Doing Business in the Name of Diplomacy:

China’s Energy and Infrastructure Development in Southeast Asia:

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Over the past decade, China has become a major financier of Southeast Asia’s energy and energy infrastructure development and its financial influence continues to rise along with the increasing size and capital of Chinese-financed projects in the region. Current literature emphasizes the state initiative behind this trend following the ‘Good Neighbor’ diplomacy where China aims to court its Southeast Asian neighbors. This article aims to bring business actors into the analysis and asks a different question: how do the ‘Good Neighbor’ diplomacy affect Chinese energy firms’ business calculations and investment decisions in the region? I make two arguments. First, I argue that the rise of Chinese financial assistance to the region is not merely the result of the diplomatic initiatives. It is in a big part driven by Chinese firms who take advantage of the government’s political agenda and the institutions behind to engage in fierce competition with each other. Second, I argue that the regional context of Southeast Asia also intensifies such competition.

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