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# The importance of economic diplomacy in the era of globalization (the case of China)

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**Abstract:** Together with the acceleration of globalization processes, power in international relations has moved from the political and military space to the economic one. Today, true power means ability and capacity to integrate with the global economy. Therefore, economic diplomacy, which is not a new phenomenon, became one of the most important elements of foreign policy of all countries. The aim of the article is to present the importance of economic diplomacy in foreign policy in the era of globalization with a particular emphasis on the economic activity of China.

**Keywords:** diplomacy, economic diplomacy, foreign policy, global economy, FTA – free trade agreement, China.

## **Introduction**

For many centuries, military power and force politics predominated in international relations. However, with increasing of globalization processes, elements of power in international relations have moved from the political-military space to the economic (commercial) and cultural ones. Today, true power is not based exclusively on military potential and the control of a certain territory, but on ability and

capacity to integrate with the global economy. Hence, economic diplomacy has become one of the most important factors of foreign policy of the state. It can be defined as the method by which states conduct their external economic relations. It includes how they make decisions domestically, how they negotiate internationally and how the two processes interact.

Economic diplomacy is not a new occurrence – within centuries, in foreign policy of any state, a fundamental mission was to protect traders on foreign lands, support their activity, and guard commercial roads. If previous economic diplomacy was a commercial one, today it is understood in a broader sense. Formerly, countries interfered only when their interests were directly threatened. From now on, they feel affected by economic prosperity (or not) of their partners, the gap in the level of economic development, the level of international liquidity, etc. All those problems are not internal any more. Many agree that rules of the economic game and economic diplomacy are very important and states or regional blocks are obliged to conduct their activity that provides them a desired or desirable place in a global configuration. Economic diplomacy has been transformed for the last three decades with the end of Cold War and the accelerating of globalization. Its subject has become much wider and more varied and it has penetrated more deeply into domestic politics. Internationally, it engages a far larger range of countries, including new rising powers like China, India and Brazil.

### **Economic diplomacy – definitional issues**

Before the presentation of economic diplomacy, it is worth to point out some important features commonly connected with the term of diplomacy in a broader and narrower sense. Broadly speaking, diplomacy is a field of political activity that relates to the process of communicating, negotiating, and sharing information between nation states. According to a narrower definition, diplomacy also can be understood as the application of intelligence and tact to conduct official relationships between governments of independent states,

or business between countries through peaceful means. Therefore, diplomacy is an integrated activity that includes all actions carried out by political actors and representatives of countries that typically operate through embassies, consulates, ministries of foreign affairs, or international organizations. Those activities are generally oriented towards managing the relationships between countries in a peaceful way rather than a physical struggle, and establishing, and maintaining positive and constructive relationships between countries. The final objective of diplomacy is often conceived as that of maintaining an orderly system of countries in a state of anarchy in international relations. Diplomatic activity is typically conducted by actors that possess specific personal features of character and education, such as “truth, accuracy, calm, patience, good temper, modesty, loyalty, intelligence, knowledge, good orientation, prudence, hospitality, charm, courage and tact” (this list of features constitutes the so-called Nicolson test, named after the British diplomat, sir Harold Nicolson)<sup>1</sup>.

According to Paweł Bożyk, economic diplomacy can be understood as “the impact of the state on foreign economic relations, in particular on trade of goods and service, and the flow of factors of production (labor, capital, technology and natural resources) between the country and abroad”<sup>2</sup>. Jan Rymarczyk expands that concept on three important elements: development of specific political relations with various countries, ensuring the safety of their own country through the participation in various international organizations and shaping the image of the state in the world<sup>3</sup>. All of those are expected to reach its economic objectives (priorities). They are divided into quantitative and qualitative targets. The first group includes “increasing the volume of imports or exports to achieve a particular trade balance, current account balance or balance of payments, an increase in the

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<sup>1</sup> H. Nicolson, *Diplomacy then and now*, “Foreign Affairs” 1961, Vol. 40, Issue 1, p. 39–49.

<sup>2</sup> P. Bożyk, *Zagraniczna i międzynarodowa polityka ekonomiczna*, Warszawa 2004, p. 11.

<sup>3</sup> J. Rymarczyk, *Międzynarodowe stosunki gospodarcze*, Warszawa 2010, p. 54.

size of foreign direct investment (FDI) inside the state or abroad”. Quality objectives include improvement in the terms of trade, that is “getting more favorable in exports and imports prices, boost the economy and thus accelerate its growth by increasing exports”<sup>4</sup>.

Every state has a number of instruments to achieve those goals. Their skillful selection is the most important condition to achieve a complete success. The choice of instruments depends on the needs of a potential economic partner. It would be a country or a group of countries with which the state wants to start cooperation. The state decides whether the conditions of cooperation correspond to its preferences, and – consequently – economic relations will be established. According to Ryszard Frelek, diplomacy is “tactful, polite, cautious and clever, sometimes devious behavior, so just as it should be in the relations between states”. Economic diplomacy is therefore the selection of instruments such as foreign economic policy, which allows to achieve economic aims “tactfully, politely and carefully, cleverly and cunningly”<sup>5</sup>.

Economic diplomacy understood broadly treats economy as an instrument of foreign policy. It can be defined as a tool (or method, process, instrument) by which the state creates its economic relations with other subjects of international relations. There are decisions of economic nature in the country, as well as international negotiations, in which the state participates. In this context, economic diplomacy can be defined as diplomacy, which uses economic resources, mainly in the form of granting privileges or imposing sanctions, in pursuit of specific foreign policy objectives<sup>6</sup>.

Economic instruments can be used both in foreign and national policy, therefore economic diplomacy should be understood and analyzed in the context of realities of national economy. Diplomacy is involved in the promotion of economic interests, creation of right conditions for profitable economic cooperation between different actors and enlargement the sphere of their influence. The rank

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<sup>4</sup> P. Bożyk, *Zagraniczna i międzynarodowa...*, p. 37.

<sup>5</sup> R. Frelek, *Najkrótsza historia dyplomacji*, Warszawa 2000, p. 6.

<sup>6</sup> G.R. Berridge, A. James, *Dictionary of Diplomacy*, Basingstoke 2003, p. 19.

of economic diplomacy increased to such an extent that national governments must consider three important issues:

- relationships between politics and economics,
- relationships between national and international interests,
- relationships between the government and other actors in international economic relations<sup>7</sup>.

In a study of economic diplomacy, it is assumed that the state is not the only player in international economic relations, nor a coherent unity (coherent entity). Many researchers emphasize, however, that the state is the main actor conducting economic diplomacy – and this assumption is also adopted in this article. In the context of such a realistic framework (state-centric), economic diplomacy is directly related to economic security of the state in the anarchic international system<sup>8</sup>. If economic security is understood as the prosperity and political stability of the nation, we can assume that economic diplomacy includes a wide range of economic and political instruments. Those political instruments may include all activities and negotiations focused mainly on the implementation of foreign policy objectives through economic diplomacy – it is mostly a matter of economic sanctions. As for economic instruments, they include economic activities that primarily serve purposes of foreign economic policy – and it is mainly promoting trade, investment and tourism. In that case, cost-benefit calculations are associated with a desire to maximize business opportunities of national enterprises. In other words, companies and the government are involved in activities abroad in order to achieve commercial purposes. Such an activity in the literature is called commercial diplomacy. In turn, actions in development aid (economic cooperation) and bilateral or multilateral negotiations on trade agreements are instruments of diplomacy of both political and economic<sup>9</sup>.

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<sup>7</sup> N. Bayne, S. Woolcock, *The New Economic Diplomacy: Decision-Making and Negotiation in International Economic Relations*, Hampshire 2003, p. 7.

<sup>8</sup> D. Lee, B. Hocking, *Economic diplomacy*, [in:] *The International Studies Encyclopedia*, ed. R.A. Denemark, Vol. 2, Oxford, p. 1216–1227.

<sup>9</sup> M. Mastanduno, *Economics and security in statecraft and scholarship*, “International Organization” 1998, Vol. 52, No. 4, p. 825–854.

Most of the research on economic diplomacy focuses on current events, such as trade negotiations, sanctions or assistance. It seems that such an approach ignores the fact that economic instruments can also be used to prevent some events and that negotiations may be intentionally blocked or delayed for the same reason. Therefore, although the analysis of current policy and actions are important, equally important for researchers is to study why certain actions, that should be expected, are deliberately ignored. For this reason, the concept of negative economic diplomacy appeared. Of course, it should be emphasized that the negative approach presents other ways of pursuing economic policy to achieve specific objectives (political, economic and strategic)<sup>10</sup>.

In the literature, there are four interrelated strategies of economic diplomacy:

- the involvement of high-ranking politicians (ministries) in its activities, not only bureaucrats (officials),
- the involvement of non-governmental actors, private businesses and civil society in the creation of this diplomacy and sharing duties and responsibilities,
- encouraging greater transparency in the implementation of this policy in order to broaden understanding and support by society,
- use the services of international institutions and organizations in order to ensure the implementation of economic goals<sup>11</sup>.

Analyzing the economic diplomacy, it is worth paying attention to one of its form – trade diplomacy. Trade diplomacy is primarily connected with microeconomic and means the activity of diplomatic missions and other specialized government agencies, aimed at supporting the domestic business and finance in achieving market successes, national growth and competitiveness abroad. Trade di-

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<sup>10</sup> S. Lukes, *Power and the battle for hearts and minds*, “Millennium” 2005, Vol. 33, No. 3, p. 480.

<sup>11</sup> N. Bayne, *Financial Diplomacy and the Credit Crunch: The Rise of Central Banks*, “Journal of International Affairs” 2008, Vol. 62, No. 1, p. 1.

plomacy may also include the promotion of trade, inflow and outflow of foreign direct investment. An important aspect of commercial activities of diplomats is to inform national companies about exports and investment opportunities abroad and to organize trade missions for national entrepreneurs, international fairs and exhibitions. Another form of economic diplomacy – corporate one – focuses on activities and relationships of transnational corporations with the external environment, ie. public administration, governments, international organizations, key trading partners and internal environment. Interestingly, many corporations establish important contacts with former diplomats (ambassadors) and employ them. Also, international NGOs conduct their diplomacy, trying to lobby in international organizations for favorable solutions for environment or to block some negative effects (eg. coalitions against the WTO, Amnesty International and Greenpeace)<sup>12</sup>.

It is also worth to mention about current commercial diplomacy. Economic diplomacy and commercial diplomacy are specialized areas of activity and their meaning sometimes overlaps. But generally economic diplomacy has a somewhat broader connotation in the sense it involves diplomatic activities related to economic relationships between countries. The commercial diplomacy may relate more precisely to commercial/trade relationships, rather than industrial ones. Generally, economic or commercial diplomacy is understood as a particular branch of diplomacy operated to obtain economic advantages for countries in terms of: higher growth rates, creation of new jobs, and increase of tax revenues.

The objectives of economic or commercial diplomacy which are typically carried out in bilateral, regional, or multilateral negotiations, often are achieved through actions in five areas, that include:

- providing advice to national economic actors,
- assisting business firms in the penetration of foreign markets,
- negotiating favorable rules and regulations for international trade and foreign investments,

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<sup>12</sup> A. Asquer, *What is Corporate Diplomacy? And, Why does It Matter?*, “Journal of Multidisciplinary Research” 2012, Vol. 4, Issue 3, p. 54–60.

- arrying out foreign market research,
- preventing or softing conflicts between economic actors from different countries<sup>13</sup>.

Actors of economic or commercial diplomacy (typically members of diplomatic offices abroad) often develop specific salesmanship skills.

Of course we should highlight that economic diplomacy is really nothing new. For many centuries, the authorities defended traders, who unfold their activity on foreign lands, supported their activities and the safety of commercial roads. One of the part of states` foreign policy was a fundamental mission to protect its national interests and to conduct relations with foreign authorities. What is new is the broadening of the horizons thanks to the explosion of new subjects, which orientate diplomacy towards new methods, new working agendas and new places.

Governments have adopted broad strategies to meet new demands. Those strategies involve ministers — cabinet-rank politicians. They try to get non-state actors, like private firms or civil society bodies. They encourage greater transparency to widen understanding and support. They use international institutions to advance domestic as well as external aims and to make the system more inclusive. Since 1995, the World Trade Organization (WTO) has included issues of trade, agriculture, services and intellectual property. It has engaged virtually all countries and went deeply into domestic policies, as well as introduced legal systems in trade disputes. In 1992, the United Nations Conference on Environment and Development launched a series of treaties on issues like climate change and biodiversity with global institutions in support<sup>14</sup>. What is more, because of globalization, the global economic balance has become a matter of common interest. There is not anymore a localized crisis: a currency turbulence in Asia can immediately affect Central Europe, Latin America and many other areas. Formerly,

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<sup>13</sup> D. Lee, B. Hocking, *Economic diplomacy...*

<sup>14</sup> N. Bayne, *Financial Diplomacy...*, p. 1.

states interfered only when their interests were directly affected. From now on they feel affected by:

- the economic health of their partners,
- the gap of the development level,
- the international liquidity level,
- economic policies developed outside.

All these problems are not just internal.

Many agree that rules of economic game are equally diplomatic games or rules, thus the economic diplomacy is very important, and representatives of states or regional groups are obliged to conduct an activity which provides them a desired or a desirable place in a global configuration. We live in a highly competitive world and states have no longer the monopoly for international authority. They, of course, remain important, but the accent is moving towards international organizations (such as the International Monetary Fund, World Bank, World Trade Organization, etc.), regional organizations (the European Union, NAFTA, MERCOSUR, ASEAN, etc.), and global governance groups (like the G7 – the group of the most developed and powerful countries in the world).

More than any other type of diplomacy, economic diplomacy is beyond the sphere of traditional diplomacies. The economic diplomacy belongs to the ministry's sector of any country (it is usually called the Ministry of Foreign Affairs). It is practically conducted by representatives of all ministries in a state, for example, ministries of trade or industries, tourism, transport, etc.

Although the role of economic factors has become so powerful, it seems premature to believe that states have entered a truly geo-economic world, because it is still primarily political. But, anyway, economic diplomacy foreshadows as the most important symptom of a future diplomacy.

## **Economic diplomacy of People's Republic of China**

In the last three decades China's economy has leapfrogged those of every other nation on earth (except the United States), and is

forecast to take the number-one slot by 2020. The People's Republic of China (PRC) has emerged as the world's largest manufacturer and exporter. China contributed more than half of global growth after the downturn of 2008. It is the largest maker of steel and the biggest user of energy<sup>15</sup>. It has the largest monetary reserves of any country, topping 3.2 trillion dollars. Its cheap labour, cheap capital, productivity and competitiveness have exported price deflation to the rest of the globe<sup>16</sup>.

Growth and modernization have transformed society. Average annual per capita income has soared from 528 yuan at the start of the economic reform process in the early 1980s to 19,100 in urban areas and 5,900 in the countryside at the end of the first decade of the twenty-first century<sup>17</sup>.

China affects global markets in a way never seen before. Among others, it became a country, that, in the opinion of experts, can serve as a perfect model of conducting economic diplomacy. It manifests primarily in a deep commitment to negotiations of free trade agreements (FTAs), by which it pursues their interests, not only economic, but political ones as well. Using FTAs, China emphasizes its importance in the global economy. In mid-2014, the first FTA with European countries – Iceland and Switzerland came into force<sup>18</sup> and at the end of that year, China started its negotiations with South Korea and Australia<sup>19</sup>. At the APEC summit in Beijing, Xi Jinping proposed the project of the Free Trade Area of the Asia Pacific (FTAAP). The FTAAP proposal is a regional project and it is designed to confirm China's major position in the region<sup>20</sup>.

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<sup>15</sup> J. Fenby, *Tiger Head, Snake Tails*, New York 2012, p. 2.

<sup>16</sup> *Ibidem*, p. 4.

<sup>17</sup> *Ibidem*, p. 3.

<sup>18</sup> Wang Song, *Sino-Swiss FTA Pushed Bilateral Relations to New Heights*, "China Today" 2014, Vol. 63, Issue 4, p. 38–39.

<sup>19</sup> Yang Jiang, *Australia–China FTA: China's Domestic Politics and the Roots of Different National Approaches to FTAs*, "Australian Journal of International Affairs" 2008, Vol. 62, Issue 2, p. 180–190.

<sup>20</sup> *Ibidem*.

For a long time, China's participation in FTAs was not its priority, but in 1990s some events took place, namely:

- the collapse of the Chinese trade talks with the WTO,
- some integration processes in the world (NAFTA, Mercosur, EU, ASEAN),
- a growing number of bilateral and multilateral FTAs,
- increasing Chinese exports and imports<sup>21</sup>.

In 2000, China proposed the first ASEAN FTA negotiations. Thus, it secured against adverse effects of integration processes. From that point, FTAs started to play an important role in China's reform process. By 2015, China entered twelve FTAs with: the ASEAN, Hong Kong, Macau, Chile, Pakistan, New Zealand, Singapore, Peru, Costa Rica, Taiwan, Iceland and Switzerland. It would sign an agreement with South Korea and Australia in 2016. It is negotiating FTAs with Norway, Sri Lanka, the Council of the Gulf Cooperation, Japan and Korea (a tripartite agreement) and the Regional Comprehensive Economic Partnership (RCEP). China also considers FTA negotiations with India and Colombia<sup>22</sup>.

Through FTAs, China wants to protect its economic interests. For its economy based on exports and foreign direct investments (FDI), the main goal is to increase the access to foreign markets and to strengthen the competitiveness of its exports. Therefore, China prefers agreements with exporters of raw materials and agricultural products and importers of textiles and electronics. Moreover, the desire to strengthen its position in the production chain, internationalization of yuan and integration into the world economy prompt China to sign contracts with major regional shopping centers, such as Singapore, Chile (an associated state of MERCOSUR), Switzerland and Iceland (members of the European Free Trade Agreement – EFTA) in order to improve access to new markets<sup>23</sup>.

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<sup>21</sup> Ibidem.

<sup>22</sup> Ka Zeng, *Multilateral versus Bilateral and Regional Trade Liberalization: explainign China's pursuit of free trade agreements (FTAs)*, "Journal of Contemporary China" 2010, Vol. 19, Issue 66, p. 637–650.

<sup>23</sup> Ibidem.

In a view of problems in trade negotiations in the WTO, a growing number of FTA initiatives, such as the Transatlantic Trade and Investment Partnership (TTIP)<sup>24</sup> or agreements concluded by the EU, China signals its willingness to negotiate with developed and larger economies, though some of agreements' conditions with those countries (eg. labor standards, state-owned enterprises) are difficult to accept for its economy based on exports and controlled by the state. In this way, as it was said earlier in the article, China wants to avoid marginalization. Currently, China's biggest concern is the TTIP agreement between the EU and the United States (called "the new WTO" or "economic NATO")<sup>25</sup>. If the TTIP comes into force, it may adversely affect exports to major China's markets: Europe (the EU) and North America (the US). China fears to lose its export advantage to cheaper exporters from South-East Asia. It is important, because the EU signed or it is negotiating agreements with Korea (entered into force in mid-2011), Singapore (negotiations were completed in 2014), Japan, Vietnam, Thailand and Malaysia. Those agreements may introduce new rules for future FTAs, and China, despite its growing importance in the world economy, can remain a country that adapts to norms, not creates them.

Initiating new FTAs is China's response to current trends in international trade and the way to achieve the main goal – the status of economic superpower. FTAs, as an instrument of China's foreign policy, as it was mentioned above, is also a tool of diplomacy of China, used not only to strengthen their position, but to express its gratitude for friendly policy towards Beijing. FTAs can be also a way to express China's discontent. The example is the negotiation process with Norway, that was suspended after awarding the Nobel Peace Prize to China's dissident, Liu Xiaobo. Using FTAs, China puts pressure on other countries to speed up or start trade negotiations. After the completion of negotiations with Korea, some opinions appeared that the agreement may adversely affect the com-

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<sup>24</sup> A. Meuwese, *Constitutional aspects of regulatory coherence in TTIP: An EU perspective*, "Law and Contemporary Problems" 2015, Vol. 78, Issue 4, p. 153–174.

<sup>25</sup> *Ibidem*.

petitiveness of goods from Taiwan and Japan – the largest exporters to China. In contrast, agreements with Iceland and Switzerland gave China a competitive advantage to the EU. Those agreements can thus be seen as a kind of pressure on Brussels to consider FTA negotiations with China. They can be also used to determine new directions in European foreign policy. Better relationships with Reykjavík can help China to become present in the Arctic – a region of growing importance because of its rich resources of raw materials and potential transport routes. In 2013, Iceland proposed China to be a permanent observer in the Arctic Council<sup>26</sup>. The negotiations of trade agreements with some small European economies and the EFTA members give China an important knowledge and experience in negotiations with developed countries. China does not have such experiences, that would be needed during future negotiations with the EU.

Under Xi Jinping China has pursued a very active economic diplomacy. The emergence of the New Development Bank and the reserve fund of the BRICS<sup>27</sup>, the establishment of institutions aimed to implement the concept of the Silk Road – Asian Bank Investment Infrastructure are only a few examples of the growing importance of China in the global economy and willingness to influence it. FTAs play in this endeavor a very important role. The Chinese desire to increase the impact on the creation of new economic rules and its awareness that the large economic agreement between the EU and the United States can marginalize China and threaten their interests, makes Beijing impatient to negotiate an ambitious agreement with the EU. On the other hand, the European Union demands a greater opening of Chinese economy, reducing government subsidies, reducing the unequal treatment (eg. the need for the creation of joint ventures), and solving problems of intellectual property. Concerns

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<sup>26</sup> B. Wodiske, *Preventing the Melting of the Arctic Council: China as a Permanent Observer and What It Means for the Council and the Environment*, “Loyola of Los Angeles International and Comparative Law Review” 2014, Vol. 36, Issue 2, p. 305–320.

<sup>27</sup> Shiping Zheng, *China’s Political Stability: Global Comparisons*, “Journal of Chinese Political Science” 2012, Vol. 17, Issue 1, p. 3–10.

about effects of the TTIP can induce Beijing to exert more pressure to start FTA negotiations with the EU.

Although FTA is the main instrument of the Chinese economic diplomacy in Asia, Europe, and both Americas, its economic diplomacy in many African developing countries takes other forms<sup>28</sup>. Generally, diplomatic relations between China and African countries were established after the Bandung conference in 1955. During the conference, China presented so-called five principles of peaceful coexistence, the basis of Beijing's foreign policy towards developing countries: respecting the territorial integrity, non-violence, non-interference in internal affairs of other countries, equality and mutual benefit, and peaceful coexistence<sup>29</sup>. For the last 55 years, these rules have not been changed and they are still in force. Throughout the 1950s and 1960s, China was actively involved in supporting independence movements in Africa. Africa reciprocated that friendship and strongly supported the 1971 proposal to grant China a permanent seat in the Security Council of the United Nations. China's interest in Africa increased significantly in the late 1980s and 1990s<sup>30</sup>. First, Beijing sought allies when Western countries decided to pursue an isolation policy of China after the massacre on Tiananmen Square in 1989. Moreover, rapid economic development of China after the implementation of economic reforms forced Beijing to seek new markets for their products, as well as areas of raw materials. Since 2007, China has formed in sub-Saharan Africa special economical zones in Zambia, Nigeria, Ethiopia and Mauritius and other countries<sup>31</sup>. The activities of each area are

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<sup>28</sup> D. Brautigam, T. Xiaoyang, *Economic statecraft in China's new overseas special economic zones: soft power, business or resource security?*, "International Affairs" 2012, Vol. 88, Issue 4, p. 799–816.

<sup>29</sup> Shu Guang Zhang, *Constructing "Peaceful Coexistence": China's Diplomacy toward Geneva and Bandung Conferences, 1954–1955*, "Cold War History" 2007, Vol. 7, Issue 4, p. 509–528.

<sup>30</sup> Oyejide Titiloye Ademola, Abiodun-S. Bankole, Adeolu O. Adewuyi, *China–Africa Trade Relations: Insights from AERC Scoping Studies*, "European Journal of Development Research" 2009, Vol. 21, p. 485–505.

<sup>31</sup> H. Cowaloosur, *Land grab in new garb: Chinese special economic zones in*

focused on different industries. Zambian zones ensure the supply of copper, cobalt, diamonds, tin and uranium. The zone in Mauritius for example is the centre of trade, finance and tourism. The zones in Nigeria are responsible for construction industry, and in Ethiopia, iron is mined and processed. In order to maximize the potential of zones, China renovated the railway routes between countries (for example between Tanzania and Zambia, and Tanzania to Angola). China often invests in mines and factories abandoned by European entrepreneurs, presenting itself as a superpower, which can work at the least friendly areas of the planet. In places where investments remain in the hands of Europeans, Chinese companies use interesting strategies. First, they wait for the moment, when African countries will be renegotiated contracts and China will present its advantageous offer. Or China tries to get a majority of shares of African enterprises, and sometimes simply buys the company. In addition, China offers African countries special economic zones, using important instruments: the Sino-African Development Fund and the abolition of customs duties and quantitative quotas on products from the least developing countries<sup>32</sup>.

To sum up, for many developing economies China has become an essential partner, made all the more attractive for repressive regimes and rogue states by its lack of scruples about the nature of governments with which it deals. Chinese firms are building roads and developing refineries in Iran, which in return supplies oil with barter used to get round sanctions. Long-term contracts guarantee China natural gas from Turkmenistan and Burma. It has invested heavily in Venezuela's oil industry and has agreed to help develop Cuba's offshore energy industry. In Afghanistan, China signed a twenty-year lease on a copper mine in the Logar plain twenty-five miles south of Kabul. In return to access to natural resources, China

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*Africa*, "African Identities" 2014, Vol. 12, Issue 1, p. 96–105.

<sup>32</sup> P. Duarte, *Beijing in the »land of opportunity«: assessing the Sino-African Partnership*, "Africana Studia" 2013, Vol. 19, Issue 1, p. 158–165.

lends money and build roads, railways, airports, bridges, military installations, hospitals, sports stadiums and official buildings<sup>33</sup>.

On a visit to Burma in late 2011, Hillary Clinton urged poor countries to be “smart shoppers” when it came to accepting Chinese ‘aid’, but the lure of cheap cash from China remained a potent arm in China’s global development<sup>34</sup>.

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<sup>33</sup> J. Fenby, *Tiger Head...*, p. 255–259.

<sup>34</sup> “Economist”, August 2011, No. 13.

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## Znaczenie dyplomacji ekonomicznej w dobie globalizacji (przypadek Chin)

**Streszczenie:** Wraz z przyspieszeniem procesów globalizacyjnych znaczenie i potęga państwa w stosunkach międzynarodowych związana jest nie tylko z przestrzenią polityczną i wojskową, ale przede wszystkim z gospodarczą. Dziś prawdziwa siła i znaczenie państwa związane są ze zdolnościami do integracji z gospodarką światową. Dlatego dyplomacja ekonomiczna, która nie jest zjawiskiem nowym, stała się jednym z najważniejszych elementów polityki zagranicznej wielu państw. Celem artykułu jest przedstawienie znaczenia dyplomacji ekonomicznej w polityce zagranicznej państwa w dobie globalizacji, ze szczególnym uwzględnieniem znaczenia dyplomacji gospodarczej Chin.

**Słowa kluczowe:** dyplomacja ekonomiczna, dyplomacja, polityka zagraniczna, gospodarka globalna, FTA – porozumienie o wolnym handlu, Chiny.