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China' s Energy Diplomacy: SOE Relations in the Context of Global Distribution and Investment Pattern

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ABSTRACT

This article addresses the mercantilist connotations of China' s energy diplomacy through empirical and quantitative approaches by arguing that: firstly, the economic logic motivating Chinese enterprises is not the key variable in the formulation of foreign investment decisions; secondly, the energy security policies of the Chinese government are key variables which decide the distribution of SOEs' foreign investment; thirdly, China' s energy diplomacy is mercantilist in nature due to the weakness of its SOEs in the structure of the international market; finally, under the premise of satisfying its government' s energy security policy, SOEs have autonomy in their approaches to investment. Therefore, it may be reasoned that under specific conditions, mercantilism and liberalism can both explain China' s energy diplomacy. This article provides compelling evidence supporting this reasoning, through analyzing cases studies in the Middle East, Central Asia and Africa.

KEYWORDS

Mercantilism; China' s Energy Diplomacy; State Owned Enterprises (SOEs)

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