. Ed. by I. Parmar and M. Cox. London: Routledge. P. 32–50

Lukes S. (2005). Power and the battle for hearts and minds. *Millennium – Journal of International Studies*. **33**(1):477–493

Mathias, P. (1975). Skills and the Diffusion of Innovations from Britain in the Eighteenth Century. *Transactions of the Royal Historical Society*, Fifth Series, **25**:93–113

Matlary J.H. (2006). When Soft Power Turns Hard: Is an EU Strategic Culture Possible? *Security Dialogue* **37**(1):105–121

Mattern J.B. (2005). Why 'Soft Power' Isn't So Soft: Representational Force and the Sociolinguistic Construction of Attraction in World Politics. *Millennium – Journal of International Studies*. **33**(1):583–612

Murphy C.N. (2000). Global governance: poorly done and poorly understood. *International Affairs*. **76**(4):798–803

Nye J.S. (1990a). Soft power. *Foreign Policy*. **80**:155–171

Nye J.S. (1990b). *Bound to Lead: The Changing Nature of American Power*. Basic Books

Nye J.S. (2002). *The Paradox of American Power. Why the World's Only Superpower Can't Go It Alone*. Oxford University Press

Nye J.S. (2004). *Soft Power. The Means to Succeed in World Politics*. Public Affairs

Nye J.S. (2006). Smart Power: In search of the balance between hard and soft power. In: *Hard Power: The New Politics of National Security*. Basic Books. P. 102–107

Nye J.S. (2008). *The Powers to Lead*. Oxford University Press

Nye J.S. (2011). *The Future of Power*. Public Affairs

Palit P.S., Palit A. (2011). Strategic Influence of Soft Power: Inferences for India from Chinese Engagement of South and Southeast Asia. ICRIER Policy Series. **3**:1–27

Regilme S.S.F. Jr. (2011). The Chimera of Europe's Normative Power in East Asia: A Constructivist Analysis. *Central European Journal of International and Security Studies* **5**(1):69–90

Soprano A. et al. (2009). *Operational and reputational risk: A practitioner's approach*. Wiley

Vyas U. (2011). *Soft power in Japan – China relations: State, sub-state and non-state relations*. London: Routledge

Zahran G., Ramos L. (2010). From hegemony to soft power. Implications of a conceptual change. In: *Soft power and US foreign policy: Theoretical, historical and contemporary perspectives*. Ed. by I. Parmar and M. Cox. London: Routledge. P. 12–31

Author contacts:

Andrey A. Kudryavtsev

Department of Economics
European University at St. Petersburg
Gagarinskaya str., 3
St. Petersburg, 191187
Russia

Department of Economics
St. Petersburg University
Chaykovsky str., 62
St. Petersburg, 191123
Russia
Email: kudr@ak1122.spb.edu