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“Opportunities, but Nothing Very Concrete:”
The Challenge Finns Face with Chinese Delegations’
General Level of Interest in Finland

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Abstract

This paper explores the challenge of finding common ground between the Finns and the Chinese in the context of co-operation, trade and inward investment facilitation related to general lack of specific interest displayed by the Chinese. The article is ethnographic in nature and is mainly based on data obtained from interviewing individuals working for local governments in Finland and one of the state agencies responsible for attracting foreign investment. The study uses Speech Codes Theory (Philipsen, 1997) when analyzing the cultural aspects of expectations regarding communication between Chinese and Finns. According to interviewees, lack of serious interest, vague government guidelines, the longer time needed to build relationship, and involvement of intermediaries all contribute to the difficulty to move the discussions to a more specific level of focus. Finnish expectations regarding this type of communication are that it should be direct and task-oriented, because they feel pressure to yield real results quickly and efficiently. Suggested strategies to make the co-operation talks more specific are presenting the expertise areas of Finland, clarification regarding too general terms used by the Chinese, and investing into building personal relationships with them.

Key words: Chinese investments, Finland, co-operation, trade, intercultural communication, general level of interest, common ground

1. Introduction

The importance of co-operation with China has been growing in Finland and the rest of Europe in light of the recent rising China phenomenon and interest in attracting Chinese investments. Finland has established governmental agencies to aid Chinese investment and ensured the co-operation of regional and local governments in the framework activities, such as town twinning. An important part of investment facilitation and wider co-operation comprises delegation visits by both interested nations to the other country. These involve enterprise interest matchmaking events, meetings with officials, company visits, etc. While these mutual activities between China and Finland have been ongoing for some years, matching the interests, finding common ground and maintaining partnerships remains a challenging task (Wang, 2007). Finland and the Baltic Sea Region have not so far been a major destination of Chinese investments. Nevertheless Chinese interest in the region has in recent years increased, which has been reflected by awareness in Finland regarding the rising China phenomenon and the possibilities related to Chinese investments as well as trade and co-operation opportunities (Kaartemo, 2007).

The purpose of this paper is to explore and analyze the perspective of the Finnish side concerning challenge of finding a common ground with Chinese co-operation partners. This paper is ethnographic in nature, seeking to understand intercultural communication and the meanings and interpretations attached to it by the participants. The purpose of this paper is to reveal the fascinating every-day reality of people attempting to facilitate investment, co-operation, and trade opportunities between China and Finland.

The theoretical framework of the study is based on the Speech Codes Theory (Philipsen, 1997) that addresses the relationship between communication and culture. Speech codes are understood as systems of socially constructed symbols and meanings, premises, and rules pertaining to communicative conduct. Data interpretation of the study will focus on the fourth proposition of the Speech Codes Theory (Philipsen, Coutu, Covarrubias, 2005), which states interacting sides tend to interpret communicative conduct according to the practices in their own culture. The study will also refer to the sixth proposition which states that speech codes frame responses according to ways accepted in society. There is a lot of scientific proof that people experience social pressure to conform their behavior to social codes in their society (Philipsen et al. 2005). Thus, the Finnish viewpoint on the communication with Chinese partners will be analyzed against the background of the practices and expectations in Finnish culture. The concept of common ground is understood as one aspect of collaborative management, because co-operating sides are making an attempt to work more closely with one another (Garber, 2006).

The main methodological approach of the study involved interviewing Finnish representatives at local and state level who facilitate Chinese investment, co-operation and trade opportunities. Some participant observation in meetings was also conducted to give access to naturally occurring intercultural communication, and to provide a fuller sense of the context. Nine interviews were conducted in Finnish cities of Helsinki, Turku, and Lahti in the autumn of 2013, and two observation projects were conducted for six days during a Chinese delegation visit from Tianjin to Turku in October 2013 and a Finnish delegation visit from Oulu to Suzhou in May 2014.

Five of the interviewees were Finns, three were of Chinese origin and one was Japanese but all these four had lived and worked in Finland for 5-20 years. Four of the interviewees were representatives of local or regional governments, three were team members of state investment attraction agency, and two were interpreters working for the Finns. The interviews consisted of open-ended questions, broadly addressing the experiences of working with the Chinese. The purpose of the interviews was to inductively discover the most relevant themes regarding communication in the setting of Chinese investment, co-operation and trade facilitation and to encourage interviewees to offer their own definitions of particular activities (Silverman, 2006; Briggs, 1986). Five interviews were held in interviewees' workplaces, two in cafeterias, and the remaining two by Skype. The interviews were conducted in English, recorded and transcribed, and the interview quotations used in this paper are direct citations.

The identities of the interviewees were coded IV1-9 to maintain their anonymity in accordance with the Guidelines of the Finnish Advisory Board on Research Integrity (2012). Some interviewee basic data is provided in Table 1.

Table 1. Interviewee codes and basic data

Interviewee code	Gender	Country of origin	Working title
IV1	female	Japan	Business Development Officer
IV2	male	China	Interpreter
IV3	male	Finland	Development Manager
IV4	female	China	Interpreter
IV5	male	Finland	Senior Advisor
IV6	male	Finland	Head of International Affairs
IV7	male	China	Business Development Manager
IV8	female	Finland	Customer Operations Director
IV9	male	Finland	General Manager

During the analysis stage, interview and observation data were categorized according to subthemes and then combined for a thick description of the intercultural communication dynamics in the given context, which has been the basis for several relevant topics (Spradley, 1980). Subthemes that emerged from the interviews were the struggle to cope with the general level of Chinese interest in Finland and proposed strategies to deal with this challenge.

Limitations of this study are that it is small scale and predominantly based on interviews. People's answers in the interview at times do not have a stable relationship with how they would behave in naturally occurring situations (Silverman, 2006). However, their stories do provide insights about their momentary concerns and circumstances.

2. Challenge of the general level of Chinese interest in Finland

Commenting on the situation in general, most interviewees expressed the view that the potential of inward investment opportunities from China has not been fully realized in Finland as the following statements indicate:

I think that the amount of investment is surprisingly low still, even though we know that Finland is so good at this question, and there are all these overwhelming, globally big brands, but it doesn't match with the investment. (IV4)

There has been some phase going on with investments, but Finland is one of the few countries in the whole world where China has not invested very much. Huawei is the biggest investment from China to Finland, but there are not too many still. So we are in the phase that there are opportunities, but nothing very concrete at the moment when it comes to big investments. (IV3)

At the local and regional level, the investment attraction activities are entwined with broader co-operation, assisting businesses in making connections, and with town twinning, in which there are also challenges in finding common ground:

I think most visits didn't come out with results, only with a shallow contact. Even sometimes signed officially, but the real co-operation doesn't come easily. (IV2)

I think so far it has been quite much of discussing on general level. Even when there are some seminars where there may be some professionals and experts, but the presentations are on average level. (IV6)

One distinction that several interviewees made was that the issue of a general level of interest was prevalent in meetings with Chinese state and local government officials as opposed to meetings with entrepreneurs and professionals. A further distinction was that interviewees working for local government displayed a greater concern for lack of specificity in co-operation talks than interviewees representing state inward investment agency.

As to impressions of the reasons for discussions to lack direction and for difficulties in agreeing to actual co-operation, several interviewees suggested visiting Chinese only want to get an impression of Finland because there is a pre-formed doubt that Finland may not be a sufficiently important country with which to do business:

Many small groups are visiting, for instance, our university of applied sciences, and it's just a friendly visit or something. We have quite many such visiting delegations coming to Finland who just want to learn, kind of want to get an average opinion of Finland. (IV6)

IV6 also suggested that lack of serious interest may have to do with the fact Finland is a small country:

I guess Chinese companies when they go abroad; they are looking for the "big fish". There are not many investments, and I guess there is a problem of scale. (IV6)

Another opinion is that the Chinese may view a trip to Finland as a leisure trip with business on the side:

They may consider that it is not a serious thing, like a leisure trip, then they plan two hours of official visit, because they themselves don't plan to have some real co-operation. I think they see this as a half-relaxed trip for recreation, because Finland is not kind of important business in those people's mind. (IV2)

Lack of serious interest may not be communicated directly to the Finnish side: "It is quite difficult to understand when Chinese are really interested and when they are not." (IV3)

One reason for the perceived lack of specific direction in investment discussions is that Chinese officials coming to Finland may only have generalized guidelines of co-operation from China's central government. Visiting Chinese officials may, therefore, be unsure about what concrete actions to take. Commenting on a recent visit from China, IV1 explained:

I hear between the lines that they don't really know what they have to do. The wording, the paper that they gave, maybe it is just that it is a bad translation or just a draft, but it is much generalized. I just get the feeling they don't really have a concrete plan what they should be implementing. (IV1)

Thus, from the Finnish perspective, the reason for the general level of investment interest and lack of specific co-operation aims lies with the Chinese delegations. This perspective implies that the starting point for the Finns is based on own cultural expectations: if the Chinese have come, they want real co-operation and they will discuss matters in a specific way. These expectations are not always met, as IV4 concisely explains: "My impression was that Finns are very efficient (...), but you have to push the Chinese very much."

The interviewees did suggest a combined strategy of Finnish strengths to the twin issues of the perceived lack of serious interest and specific co-operation aims from the Chinese delegations. The first strength lies in experience of comprehensible presentations of Finnish expertise areas and the second is the ability to match interests across a diverse range of economic sectors:

I have been working with Finnish high tech companies for 15 years, and now I know a little bit about China, what they are looking for, and how to match these – a very small country with excellent technology, but no scalability - with a big country with a lot of scalability and (great) need. (IV8)

This viewpoint was supported by another interviewee:

We have to look at the Chinese companies who have invested into Europe and then try to compare what we have offered them. It's not enough to tell that Finland is a nice country. (IV5)

Participant observation of the interaction between a visiting delegation (Tianjin, China) and a host team (Turku, Finland) revealed the difference between the 'vagueness' of the Chinese compared to the specificity of the Finns. During the visit, the leader of the Chinese delegation referred to their

areas of interest using non-specific phrases such as ‘resource integration’, ‘platform establishment’ and ‘technology program.’ In response to a Finnish request for clarification of the ‘technology program,’ the Chinese response was that the mayor of Tianjin had issued regulations for the support and growth of 40 000 SMEs including start-ups. The Finnish response was a highly detailed presentation enumerating the specific expert business fields in the Turku region, which included a wide range of industries and services such as biotechnology, life science, environment, health, maritime (arctic vessels), functional food and food safety, pedagogic and teacher training, business skills and project management, and quality assurance. Chinese responded that large markets for all these fields exist in both Tianjin and the whole of China. Thus, Finnish strategy to deal with the situation was being proactive in asking direct questions and giving specific information in attempts to make the possible co-operation direction more specific.

Another reason the interviewees give for the lack of specificity in the discussions is the Chinese wish to take time to develop a relationship first:

Chinese would like to build the relationship longer time and go to dinners, and find a kind of way to friendship and relationship and only after that you can start to some extent, openly talk about anything (IV8)

Delegations from China often consist of agents or intermediaries who do not have the authority to make decisions, which makes it difficult for the delegation to take concrete actions, according to IV6:

I think from the Finnish side, where there is a company, there is a person who has the right to start the real negotiation, or can tell what he can sell or buy. But on the Chinese side, there is often some kind of agent who is ready to find contacts for you. But really, there should be a living person from the company who could speak to the Finnish company! (IV6)

The frustration with the impossibility to move straight to the task and to ask the individuals directly responsible was clearly apparent. “We in Finland don’t bother so much about extra details or hustle, we just want to go directly (to the solution),” said IV8. However, the readiness to invest in developing relationships and necessary contacts and to accommodate the need for relationship building was also expressed:

Sometimes after business meetings together with Chinese organizations and Chinese people, they tell me – you are the contact person and I want you to come next time. That is when I feel that maybe I have done something right, because that relationship is important, and we both learn to work with that particular person. (IV1)

The necessities of developing extensive networks of contacts and the need to visit China to speak to the decision makers were recognized as well:

You need more and more contacts, more and more places for people to meet and learn to know each other. They need to find and establish the connections that can really trust on – on both sides, I guess. (IV6)

You have to go to China and you have to meet the people all the time. (IV5)

In summary, from the perspective of the Finnish side, a major challenge to Chinese-Finnish co-operation is related to persistent difficulties in moving beyond the general interest level shown by Chinese delegations. The contributing factors, according to Finnish views are mainly Chinese and to some degree related to communication issues: a lack of serious interest, non-specific co-operation guidelines, longer time to build relationship, and involvement of intermediaries. Nevertheless, the Finns do seem to be adhering to strategies using the national strengths of Finland enterprise expertise, requesting clarification of generalized descriptions and a readiness to invest in building relationships.

3. Conclusions, theory of the case and implications

There is a lot of interest in making fuller use of co-operation opportunities with partners from China in Finland. Indeed, Finns have high hopes when welcoming Chinese delegations, until they become frustrated at the seeming inability of the visitors to raise their level of interest in investment, trade and co-operation opportunities from vague and superficial to specific and concrete.

The fourth proposition of the Speech Codes Theory (Philipsen, Coutu, Covarrubias, 2005) suggests the interacting sides tend to interpret communicative conduct according to the practices in their own culture. The cultural assumption of the Finns is that if the Chinese have come, they want real co-operation, and to that end they will discuss concrete matters in a straightforward manner with the people directly responsible for those matters. This process will ultimately lead to concrete actions –

actual co-operation, sales, investment, etc. as quickly and efficiently as possible. However, the process frequently fails to produce any concrete outcomes due to a different approach by Chinese.

The sixth proposition of the Speech Codes Theory contends that speech codes frame responses according to ways accepted in society. There is empirical evidence that people experience societal pressure to conform their behavior to social codes (Philipsen et al. 2005). In this context, the Finns apparently experience pressure to come up with the results not only from meetings with their Chinese counterparts but also from the expectation of being efficient.

Aware that they are unable to influence the factors contributing to general lack of topic specific interest by the Chinese, the Finns do try to make co-operation talks more focused. The interviewees discussed some possible strategies, such as the ability to present the strengths of Finland, clarification of vague statements of intent by the Chinese, and adapting the Chinese desire to base investments and co-operation on developed personal relationships. These proposed strategies contain elements of both pressure and accommodation. On one hand, Finns exert pressure on the Chinese to be more specific by offering concrete co-operation areas and clarifying general terms, which could be seen as efforts to frame Chinese responses according to own expectations. At the same time, to some degree at least, there is acceptance and accommodation regarding the longer time needed to build connections and relationships.

The aim of the study was getting to identify the meanings that people working for Finnish inward-investment related organizations attribute to their co-operation with the Chinese. The results have provided relevant information about their perceptions, giving an insight into facilitation of investment, trade, and co-operation opportunities with China. The results of this study may also be relevant on a broader, even global scale, as partners in other countries may face similar challenges when trying to co-operate with the Chinese. The views and perceptions of the visiting Chinese delegations regarding co-operation development was not the focus of this study, but would be equally interesting and important to consider in further research.

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