Soft power can bring nations concrete benefits, report says

Promoting a nation’s culture and political ideals on the global stage brings significant economic advantages, research shows.

The first statistical study of so-called soft power has found that it boosts overseas student recruitment, tourism and foreign investment.

Experts assessed how various forms of soft power – including cultural institutions, foreign aid, internet connectivity, democracy and prosperity – influenced a country’s international pull.

This global drawing power was calculated by measuring numbers of international students and foreign tourists, levels of foreign direct investment (FDI) and political influence on the world stage.

Researchers found that national cultural institutions, such as the UK’s British Council or Germany’s Goethe Institute, had a positive impact. The more countries that host a cultural institute the better the return for the parent state.

A one per cent increase in the number of host countries brings on average a 0.66 per cent increase in FDI for its country of origin. In 2016, for example, such a rise would have been worth £1.3bn for the UK, which recorded £197bn of foreign investment.

It also prompts on average a 0.73 per cent increase in international students for its country of origin. Using the latest UK figures from 2015/16, this would equate to almost 3200 additional international students.

The report has been carried out by the University of Edinburgh’s Institute for International Cultural Relations.

Researchers found that a prosperous population is attractive to prospective students from overseas.

For every one per cent increase in per capita income, international student numbers increased by between 0.35 to 0.98 per cent.
Students are also drawn to countries with high internet connectivity. A one per cent increase in a country’s internet-users results in a 0.5 per cent rise in international students, the study found.

Political pluralism, high levels of democracy and few restrictions on political rights attracts international students, tourists and FDI. As political rights become restricted, student numbers decline, researchers say.

Foreign aid has a positive influence on the influx of students, tourists, FDI and increases a country’s political influence, which is measured by a country’s ability to affect voting patterns at the United Nations.

The study was commissioned by the British Council and used available data for countries between 2000 and 2012.

Report author and Institute director Professor JP Singh said: “Soft power demonstrably matters. The United Kingdom’s soft power assets bring revenues from international students, tourists and foreign investment, and they enhance the UK’s international political influence. Soft power should be seen as a mainstream part of public policy.”

Sir Ciarán Devane, Chief Executive of the British Council, said: “The findings of the report offers new evidence for the impact of soft power on a state’s economic success and global influence. A country’s soft power can play a huge part in strengthening its role on the world stage. More than ever the UK needs to ensure that leaders and influencers globally know, understand and experience the UK as an outward looking, engaged nation, promoting its world class arts and education to as wide an audience as possible.”

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