

The role that economic diplomacy plays in a time of crisis – the case of Slovenia



Economics

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ABSTRACT

In a time of crisis, economic diplomacy plays an increasingly important role worldwide, including in Slovenia. One of the reasons for this is the need to take an action on the current economic crisis both nationally and internationally.

Introduction

The economic environment is changing due to various reasons, such as economic and non-economic crises. Political crises, for example, negatively affect a country's economic environment due to increasing political (and non-political) risks and uncertainties and due to other reasons. One of them is the public's growing distrust of politicians, which can further deepen a country's political crisis. This is particularly the case for countries like Slovenia, where politicians have often been accused of failing to act in the public interest.

The changing economic environment is an important factor of international relations, which are becoming increasingly complicated because of the growing economic and non-economic interdependence of state and non-state actors, among other reasons (see, for example, Lawson, 2012). These actors tend to have various interests that need to be coordinated either by themselves or by others (see, for example, Thakur, 2013). This is one of the reasons why diplomacy, both economic and non-economic, is needed more than ever before.

The role that economic diplomacy plays in a time of crisis

Economic diplomacy is the activity of managing international economic relations, typically by a country's representatives abroad (see, for example, Romih, 2013, p. 95). It is influenced by various factors such as the redistribution of economic and non-economic power from developed to developing countries, especially in East, South, and Southeast Asia. This is one of the reasons why some countries, including Slovenia, are gradually adapting their foreign policy and, consequently, their economic and non-economic diplomacy to the aforementioned redistribution of power.

Distribution or, more importantly, redistribution of power between countries plays a very important role in international relations as it directly or indirectly affects a country's ability to influence others internationally. This is one of the reasons why countries, especially more powerful ones, are trying to avoid losing their power and, consequently, their ability to influence others internationally.

Slovenia's ability to influence others internationally is relatively low due to its small amount of power and due to other reasons. Also, Slovenia is not enough effective and efficient at public diplomacy. Public opinion about someone or something, such as a foreign country, may have an impact on a country's foreign policy (see, for example, Knecht, 2010, p. 2, or Mintz and DeRouen, 2010, pp. 131–132).

Foreign policy-making is becoming increasingly complicated because of, for example, the growing number of state and, more importantly, non-state actors. The latter are individuals or organisations that have significant political influence but are not allied to any particular country or state, such as multinational corporations (see, for example, Reinalda 2011). These are very important due to their size, which is one of the reasons why foreign policy-makers should pay more attention to them.

Slovenia's foreign policy and diplomacy are changing. Some of the reasons for this are changes in the economic and non-

economic environment, both of which are becoming increasingly difficult to manage. This is one of the reasons why some economic and non-economic crises are becoming increasingly difficult to solve. The current economic crisis is an example of such a crisis.

Solving the current economic crisis is a very important challenge for many countries, especially in Europe. Because of this, diplomacy, both economic and non-economic, will continue to play a very important role in solving the current economic crisis.

The role that non-economic diplomacy plays in a time of crisis

Non-economic diplomacy is as important as economic diplomacy. This is due to various reasons, such as the growing interdependence of international economic and non-economic relations.

International non-economic relations are becoming increasingly difficult to manage because of, for one, technical and technological progress, which affects how diplomacy is carried out. Electronic diplomacy (or e-diplomacy) is a result of this.

Slovenia's e-diplomacy is concerned with matters of both the national and international public interest such as taking further action on the current economic crisis, which has an impact on Slovenia's economic stability. Economic instability is one of the most important barriers to progress. Ensuring economic stability is, therefore, one of the most important goals of Slovenia's economic policy, the making of which is affected by various factors, such as the public's growing pessimism about Slovenia's economy.

The current economic crisis as an important factor of Slovenia's economic diplomacy

The current economic crisis is an important factor of Slovenia's economic diplomacy. One of the reasons for this is the need for more effective and efficient economic diplomacy as a result of changing economic and non-economic conditions at home and abroad. Increasing the effectiveness and efficiency of Slovenia's economic diplomacy is therefore essential to Slovenia's economic and non-economic progress, both of which are essential to the country's future.

Conclusion

In a time of crisis, diplomacy plays an increasingly important role due to various reasons. One of them is the need to take an action on the crisis both nationally and internationally. This need is due to the changing characteristics of economic and non-economic crises that have become more common, partly because of the growing number of intractable economic and non-economic problems such as the unequal distribution of income or wealth.

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