Editorial: global diplomacy in flux – multi-actor governance and the politics of change

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1 Introduction

We begin 2026 in a geopolitical climate characterised by volatility, strategic ambiguity, and the rapid hybridisation of governance mechanisms. The traditional contours of diplomacy, as a function of interstate negotiation, anchored in formal institutions and legal agreements, are being continually redrawn. Today, diplomacy is enacted not only by states but by corporations, NGOs, financial actors, and algorithmic systems that govern flows of capital, labour, and knowledge.

What this signals is not merely a diversification of actors but a redefinition of agency itself in global affairs. Drawing on the work of Slaughter (2004) and Adler and Pouliot (2011), we can interpret this shift as a movement toward trans-governmentalism and international practices, wherein diplomacy emerges as a distributed, relational, and often informal process. In this framework, diplomacy is not limited to embassies or ministries, it is present in boardrooms, university labs, tech platforms, and financial algorithms.

Contemporary diplomacy also hinges on narrative control and norm-setting. Joseph Nye's concept of soft power (2004) remains central but must now be situated within discussions of platform governance (Van Dijck et al., 2018), networked diplomacy (Riordan, 2007), and norm entrepreneurship (Finnemore and Sikkink, 1998). In this context, legitimacy is earned not only through coercion or capital, but through credibility, coherence, and capacity for ethical foresight.

This issue of *IJDIPE* explores diplomacy through this expanded lens. It shows how economic strategy, environmental governance, technological disruption, and civic agency intersect with diplomatic practice. From bibliometric mappings to case studies in sustainable entrepreneurship and financial behaviour, the contributions collectively propose a reimagined cartography of influence, one more fluid, decentralised, and relational than the state-centric models of the past.

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Taken together, the contributions point toward an increasingly complex ecosystem of diplomacy, one that is shaped as much by economic strategy and technological transition as by geopolitical alignments. The challenge before both scholars and practitioners is not simply to track the proliferation of diplomatic actors, but to theorise how diplomacy is evolving as a mode of governance in a fragmented, interdependent, and contested world order.

2 Labour displacement and digital polarisation: a new terrain of inequality

In 'Job polarisation with advent of technology: a changing landscape of employment explored through bibliometric analysis', Manpreet Kaur and Parneet Kaur investigate the global shift in employment structures due to skill-biased and routine-biased technological change. Drawing on a bibliometric sample spanning three decades and multiple economies, the authors demonstrate how automation disproportionately displaces middle-skill jobs, intensifying polarisation between high- and low-wage labour sectors.

The study frames job polarisation not merely as an economic phenomenon but as a structural risk to social cohesion and policy legitimacy. The paper calls for rethinking labour diplomacy as a nexus of education, digital transition, and distributive justice. Policymakers are invited to consider the long-term diplomatic implications of labour market bifurcation, especially in fragile or emerging democracies where social contracts are under stress.

3 Retail investors and the cultural geography of risk

Vito Bobek, Tobias Boh, and Tatjana Horvat examine why individual investors in Austria and Mexico still favour domestic portfolios despite the theoretical benefits of global diversification. Their survey reveals persistent 'home bias', especially in Mexico, due to factors such as low financial literacy and institutional trust deficits.

This study suggests that financial diplomacy must go beyond technical regulation to address deep-seated perceptions of risk and trust. The findings support initiatives aimed at improving transnational financial education and fostering culturally adaptive investment strategies.

4 Infrastructure diplomacy and China's evolving strategy

Olukayode A. Faleye and Ozekhome G. Igechi explore Chinese economic diplomacy through Nigeria's Lekki Deep Seaport project. Far from reinforcing debt-dependency narratives, the paper shows how Public–Private Partnerships (PPPs) can serve as diplomatic tools of mutual development when grounded in fair negotiation and institutional accountability.

They argue that African states can leverage such partnerships for strategic agency, transforming infrastructure diplomacy from a transactional arrangement into a long-term developmental strategy. The case presents an alternative narrative of South–South cooperation in global investment governance.

5 Mapping sustainable entrepreneurship as a diplomatic strategy

Gurpreet Kaur and Charna Fatma use PRISMA and R-studio bibliometric methods to map trends in sustainable entrepreneurship. Their findings highlight the emergence of innovation, environmental resilience, and inclusive business models as dominant research themes since 2015.

The paper emphasises the diplomatic potential of sustainable entrepreneurship, not just as an economic trend, but as a policy mechanism aligned with climate action, SDGs, and responsible trade. It proposes closer cooperation between governments, investors, and entrepreneurs in scaling ecologically responsible innovation across borders.

6 NGOs as norm brokers and legal diplomats

Martin Dekleva explores the evolving role of NGOs in international economic governance. Beyond advocacy, NGOs now act as institutional intermediaries, shaping investment arbitration, influencing multilateral regulations, and translating legal norms into socially responsive frameworks.

This contribution underscores the increasing importance of 'civil diplomacy', where legitimacy and regulatory compliance are co-produced by state and non-state actors. NGOs are positioned as legal diplomats who bridge global governance gaps with moral authority and procedural expertise.

7 Democracy, fiscal decentralisation, and government size

Mohammad Meysam Rafiee and Mahboobeh Farahati present a long-run econometric analysis of Iran, investigating how democracy conditions the effects of fiscal decentralisation on government size. Their results indicate that fiscal decentralisation reduces government size more effectively in democratic environments.

This paper contributes to the literature on governance reform by showing how institutional context matters. It calls for international development partners to support decentralisation efforts in tandem with democratic institution-building, particularly in post-authoritarian settings.

8 Conclusion: a strategic outlook for contemporary diplomacy

The articles featured in this issue of *IJDIPE* offer a compelling composite picture of diplomacy as it stands at the intersection of political transformation, economic complexity, and societal change. They invite us to view diplomacy not as a fixed institutional activity but as a dynamic, multi-layered, and evolving form of influence, often exercised beyond the bounds of traditional statecraft.

A few common threads emerge across the contributions. First, there is a growing recognition that diplomacy must respond to the asymmetries produced by globalisation, whether in labour markets, financial systems, or governance structures. Technological disruptions in employment and investment behaviour, as explored by Kaur and Kaur and Bobek et al., suggest that diplomacy must increasingly concern itself with socioeconomic

resilience and cognitive justice. That is, the capacity of governments and institutions to negotiate not only international agreements but also domestic transitions in a fair and inclusive way.

Second, diplomacy is shown to be increasingly mediated by actors outside the state. Dekleva's analysis of NGOs, and Kaur and Fatma's work on sustainable entrepreneurship, illustrate how civil society and business communities are now active participants in shaping global norms. These actors are not merely implementers of diplomatic outcomes; they are initiators of normative agendas. This reflects a broader shift toward polycentric governance, where the legitimacy of international decisions rests on networks of trust, reciprocity, and transparency across sectors.

Third, infrastructure diplomacy, particularly in the context of South–South cooperation, is evolving toward more hybrid, negotiated models, as Faleye and Igechi demonstrate. Their work calls attention to the role of local agency and institutional design in shaping the long-term developmental impact of global investment flows. This challenges both traditional dependency theories and simplistic 'new imperialism' narratives, replacing them with more granular, power-sensitive accounts of partnership and contestation.

Fourth, Rafiee and Farahati's research illustrates how internal governance reforms, like fiscal decentralisation, must be situated within broader institutional ecosystems. Their findings suggest that democracy is not only a normative goal but also a functional enabler of effective economic policy. This reinforces the notion that diplomacy, especially when directed toward institutional reform and development, cannot be technocratic or apolitical. It must engage directly with questions of legitimacy, participation, and accountability.

In light of these contributions, we propose that 21st-century diplomacy be reimagined along three dimensions:

- As a cross-sectoral practice: engaging not just diplomats and politicians, but economists, technologists, educators, legal scholars, and civic leaders.
- As a process of value negotiation: one that prioritises long-term well-being, ethical coherence, and adaptability to change.
- As an anticipatory mode of governance: equipped to handle emerging risks, be they environmental, digital, or institutional, through forward-looking strategies, rather than reactive measures.

Ultimately, the future of diplomacy will depend on its ability to bridge fragmentation with coordination, competition with collaboration, and complexity with clarity of purpose. The challenge is formidable, but the scholarly insights offered in this issue of *IJDIPE* provide valuable compass points for navigating the strategic terrain ahead.

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