
Editorial

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This special issue brings together a collection of articles that advance our knowledge and understanding of the theory and practice of commercial diplomacy in the contemporary world of global politics and global business. Commercial diplomacy is an ancient practice in diplomacy with initial contacts between geographically proximate civilisations developed around trade (see Lee and Hudson, 2004). In its modern guise, commercial diplomacy is a crucial means of facilitating trade and investments between businesses and nation states in an increasingly connected global economy (for detailed discussion see Coolsaet, 2004; Lee, 2004; Naray, 2011; Potter, 2004; Rana, 2004; Udovič, 2011). The practice of contemporary commercial diplomacy lies at the heart of all relations between private actors (such as businesses and banks) and public entities (such as nation states and international economic organisations); it is the grease that smoothes the wheels of international economic relations. Commercial diplomats – whether they be business actors or government officials – are the agents of international economic relations who work in structures of power in the economic sphere and as such require highly developed skills in lobbying, advocacy and negotiation. Commercial diplomats are required to employ these diplomatic skills at domestic, regional and global levels. Current Chinese investments in Africa, for example, will be driven by commercial diplomats advocating many forms of economic investment, lobbying for particular economic projects, and negotiating the finer financial details of each project [for details of China's many investments in Africa, see Bräutigam (2003, 2009) and Taylor (2006)]. Every new economic deal, whether it be an agreement between a nation state and a major global business to provide a new computer system for a state run service, or a loan agreement negotiated between the International Monetary Fund and a nation state, or a free trade agreement between two nation states, requires public and private sector commercial diplomats to frame, negotiate and complete the deal. Most deals will be framed by an array of domestic, regional and international legal frameworks, established business practices, and cultural and business norms. Commercial diplomacy is by necessity therefore a complex and complicated political, cultural and economic process. It is this very complexity that scholars need to explore to enhance our understanding of the practice of how business is done in the domestic, regional and global economy. Research on commercial diplomacy is still rather scarce, especially studies that take a combined international relations – international business perspective (Reuvers and Ruël, 2012; Lee and Ruël, 2012). The more we as scholars can explore the complexities of the diplomacy of international business the better we can understand – and share that understanding with key stakeholders in the private and public sector – the business of commercial diplomacy.

It is with this practical purpose in mind that we present the articles in this special issue. Collectively the articles enhance our understanding of commercial diplomacy as it is practiced, which we hope will be useful to scholars of international relations and international business, as well as commercial diplomats themselves – the foot soldiers of economic relations. Individually, each article provides detailed knowledge of a particular case study of the practice of commercial diplomacy.

This special issue starts with a conceptual paper on commercial diplomacy ('Commercial diplomacy: an integrative framework'). The author, Olivier Naray, defines commercial diplomacy and develops a framework inspired by the resource-based view. The framework serves as a tool to understand value creation by commercial diplomacy.

The second article by Renée Jones-Bos, Stephan Raes and Ramin Kader ('Value for money: a network approach to Dutch economic and commercial diplomacy in the USA') presents a case study on economic diplomacy 'in practice'. The authors describe a network approach on how the Dutch economic network in the USA is opened up for Dutch companies and the Netherlands economy at large. Based on evaluation data the authors show that the network approach to economic diplomacy brings 'value for money'.

The third article by Selwyn Moons ('What are the effects of economic diplomacy on the margins of trade?') presents the results of a literature review on the effect of economic diplomacy on the margins of trade. The findings indicate that economic diplomacy is an effective instrument for countries to diversify their exports.

The fourth article by David Tanganelli and Victor Pou ('Commercial diplomacy in action to ensure a micro-state's international competitiveness during years of economic and political turmoil: the case of Andorra') describes how the Andorran Government deployed diplomacy to ensure its international competitiveness. During the period starting from 2009 till 2011, Andorra faced serious threats as a result of the financial crisis in 2007/2008. Due to the economic diplomacy enacted by the Andorran Government, it managed to maintain its transnational commercial relations.

The fifth and final article by Abebe Workneh ('African commercial diplomacy and its challenges in the context of globalisation') provides an analysis on the level of preparedness, and peculiar challenges facing Africa in conducting an effective commercial diplomacy. So far, the literature has hardly paid attention to commercial diplomacy of African countries. The author addresses general and specific challenges that have to be tackled for African commercial diplomacy. According to the author, some of the challenges, such as image building and media campaign, can only be most effectively addressed by a pan-African (collective) approach.

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