

RESEARCH ARTICLE OPEN ACCESS

Attention Versus Handshakes: Pathways of Influence in China's Foreign Aid and Loans

Lucie Lu¹ | Miles Williams² ¹Center on Contemporary China, Princeton University, Princeton, New Jersey, USA | ²Data for Political Research, Denison University, Granville, Ohio, USA**Correspondence:** Miles Williams (williamsmd@denison.edu)**Received:** 11 December 2023 | **Revised:** 21 August 2024 | **Accepted:** 5 November 2024**Keywords:** Chinese foreign aid | debt | public diplomacy | soft power

ABSTRACT

Numerous studies show that China uses its ODA-like overseas development financing to promote soft power and improve its international image. In this study, we seek to understand how. We examine the role of Chinese state-sponsored media and diplomacy as complements to Chinese foreign aid. We propose that the coverage of aid recipients in *Xinhua* articles targeted at foreign audiences, as well as the number of diplomatic visits from Beijing hosted by a recipient government, increase in proportion to the amount of aid these countries receive from China. In contrast, we propose either a null or reverse relationship in the case of OOF-like flows from China, which tend to be more associated with loans and business-oriented interests. To test these hypotheses, we use AidData's Chinese development finance dataset and its recently released diplomacy dataset, along with meta-data from millions of *Xinhua* news articles between 2002 and 2017. The analysis provides partial support for our argument, but the results deviate from our expectations in interesting ways. First, while aid (ODA) recipients receive more coverage in *Xinhua*, they are not disproportionately more likely to host missions from Beijing. Conversely, while loan (OOF) recipients are not more likely to receive coverage in *Xinhua*, they are more likely to host diplomatic visits. These results suggest that China likes to publicize its role as a donor for image building, but seeks closer ties with its debtors to further bilateral relationships.

1 | Introduction

China has been re-branding its image as a strong and respected great power to the world, where 'national image', 'public diplomacy' and 'soft power' have become buzzwords in its foreign policy (Pu 2019). Sending foreign aid and showing generosity to help the world's poorest countries is arguably the best raw material for rebuilding a national image in the press as a responsive and responsible great power, and for strengthening China's soft power. But how can China's aid perform these functions if Beijing is rarely transparent about how much it spends on overseas development financing or where this money goes?

We propose that Beijing can use means other than official reporting to publicize its overseas development finance efforts.

Like many other states, China can use foreign aid as a versatile foreign policy tool to increase its international recognition and soft power (Dietrich, Mahmud, and Winters 2018; Goldsmith, Horiuchi, and Wood 2014). In making our argument, we build on prior research that makes an important distinction between China's intentions with respect to two key forms of overseas financing—sending aid¹ for political purposes versus loans² for economic interests (Dreher et al. 2022). Few, if any studies, have directly investigated how China uses different public diplomacy tools to engage with different recipient countries and whether the kind of overseas financing China offers recipients is differently related to these additional foreign policy tools.

We argue that China has two pathways through which it can more visibly link its overseas development financing to its

This is an open access article under the terms of the [Creative Commons Attribution](https://creativecommons.org/licenses/by/4.0/) License, which permits use, distribution and reproduction in any medium, provided the original work is properly cited.

© 2024 The Author(s). *Journal of International Development* published by John Wiley & Sons Ltd.

image-building and soft power goals: (1) state-sponsored media coverage targeted at foreign (primarily Western) readers and (2) bilateral diplomatic visits. We expect that the more foreign aid China provides to a recipient, the greater the country's coverage will be on China's outward-facing media to highlight the need for financial assistance and highlight China's benevolent image, and the more diplomatic visits from China it will host to strengthen bilateral relationships at the elite and community levels. Conversely, because prior research attributes economic, market-based motives to China's loan-giving activities, we do not expect to see Beijing complement loans with coverage and elite visits.

To test these claims, we compile an original country-year panel dataset that incorporates details about yearly commitments of Chinese ODA³ and OOF,⁴ frequency of yearly coverage in the English version of *Xinhua*, and frequency of yearly government-to-government visits from Beijing. Using a variety of statistical model specifications, we find strong evidence that China complements its ODA with more media coverage, while it complements its OOF with elite visits. These results suggest a more nuanced view of how China uses aid and loans to accomplish its foreign policy goals than we had originally expected. It seems that China seeks to craft a positive global image with its ODA while it aims to build strong elite ties and bilateral relationships with OOF recipient countries.

Our study fits within a growing literature that seeks to understand the foreign policy objectives motivating China's foreign aid giving. By looking at a variety of development and non-development determinants of dyadic aid allocation, scholars have shown that Beijing seeks to use foreign aid as a versatile foreign policy tool to improve its image and promote its soft power (Dreher et al. 2018; Blair, Marty, and Roessler 2022; Goldsmith, Horiuchi, and Wood 2014). Yet, we know less about *how* Beijing goes about doing this, given its limited transparency about its aid giving. Surely Beijing's strategy is not to rely on the Western press to discuss the effects of Chinese aid projects on the ground—a press that recently, in the wake of the COVID-19 pandemic, labelled China's overseas pandemic assistance as 'mask diplomacy' or 'vaccine diplomacy', often with a negative spin (Lee 2023; Urdinez 2023; Zhang and Jamali 2022). It also seems unlikely that Beijing will simply hope aid recipients understand that China is a reliable partner merely by virtue of its largess.

Instead, if Beijing's objectives with its overseas development financing are indeed rooted in efforts to improve China's global image and soft power—'to tell China's stories well', it should engage in other complementary activities alongside its financing that ensure aid dollars achieve what officials intend. Current literature on Chinese public diplomacy suggests a complicated picture of constructing effective narratives. Beijing still hopes to shift perceptions to develop warmer views in its leadership, sometimes presenting an image of China as a benign actor in bilateral or multilateral relationships on issues like trade or aid. Presenting China as benign and not interfering in other states is a strategy it has long utilized (Dukalskis 2021; Kurlantzick 2023). However, the recent shift in diplomatic strategy in Xi's era to offensive diplomacy goes far beyond that long-standing, established effort to present

China in a benign light. Mattingly and Sundquist (2023) find that the so-called offensive 'wolf warrior' diplomacy backfires but the positive light of aid diplomacy and friendship-building diplomacy strategy still improves the public's perception of China. A key contribution of our study is that we identify how China complements different kinds of overseas financing using media coverage and elite ties to realize its goals. In doing so, our study helps to show how China's foreign aid fits within a broader toolkit of foreign policy levers for realizing its goals for benign image building and soft power.

In addition to contributing to the literature on Chinese aid, our study is timely in light of policy debates currently taking place in Western aid donors like the United States about how best to respond to China's overseas development financing, China's overseas development financing has become a topic of mounting interest and concern for both academics and Western policymakers, and for good reason. China's overseas development financing now surpasses that of the United States, the World Bank, and several other multilateral development and lending institutions combined. Compared to G-7 countries, China, as a new donor, has become the world's single largest official source of international development finance (Parks et al. 2023). Despite the mammoth proportions of Beijing's aid issued worldwide, the motives behind its overseas activities are not always clear. Some argue China's aid is part of President Xi's grand strategy to reshape the geopolitical order (Dukalskis 2021; Fallon 2015; Ferdinand 2016), while others believe Chinese foreign aid is unfolding in a fragmented and loose fashion (Hall and Krolkowski 2022; Jones and Zeng 2019). If China had adopted the best practices of OECD countries, which are keen to promote transparency in aid giving and aid effectiveness (Ghosh and Kharas 2011; Honig and Weaver 2019; Reinsberg and Swedlund 2023), much of the mystery surrounding its giving might be resolved.

However, China neither reports its foreign aid spending to international organizations, as Development Assistance Committee (DAC) members do to the OECD, nor does China publish its aid expenditures in a public database, as the United States does in USAID's *Greenbook*. For this reason, many Western governments assume Beijing deliberately keeps its international development finance a secret (Fuchs and Rudyak 2019). This is also why the US government has partnered with academic research labs to help track what Beijing is doing with its overseas financing.⁵ Like many other scholars, we argue that China's aid allocation decisions are intentional and goal-driven, despite a combination of logistical and intentional barriers to transparent reporting of its financing. Our findings help to show how China circumvents the need for detailed reporting by using other distinct policy levers. We highlight that it uses diplomatic tools differently: aid for image-building, and loans for diplomacy.

The rest of the paper proceeds as follows. We begin by providing background on China's motivations for its overseas financing. While previous research shows that China is partly interested in responding to recipient needs, it also seeks to use its aid for political purposes such as image building and soft power. We then discuss why media coverage and elite visits might act as complements to these goals, and we propose hypotheses for how

these activities will correlate with China's overseas development financing. Next, we discuss our data and research design. We then discuss our results before we conclude with a discussion of their limitations and propose next steps.

2 | Why Secrecy?

China's motivations for giving foreign aid to developing countries mirror, in many ways, the motivations of Western donors. While recipient needs, in part, drive Chinese assistance, so do Beijing's political and economic interests. Evidence suggests that China targets more finance towards poorer countries and does not systematically favour authoritarian over democratic recipients (Dreher et al. 2018). At the same time, China gives more aid to countries that import more goods from China, while it gives less aid to those that officially recognize Taiwan (Dreher and Fuchs 2015; Dreher et al. 2018). Further, China's aid disproportionately goes to countries with more natural resources, greater UN General Assembly voting alignment with Beijing, and with more capacity to repay loans (Dreher et al. 2021).

Two waves of surveys of policymakers in 126 countries demonstrate the diplomatic impact that these investments have had (AidData 2018). Compared to the first survey wave in 2014, responses in 2017 showed an increase in evaluations of China's influence on policymakers in developing countries. It would be naive to suppose this is a side effect, rather than a goal, of China's development finance and other investments. Like major Western powers, China may hope that its aid demonstrates a dedication to helping the needy, thus improving perceptions of its role as a donor (Goldsmith, Horiuchi, and Wood 2014; Ferry and O'Brien-Udry 2021).

If its diplomatic motives for giving aid parallel those of other donor governments, visibility is surely a major concern for Beijing. Visual branding of aid has emerged as a growing concern among donors (Goldsmith, Horiuchi, and Wood 2014). The United States Agency for International Development (USAID), for example, cited its 'new brand identity' as instrumental in promoting the visibility of the 2004-2005 tsunami relief to Indonesia.⁶ A US State Department report from 2004 further claims that better branding contributed to a doubling of favourable attitudes towards the United States. Pew Research supports this view, finding that nearly 80% of Indonesians surveyed said that 'post-tsunami aid from the US had improved their impression of America' (Wike 2012).

Given the diplomatic uses of foreign aid, the obscurity that surrounds Beijing's development finance is all the more puzzling. Unlike Western donors, China does not report its financing activities to an international organization or make its activities visible in an online database. To say transparency is out of character for Beijing is an understatement, but foreign aid is one issue area where transparency would arguably serve China's interests. So why the secrecy?

As Fuchs and Rudyak (2019) point out, the obscurity of China's development finance creates the perception among Western donors that China purposefully keeps its aid giving a secret.

However, the lack of transparency may have more to do with capacity and logistics than intention. For many decades, a complex and fractured bureaucracy has orchestrated Beijing's development financing. Only in the past few years, as its goals have become ever loftier, did China establish its first true bilateral aid agency—the China International Development Cooperation Agency (CIDCA). However, while established in 2018, much work remains to consolidate the operation and management of China's bilateral aid (Cheng 2019). Some analysis even suggests that lack of transparency is far from a problem but an asset to Beijing when it comes to direct negotiation with the head of the state behind doors and swift implementation of project initiatives (Garlick 2023).

Absent transparency in formal reporting, there are other tools at Beijing's disposal that may complement the diplomatic objectives behind its foreign aid. In this study, we explore the connections between China's bilateral development finance and other visible activities linked to diplomatic and influence-seeking objectives. We focus in particular on two: (1) coverage of developing countries in external-facing media—that is, media coverage intended for foreign, rather than domestic, audiences—and (2) elite-level diplomatic visits from China to developing countries. Media coverage and diplomatic visits are visible signals of Beijing's priorities. For this reason, Beijing may use both as a way to complement related political objectives it seeks to promote via its financing activities. We discuss these pathways in more detail in the following sections.

3 | Public Diplomacy Tools for Aid Promotion

3.1 | *Xinhua's* Roles in Advancing Public Diplomacy

China has engaged in projecting a new image and establishing a new position⁷—a so-called diplomatic 'rebranding' strategy (Pu 2019). Both media propaganda and diplomacy are central tools of image management in international relations (Pu 2019, 8). Using outward-facing international media to set the agenda is critical in rebranding a state's image as a strong and respected great power to international audiences. Nye (2008) suggests that the first and most immediate dimension of investing in public diplomacy is through daily communications, intending to improve the country's 'soft power'. Government officials devote a great deal of attention to what and how to tell the press, both the domestic press and the foreign press. Media and public relations activities play an active role in shifting public opinion and influencing what they think about the reported subject (X. Wang and Shoemaker 2011). It is not unique for China to leverage benevolent acts such as foreign aid to develop favourable perceptions in global public opinion. The United States, frequently does so (e.g., in Goldsmith, Horiuchi, and Wood (2014) and Dietrich, Mahmud, and Winters (2018)), but China's primary mediated public diplomacy effort relies on its central news agency (Cheng, Golan, and Kioussis 2016), thus giving it more control over how to promote its foreign aid achievements. Leveraging media outlets owned by the state, authoritarian countries can enhance their preferred political images and narratives through 'authoritarian image management' (Dukalskis 2021). In this vein, China has expanded its

Xinhua News Agency to reach global audiences to showcase the potential power of an international-facing media.

As a state-sponsored media platform, *Xinhua* News Agency is often considered more than just a news media agency. *Xinhua* is firmly under the control of the CCP's Central Propaganda Department. Its primary function is still to serve as the mouthpiece of the state and the Communist Party (Hong 2011). *Xinhua*, or virtually all the state-run news in China, is not supposed to function as the Fourth Estate, independently criticizing the government (Siebert 1956). By examining who tightly controls the press, it is best conceived as an instrument of indoctrination and for carrying out the news agenda promoted by the central government (Hong 2011). In 2013, President Xi Jinping exhorted the Propaganda Department to 'tell Chinese stories well', and put the *Xinhua* News Agency at the forefront (Xinhua 2013). *Xinhua* has had a dual role: reporting news and building China's image as part of Beijing's 'going out' strategy (Shambaugh 2015). With an increasingly global reach, millions of articles in production, and hundreds of bureaus worldwide, *Xinhua* has expanded significantly in the past decade.

Yet, despite the nature of the media as a state and party apparatus, *Xinhua*'s news reports should not be dismissed as only propaganda or empty slogans. *Xinhua* presents itself as a multifaceted and global news agency: *Xinhua* has one of the world's largest, most sophisticated, and most advanced news and information-collecting networks that covers nearly every corner of the globe (Brazys and Dukalskis 2020; Hong 2011). Since 2008, it has invested billions of dollars and opened over 170 bureaus across the globe and competes head-to-head with the main Western news wires (Brady 2015; Hong 2011). The agency targets developing countries, where the Western press has contracted in recent years due to the decline in advertisement revenues. It is an international news agency that tries to alter its stilted and propagandistic flavour and package its content in a more reader-friendly format. As a wire service, *Xinhua* provides content in newspapers and on websites around the globe as cheaply and freely as possible. *Xinhua* has also signed a massive range of content-sharing deals with other outlets around the world, generating content that is subsequently distributed and shared with other local news media (Kurlantzick 2023, 22). By making *Xinhua* stories deliberately cheap, China offers information to places with a small local media presence and promotes its perspectives on world events (Roberts 2018).

We focus on *Xinhua*'s outward-facing English branch whose audiences are primarily English-speaking readers. Simply providing more information will not improve its image in the Western world. Attracting audiences depends on credibility, which a state-sponsored news outlet would typically lack. As Druckman (2001) presents, one conditional factor in influencing public opinion is an information sender's 'credibility'. Hence, *Xinhua* has developed the world's largest, most sophisticated network for information collection, filled with news reported by respected journalists trained at the BBC, CNN, and other well-regarded news outlets (Kurlantzick 2023).

On the one hand, governments attempt to shape global narratives regarding their leaders and foreign policies using their own newsgathering and broadcasting operations. On the other hand,

sensitive to the perception that news outlets are an extended arm of the state's propaganda department, *Xinhua* tries to maintain low political bias and high professional standards to assert its brand and compete with other well-regarded international news outlets.

Clearly, *Xinhua* has a particular view it seeks to promote and disseminate, and more money does not make its work easier (Brady 2015). The content and tone change with different audiences (Brazys and Dukalskis 2020; Dukalskis 2021), and they process the messages differently. Some audiences are more receptive while others are more resistant to propaganda strategies, depending on the topics (Mattingly and Sundquist 2023), the backgrounds of audiences (Huang and Cruz 2022), the benign or coercive nature of the messages depending on which regions the international audiences are located (Pu 2019) and the mediums used (Zhu and Fu 2023). However, oftentimes, unnecessary heated nationalist sentiment in external-facing propaganda causes more damage, leaving audiences in other countries with a sour taste in their mouths (Wang 2023; Mattingly and Sundquist 2023). Overall, the goal of these media rebranding efforts is to send out the message that China is a constructive and hospitable force for global development. In addition, it can signal which countries and what perspectives or events receive more attention and coverage from China's authorities' point of view.

This outward-facing Chinese official media, whose mission is to conduct the Party's narrative to foreign audiences, provides key indicators of the PRC government's initiatives to present Chinese perspectives on real-time events to global audiences. Governments use media to tell their benevolent stories to the world and improve their public relations with other countries. As such, we focus on Chinese public diplomacy efforts through *Xinhua*, as a key influence on public and elite opinion on foreign aid-receiving states to foster warmer feelings towards the sending state (Entman 2008; Manheim 1994; Sheaffer and Gabay 2009).

Media coverage provides citizens with salience cues regarding the importance of political figures or issues, and in turn, shapes individuals' perceptions of their relative importance and salience. Media salience, in particular, can reflect the significance of foreign countries named in the media. Wanta, Golan, and Lee (2004) show that coverage of foreign nations in the news relates to the perception of the importance of these countries: the more coverage a state receives, the more likely respondents are to think the state is vitally important to their country's foreign policy. Media coverage of a foreign country shows how important a country is to its reporting country, in particular, to the public. That is, the public learns the importance of the country based on the amount of news coverage it receives (McCombs and Shaw 1972).

Hence, while *Xinhua* plays a major role in defining, shaping and projecting China's image, it reports on a variety of global issues with different regional focuses to meet the standards of global media outlets. However, there is still much room for Chinese officials to control what issues and countries receive more or less coverage. Taking into account the limited space of *Xinhua* to report global affairs, editors' choices likely reflect high officials'

vision of which countries are more important than others. In this way, variation in *Xinhua* coverage is a clear policy lever that elites can pull to demonstrate China's global roles.

3.2 | Diplomatic Visits

The previous section discusses media agenda-setting as an essential step in a country's public diplomacy process to influence the public's opinion in another country. For example, building international media outreach to have a space in the global marketplace of ideas is one of the Chinese government's crucial steps to 'speak to [foreign] people – and listen to them' (Delaney 1968, 4). In fact, all public diplomacy programs have a primary responsibility to explain and defend government policies to foreign audiences (Deibel and Roberts 1976, 15). But beyond media, a more conventional mental image of public diplomacy is 'diplomats engaged in traditional negotiations under the glare of publicity' (Deibel and Roberts 1976, 13). In addition to negotiations behind closed doors, records of government-to-government diplomatic visits are symbolic evidence of the bilateral relationships between countries.

Government-to-government visits are an indicator of the importance the Chinese government places on developing relations with a country as leaders' resources are scarce (Kastner and Saunders 2012). These visits have both symbolic and functional roles. Diplomatic visits often mark further development in bilateral relations, especially in furthering the visiting and host countries' bilateral trade relationships (Nitsch 2005). In fact, studies show that diplomatic visits of Chinese leaders lead to stronger commercial ties and a surge of investment (Stone, Wang, and Shu 2022). For example, Chinese President Xi Jinping promised over 10 billion in investment during a state visit to South Africa. In a news conference hosted by President Cyril Ramaphosa, he demonstrated that 'We have agreed that we must work as partners (with China) to improve the lives of our peoples by elevating our business, commercial and trade ties' (Reuter 2018). The high-profile leader visits are also used as a proxy to predict Chinese favour-giving and lobbying for votes in the UN Security Council (Wang 2022). Leader visits also have implications for the host leaders' security in office (Malis and Smith 2021) and the states' security issues (McManus 2018). Diplomatic visits are critical and required to demonstrate that the Chinese government makes efforts to build good relations with recipient countries for current and future business, especially considering the expansion of Chinese state-owned companies and the advancement of local businesses' interests in the host countries. Overall, diplomatic visits send an important positive signal that the visiting and hosting countries support each other and have close long-term relationships.

Visiting leaders can also increase awareness of themselves and their country among citizens in the host country. The positive messages are especially contingent on how the public diplomacy activities are mentioned in the news in the host countries (Goldsmith, Horiuchi, and Matush 2021). In most cases, the host country's government has the leverage to influence how a government-to-government visit is covered.

In short, diplomatic visits usually come with a policy agenda between two countries, and the two are expected to cooperate in

various domains through their negotiations. From the perspective of communication, a diplomatic visit is a signal of long-term support and the political alignment of countries. In addition, from the perspective of public diplomacy, public outreach has the implication that elites usually improve the image of their country to foreign audiences during these visits.

4 | Hypotheses

We have made the case that both foreign state-sponsored media and diplomatic visits can be used to sway foreign public opinion. The key question we seek to address is how these activities sync up with China's overseas development financing. We propose that both *Xinhua* and elite diplomatic visits are pathways through which Beijing can promote the image-building and soft power goals it attempts to realize through its foreign aid. As argued in a previous section, these pathways are critical for Beijing since formal reporting of its overseas financing does not exist.

To test this logic, we examine the extent to which recipients of Chinese overseas development financing also receive disproportionate coverage in *Xinhua* and host a disproportionate number of diplomatic visits from Beijing. We further leverage data on both Chinese ODA (aid) and Chinese OOF (loans) in testing these relationships. It is important to draw a distinction between Beijing's ODA-like expenditures and its other official flows (OOF). The former we may call aid (or development assistance), and the latter we may call debt (or loans). As Dreher and his team (2022) note in their comprehensive book on Chinese aid and loans, Beijing uses aid and debt to accomplish different goals, and it does not finance them in equal proportion, both in terms of total spending and how it targets funds across developing countries. Dreher and his team (2022) argue that aid tends to be more associated with China's foreign policy objectives, while debt tends to correspond to its market interests. What do these differences imply for Beijing's bilateral diplomacy efforts and state-sponsored foreign media's reporting strategy?

On the one hand, since aid-giving is compatible with publicizing China's generosity and image of responsible power, we should expect some visible acts of diplomacy and efforts to increase the salience of aid-recipient countries among foreign audiences. On the other hand, while aid and loans may have distinct goals, such a distinction may be too simplistic. Perhaps more importantly, some of the market-oriented objectives that drive China's global debt may not benefit from public displays of diplomacy. Recent research suggests that Beijing uses its debt to ensure access to natural resources that China lacks domestically. As noted above, critics find that Beijing targets more of its loans in resource-rich developing countries (Fielding 2015).⁸

What this implies in the aggregate is that aid from China tends to be most strongly determined by both development and political factors, while loans are most strongly determined by market-based factors. This suggests that Chinese ODA-like expenditures should be strong predictors of complementary and visible foreign policy activities. Meanwhile, given the more market-oriented (and by extension more controversial) application of debt, we should expect a much weaker association to

exist between OOF and public diplomacy efforts. While visibility may be a virtue for aid, the opposite may be true for debt, if the two indeed serve separate goals. We therefore expect *Xinhua* coverage and diplomatic visits to be positively associated with Chinese aid, while these outcomes should be relatively independent of Chinese loans.

Media coverage is one way that countries can generate attention and promote a positive spin on their activities to foreign audiences. Recognizing the potential of media as public outreach, Beijing has expanded its outward-facing state-sponsored media activities and news reporting over the past two decades, in part through the English version of *Xinhua*, China's top state-sponsored news agency. By covering developing countries that receive Chinese development financing, *Xinhua* editors can paint a positive picture of the necessity of Beijing's ODA to help alleviate these countries' poor economic conditions and, in so doing, take steps to promote China's international image as a model for development. To improve China's global soft power and status, mediated diplomacy can convey the idea that China is a beneficent contributor to development in poor countries, providing what some have asserted as a 'China model' for development (Kastner and Pearson 2021, 21). On the other hand, the government-sponsored *Xinhua* will deal less with loan recipients since it is more connected to profit-seeking and business-oriented activities. Successful (or not-so-successful) business stories do not help much to shed light on the benevolent nature of Chinese financing. Hence, we should expect that aid recipients will be the focus of greater foreign-facing media coverage in *Xinhua*. In fact, given the controversies surrounding its OOF, there may be incentives for Beijing to deflect the spotlight away from loan recipients.

In addition to expanding the reach and scope of its externally facing news media, China engages in more conventional forms of bilateral diplomacy via government-to-government diplomatic visits. Efforts to document Beijing's public diplomacy have revealed an expansive set of activities in which Beijing engages. These efforts range from the financial to the cultural, and from elite-to-elite meetings to informational exchanges. As noted earlier, while aid is thought to correspond with Beijing's foreign policy goals, loans are supposedly linked to its commercial goals. The idea is that aid lets Beijing buy influence, whereas loans help enrich Chinese firms and propel economic growth for China (Dreher et al. 2022). By sending regular diplomatic visits to developing countries, Beijing can strengthen its bilateral relationships with countries in the Global South, helping to cement the close bilateral ties the offer of development assistance is, in part, intended to promote.

In sum, with respect to its overseas development financing, China lacks the interest or capacity to publicize the exact amount for either commitment or disbursement to keep track of where its money has gone. Media coverage and diplomatic visits are visible signals of Beijing's priorities about where to put the spotlight on and to build bilateral relationships. For this reason, Beijing may use both to complement related political objectives that it seeks to promote via its financing activities and improve the foreign public sentiment about its image. Hence, we expect the following of *Xinhua*'s news coverage and diplomatic visits to aid-recipient countries:

H1. *The more ODA a country receives from China, the more frequently it will be covered in Xinhua, all else equal.*

H2. *The more ODA a country receives from China, it will host more diplomatic visits from China, all else equal.*

Conversely, to the extent that loans function in service of market-based objectives rather than political ones, countries that owe greater debt to Beijing also will not necessarily be more likely targets of greater foreign-facing media coverage in *Xinhua*, nor more likely hosts of a greater number of diplomatic visits from Beijing. In fact, we expect the following two null hypotheses regarding loans-recipient countries:

H3. *Developing countries that owe more debt to China will receive no more or less coverage in Xinhua.*

H4. *Developing countries that owe more debt to China will host no more or less diplomatic visits from China.*

These hypotheses build upon the conventional view that China's aid-giving activities are more compatible with its political goals whereas loan-giving activities are more compatible with its commercial interests. We further use empirical evidence to demonstrate that these different aid-giving and loan-giving activities correspond to different patterns of state-oriented public diplomacy efforts. The next section describes our data and research design for testing these hypotheses.

5 | Data, Design and Stylized Facts

5.1 | Data and Design

To test our hypotheses we compiled an original country-year dataset that consists of over 140 developing countries and that covers the period from 2002 to 2017. The two main outcomes that we populated this dataset with are the number of *Xinhua* news article mentions that a country receives in a given year and the number of diplomatic government-to-government visits that a country hosts from Beijing in a given year. The two main explanatory variables we use are ODA and OOF commitments to countries in a given year.⁹ Each of the outcomes of interest—the number of *Xinhua* news article mentions and the number of bilateral diplomatic visits from Beijing—are discrete count variables. We therefore rely on a few alternative approaches for modelling the data. Specifically, we use log-linear models estimated via ordinary least squares (OLS), zero-inflated negative binomial (ZNB) models, and pseudo-Poisson maximum likelihood (PPML). Each of these approaches has some advantages and disadvantages for studying count data, so we opt for all three to ensure the robustness of our findings.

We estimate the following two models to test whether changes in the amount of aid (ODA) or loans (OOF) received correspond to shifts in coverage and visits:

$$\text{Coverage}_{it} = f\left\{\alpha + \beta_1 \text{asinh}(\text{ODA}_{it-1}) + \beta_2 \text{asinh}(\text{OOF}_{it-1}) + X_{it}^T \delta + \text{Year}_t + \text{Recipient}_i\right\}; \quad (1)$$

visits_{it} = f

$$\{\eta + \beta_3 \operatorname{asinh}(\text{ODA}_{it-1}) + \beta_4 \operatorname{asinh}(\text{OOF}_{it-1}) + X^T \gamma + \text{Year}_t + \text{Recipient}_{it}\}. \quad (2)$$

Hypotheses 1–4 are tested via the direction and statistical significance of β parameters 1–4. H1 will be supported if $\beta_1 > 0$, and H2 will be supported if $\beta_3 > 0$. H3 will be supported if $\beta_2 = 0$, and H4 will be supported if $\beta_4 = 0$.

The usual two-sided hypothesis test will be done for H1 and H2, but H3 and H4 are unusual in that our research hypothesis in each case is the null. Simply testing against the null hypothesis and failing to reject it is not the same thing as evidence in favour of the null, and so this approach would be inappropriate. We instead adopt a procedure that is relatively well known in the biostatistics literature (Harms and Lakens 2018), and introduced in the political science literature by Rainey (2014), called two one-sided tests (TOST). This method involves selecting a minimum substantive effect and determining whether an estimated effect is statistically as large as it at the $p < 0.1$ level of significance. The approach for selecting a minimum substantive effect is somewhat arbitrary. We propose testing against a minimum effect of 0.01, which we believe is a reasonable effect size in an observational study such as ours. For our statistical model, such an effect would imply that a percent change in ODA or OOF leads to a 0.01 percent increase in one of the outcomes of interest. This may seem like a small effect, but as Rainey (2014) advises, smaller minimum effects signal a stronger claim by researchers that an estimate is negligible.

Depending on the estimator used, Specifications 1 and 2 also include year and recipient intercepts to adjust for observed time-varying and constant or slow moving recipient specific factors. The vector X_{it} denotes a set of control variables to improve precision and to adjust for possible confounders for Chinese bilateral financing, *Xinhua* coverage, and diplomatic visits. A summary of these variables (four main variables and nine confounders), definitions, and their sources are given in Table 1. The data cover the years 2002 to 2017.

5.2 | Trends in Aid and Loan Giving

Before discussing the main statistical results, it may be helpful to summarize some trends of Chinese aid and loans and to consider the top recipients in terms of their financial portfolios on average. These stylized facts provide some helpful context and intuition for the data.

Figure 1 shows the total ODA (aid) and OOF (debt) committed by Beijing per year from 2002 to 2017. Values are shown in millions of 2017 USD. Blue shows values for ODA and yellow shows values for OOF. The difference in China's application of ODA relative to OOF is stark, and the gulf only expands over time. This explosion in loans relative to aid aligns with a shift in Beijing's strategy going into the 21st century. Burdened with vast foreign currency reserves due to years-long trade surpluses, confronted with excess domestic production of industrial goods, and in need of access to resources to support its continued economic growth, Beijing tasked its so-called

policy banks to help Chinese firms gain access to foreign markets (Dreher, Fuchs, Bradley Parks, A. M. Strange, et al. 2022). This focus spurred a radical change in China's development finance portfolio. As Dreher et al. (2022) put it, 'Beijing began to behave less like a benefactor and more like a banker' (p. 5). Figure 1 shows this transformation from donor to lender in the starkest of terms.

However, despite an expansion in the number of debtors over time and the now mammoth scope of total lending, most of these loans are concentrated in a smaller set of countries relative to aid. Even at its lowest dip in 2013, the number of developing countries that exclusively are beneficiaries of Chinese aid remained greater than the number of developing countries that exclusively were recipients of loans and the number of countries that were recipients of both loans and aid. This suggests that if Beijing has shifted its strategy for development finance, its approach has been to cast a wider net with its aid while it takes a more targeted approach with loans.

Figure 2 shows the top 20 Chinese aid and loans recipient countries on average between 2002 and 2017. Notably, on average, Iraq received 500 million in aid but borrowed 0 dollars in loans from China. In contrast, Russia borrowed almost 8 billion dollars from China but received no aid at all. There is little overlap between the top recipient countries that receive both aid and debt from China, with stark variation in terms of the amount China lends. Russia and Venezuela were the only countries that borrowed more than 5 billion dollars in debt on average, the sum of which accounted for about 30% of the total lending amounts of the top 20 debt recipients. Only eight countries appear in both the left and right panels: Indonesia, Pakistan, Laos, Ethiopia, Cambodia, Sri Lanka, Kenya, and Sudan. These eight countries receive both high amounts of Chinese aid and loans. Geographically, five are in South or East Asia, whereas three are in Africa.

In terms of the composition of portfolios for the top 20 beneficiaries of the total amount of both aid and debt, Figure 3 shows that over 80% of the total financing is loans received in 14 out of 20 countries. The top five recipients—Russia, Venezuela, Angola, Kazakhstan and Brazil—received support from China almost purely in the form of loans (0% in aid). Kazakhstan is the only exception among the five beneficiaries with aid comprising 2% of its portfolio. Down the list (top 5–10 recipients), the financial portfolios of Indonesia, Pakistan and Ethiopia are more balanced than the top five total financing recipients. Clearly, we can infer that Beijing gives more generously in its loans relative to aid in terms of amount. China also takes a targeted approach to loan giving.

Finally, Figure 4 shows descriptively the trends in the number of yearly *Xinhua* mentions of developing countries in the sample and the number of yearly diplomatic visits these countries host. The left frame of the panel shows the total number of diplomatic visits per developing country per year, and the right frame shows the yearly total news articles *Xinhua* mentions the recipient countries. The sample is divided by status as a Chinese loan recipient (yellow) or not (blue). From the longitudinal presentations of the data, there seem to be large observable differences in country coverage in *Xinhua* and

TABLE 1 | Variables.

Variable	Definition	Source
<i>Xinhua</i> News Articles related to Economy (IV 1)	Keywords search ^a from <i>Xinhua</i> news headlines to identify relevant news articles and do yearly counts by country collected by the authors.	Global News Archive (Cline Center for Advanced Social Research 2022)
Diplomatic visits (IV 2)	Total number of high-level and provincial-level visits by government officials between China and the receiving country each year based on public records.	China's Global Public Diplomacy Dataset (AidData 2021)
Chinese ODA (DV 1)	Sum of total commitments in dollars of Chinese Official Development Assistance (ODA) to receiving country each year.	Chinese Development Finance Dataset (Dreher et al. 2022)
Chinese OOF (DV 2)	Sum of total commitments in dollars of Chinese Other Official Flows (OOF) to receiving country each year.	Chinese Development Finance Dataset (Dreher et al. 2022)
UN Vote Distance	Aggregated distance of ideal points of UN General Assembly Voting by year.	UN General Assembly Voting Data (Bailey, Strezhnev, and Voeten 2016)
Recipient GDP	PPP GDP of recipient countries is gross domestic product converted to international dollars using purchasing power parity rates (constant 2017 international \$).	World Bank (World Bank 2022)
Recipient population	Total population of recipient countries is based on the de facto definition of population, which counts all residents regardless of legal status or citizenship.	World Bank (World Bank 2022)
Disaster deaths	Deaths as a result of natural disasters in recipient countries by year.	Burden of Disease Study (Health Metrics and Evaluation 2019)
Civil wars	State-based violent conflicts count of the recipient countries by year.	PRIO Conflict Recurrence Database (Uppsala Conflict Data Program 2024)
Bilateral distance	Bilateral country distances between recipient countries and China in km.	CEPII (Mayer and Zignago 2011)
Exports and imports	Annual trade statistics between recipient countries and China.	Open Trade Statistics (Vargas 2022)
FDI	Foreign direct investment to the recipient countries, net (BoP, current US\$) by year.	World Bank (World Bank 2022)
Democracy	Aggregated polyarchy index based on the extent to which the electoral principle of democracy is achieved.	V-Dem (Coppedge et al. 2019)

^aSelecting news articles' headlines that mention one or more of the variations of these keywords: aid, donor, lend, development, investment, growth, support, business, help, construction, education, funds, projects, donate and assist.

diplomatic visits depending on recipient status. Loan recipients get more media spotlight and host appreciably more visits than non-recipients. The peak differences for the visits get narrowed after 2008, but for *Xinhua* mentions, the peak difference between loan recipients and non-recipients is around early 2010. Both wind down in the rest of the sample period. It seems like debtor status is associated with more frequent

yearly mentions in *Xinhua* and a greater number of hosted missions from Beijing. For a summary of total yearly counts of mentions and visits, see Table A.3.

These patterns remain only suggestive, but enough to give us a second thought about a possible positive relationship between policy goals and China giving loans. Many factors jointly

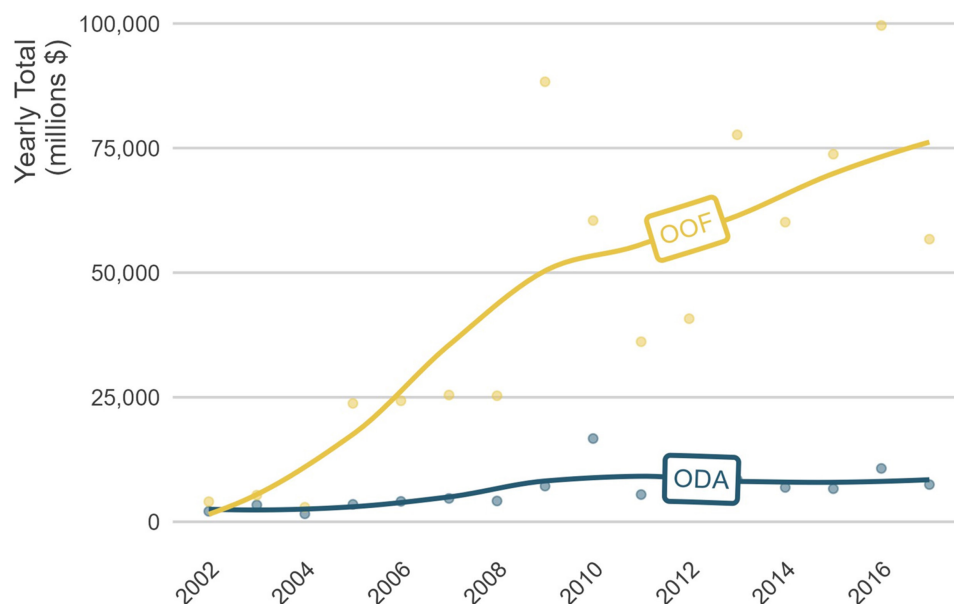


FIGURE 1 | China's development finance, 2002–2017.

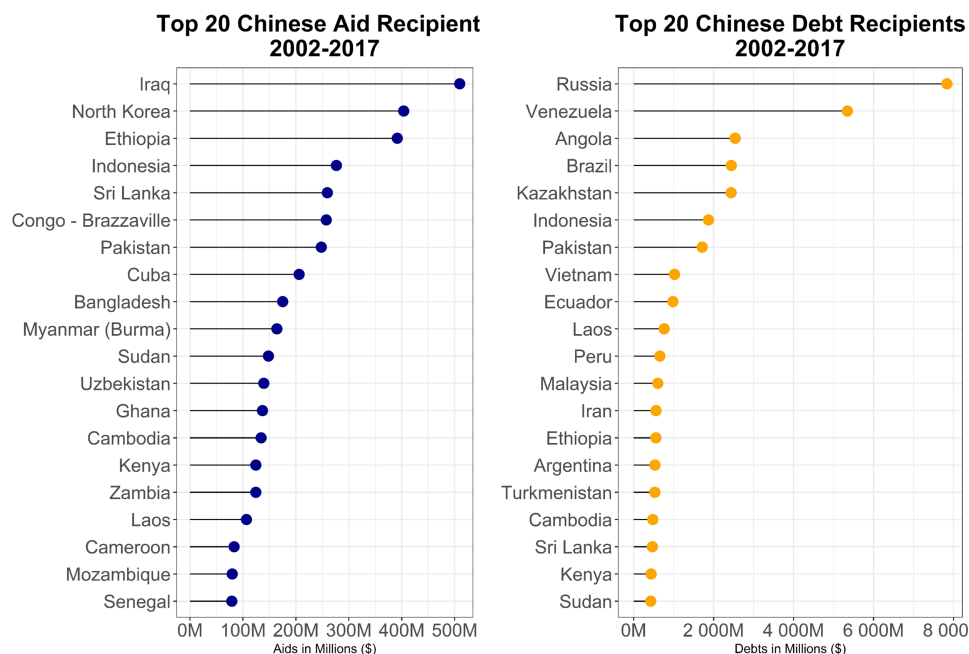


FIGURE 2 | Top ODA (aid) versus OOF (debt) recipients, 2002–2017.

determine Beijing's financing, *Xinhua* coverage, and diplomatic visits that likely confound straightforward identification of the relationships among these variables. The next section summarizes the results from more rigorous statistical tests of our hypotheses outlined earlier in Section 5.1.

6 | Results

This section summarizes the results from the main statistical analysis. The sample used to estimate models outlined in the 'Data and Design' section included 2480 country-year observations consisting of 142 unique countries with observations

from 2002 to 2017. The appendix section includes summary statistics (Table A1) along with full regression results (Table A2). To save space, we limit our presentation of the results to the main predictors of interest.

Table 2 reports regression model estimates. Cell entries are coefficients with standard errors in parentheses. Statistical significance in the table is based on two-sided tests with the conventional $p < 0.05$ threshold. Recall that statistical significance for Hypotheses 3 and 4 is based on the TOST procedure mentioned in the previous section. Results from this approach are shown in Figure 6, which will be discussed in more detail soon. The first two columns of the table report PPML estimates, the

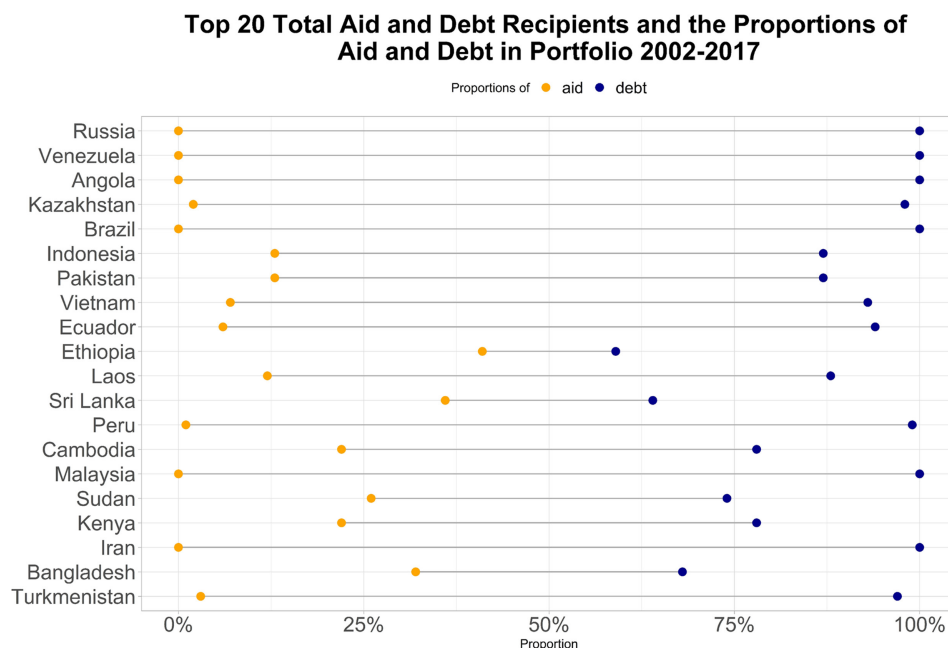


FIGURE 3 | Top ODA and OOF recipients' share of financial flows, 2002–2017.

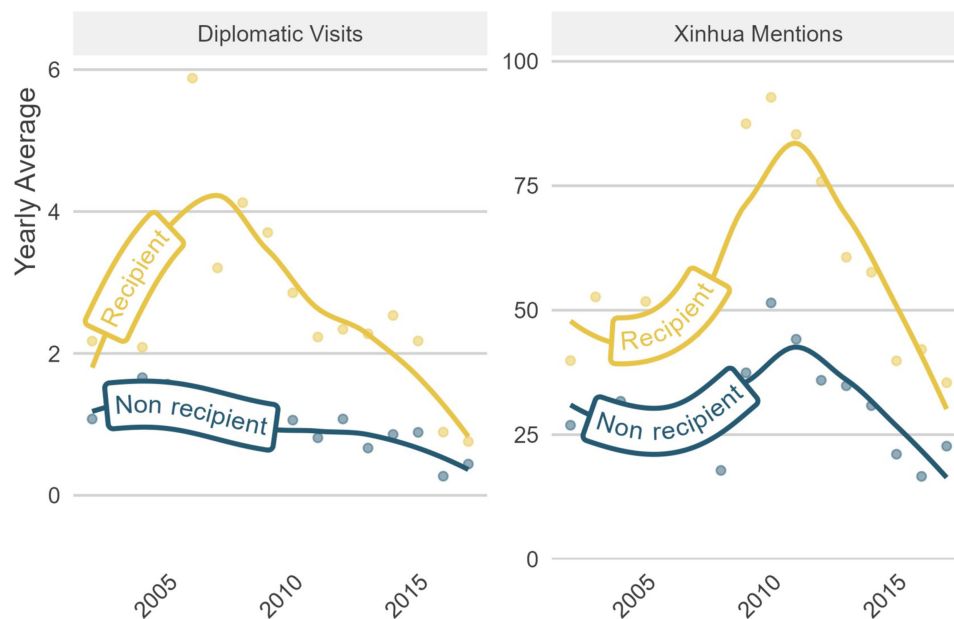


FIGURE 4 | China's activities in OOF and non-OOF recipients, 2002–2017.

middle two OLS estimates, and the last two ZNB estimates. For each estimation approach, results where *Xinhua* coverage was the response variable are shown first, followed by results where diplomatic visits was the response variable. All models were estimated with year fixed effects and a suite of control variables to adjust for confounding and improve precision. The linear model estimated via OLS also included recipient fixed effects, while the ZNB model included recipient random effects. Standard errors for PPML and OLS estimates are robust and clustered by recipient. Since heterogeneity by recipient is modelled explicitly in the ZNB model, no ex post adjustment is made to the standard errors.

Across the models, ODA is a positive correlate of greater *Xinhua* coverage. With rounding, the coefficient across models is the

same (0.01) and is statistically significant in two out of three models and marginally significant in the remaining model ($p < 0.001$ for the ZNB model, $p < 0.05$ for the linear model estimated with OLS and $p < 0.1$ for the PPML model). Meanwhile, OOF appears to be a positive correlate of diplomatic visits. While estimates across models are all positive, there is more variation in their values than in the case of ODA (coefficient is 0.026 in the PPML model, 0.002 in the linear model estimated with OLS and 0.007 in the ZNB model). Further, while the estimate is statistically different from zero in two out of three of the models, the estimate in the third falls short even of marginal levels of significance ($p < 0.05$ for the PPML model, $p > 0.1$ for the linear model estimated with OLS and $p < 0.01$ for the ZNB model).

Figure 5 shows some example predictions for coverage and visits, with six panels. From left to right results are shown for OLS, PPML, and ZNB derived predictions. The top row shows predictions of recipient mentions in *Xinhua*, and the bottom row shows predictions of elite visits from Beijing.

Values in blue denote predictions per a percentage change ODA, and values in grey denote predictions per a percentage change in OOF. In addition to noting percent changes in these predictors, the corresponding change in standard deviation units have also been included to provide a sense of scale for

TABLE 2 | Regression estimates.

	PPML		OLS		ZNB	
	Coverage	Visits	Coverage	Visits	Coverage	Visits
ODA	0.01*	0.013	0.009**	0.002*	0.009***	0.000
	(0.005)	(0.013)	(0.003)	(0.001)	(0.002)	(0.004)
OOF	0.001	0.026**	−0.001	0.002	0	0.007***
	(0.004)	(0.01)	(0.002)	(0.002)	(0.002)	(0.003)
Controls	✓	✓	✓	✓	✓	✓
Recipient REs	✓	✓
Recipient FEs	.	.	✓	✓	.	.
Year FEs	✓	✓	✓	✓	✓	✓
N obs.	2480	2480	2480	2480	2480	2480

*** $p < 0.01$.

** $p < 0.05$.

* $p < 0.1$.

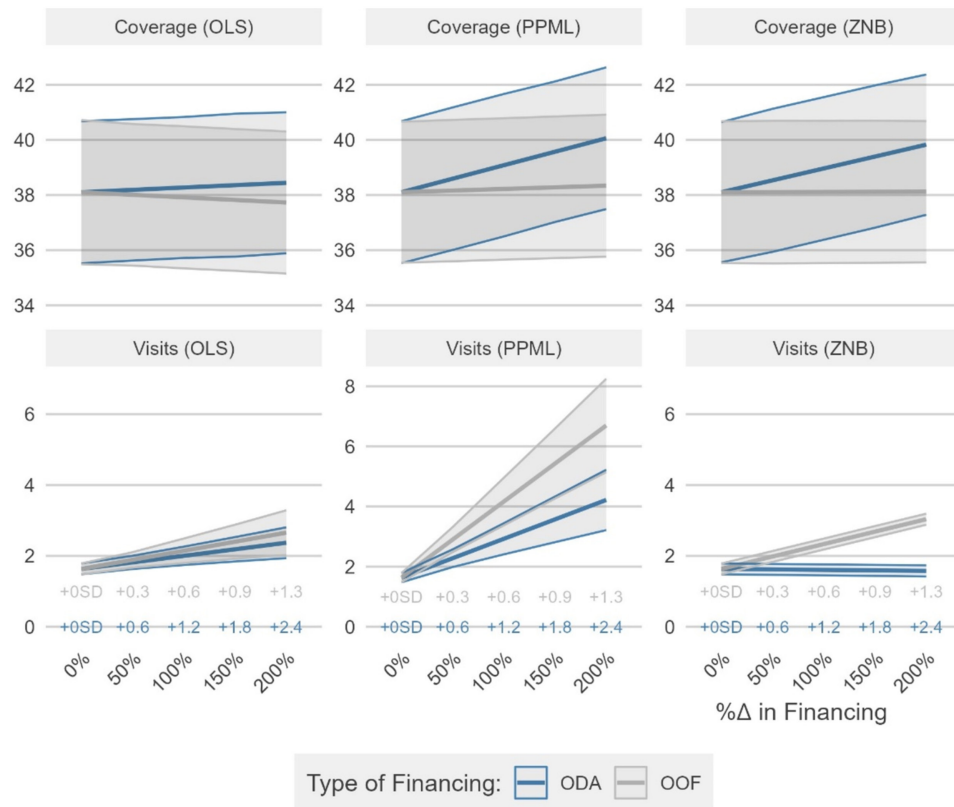


FIGURE 5 | Example marginal effects for ODA and OOF based on results in Table 2. Y axis values shown are the predicted level of coverage (top row) and in elite visits (bottom row) by alternative estimation procedure per a percent increase in ODA (blue) or OOF (grey). The 95% confidence intervals are included. To aid in the substantive understanding of what a percentage change in financing means, corresponding changes in ODA (blue) and OOF (grey) in standard deviation units are given as well. Starting values for outcomes are the sample mean for each. Model predictions are shown for 2005. In the case of ODA, the recipient is held constant at the median aid recipient in the sample (Egypt). In the case of OOF, the recipient is held constant at the median OOF recipient in the sample (Northern Macedonia).

a percentage change. The 95% confidence intervals have been included. Across models, greater ODA from China has a clear positive correspondence with greater coverage of a recipient. The predicted change is modest, however. With a median starting value for recipient coverage of (approximately) 38 news articles per year, to increase news coverage by just two articles requires a doubling of Chinese ODA to that country.

While a percent change in ODA has a positive but modest association with coverage, a percent change in OOF barely registers a change in news coverage. This can be seen by the much shallower slope of the grey lines in the top panels in Figure 5.

The results are much different when we look at the predictions for elite visits in the bottom set of panels in Figure 5. OLS and PPML estimates are positive for both ODA and OOF. Meanwhile, the ZNB estimates are only positive for OOF and modestly negative for ODA. Furthermore, in terms of relative magnitude, the conditional predictions are much larger. For instance, the results from the PPML model suggest that a 200% increase (equivalent to about 1.3 standard deviations) in OOF leads to an increase from about two to six diplomatic visits in a year (a 300% increase).

Figure 6 summarizes both the conventional p values and TOST p values associated with the estimates for ODA and OOF. As specified earlier, Hypotheses 1 and 2 propose that ODA is a positive predictor of coverage and elite visits. In both cases, we use the conventional two-sided null hypothesis for statistical significance. Conversely, Hypotheses 3 and 4 propose that OOF has a null relationship with coverage and elite visits. In these cases, we therefore base statistical significance on p values generated via the TOST procedure (Harms and Lakens 2018; Rainey 2014). With the TOST approach the goal is to see if we can reject the null hypothesis that an estimate is at least as great in absolute magnitude as a minimum substantive effect denoted by m . As we noted in an early section, we specify the smallest meaningful effect as $|m| = 0.01$ —this proposed cut-point is close to the range of substantive estimates reported in Table 2. The TOST p values are computed using

two one-sided tests where the maximum between the two is the p value we will use. A small p value will indicate that the data is consistent with a negligible relationship between predictors and outcomes. Following Rainey (2014), we use the 0.1 p value threshold to test our null Hypotheses 3 and 4 that OOF as a negligible relationship with coverage and diplomatic visits.

For completeness, Figure 6 reports both types of p -values for ODA and OOF. TOST p values are shown in blue and conventional p -values are shown in grey. The 0.05 threshold is highlighted with a solid black vertical line, and the 0.1 threshold is highlighted with a dashed grey vertical line. From left to right, the panels in the figure report p values for OLS, PPML and ZNB estimates. The top row shows p values when the outcome is coverage while the bottom row shows p values when the outcome is elite visits.

The conventional p values for ODA with respect to coverage are consistent with rejecting the null in two out of three models. In the case of PPML, the p -value at least falls below the 0.1 level. Overall this is consistent with Hypothesis 1—overall we find a positive relationship between the amount of ODA a country receives from China and its frequency of coverage in *Xinhua*. Note that the TOST p -values for ODA with respect to coverage are well above the 0.05 threshold, suggesting the effects detected are meaningful.

With respect to ODA and elite visits, contrary to Hypothesis 2, we cannot reject the null hypothesis at the conventional level across all models using conventional p values. In the case of OLS, the p value at least falls below the 0.1 level. With respect to TOST p values, in two out of three models, we can reject the null hypothesis and conclude that there is no significantly detectable effect between ODA-recipient countries and elite visits.

Turning to TOST p values for OOF with respect to coverage, all fall below the 0.1 threshold (and the 0.05 as well), meaning that we can reject the hypothesis that the estimates are at least as large as our proposed minimally substantive relationship of 0.01. In addition,

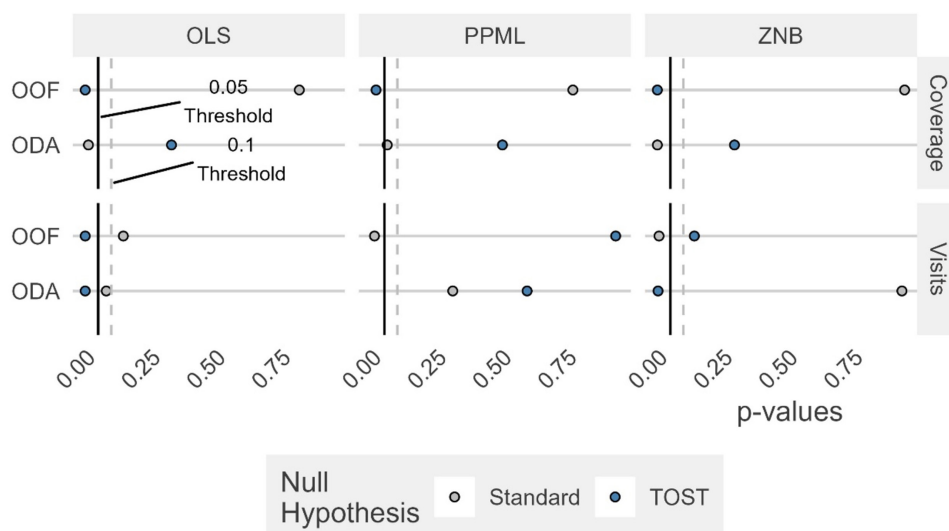


FIGURE 6 | Significance of ODA and OOF estimates with the standard null hypothesis and the directed one-sided equivalence test. Equivalence for the estimate in the latter case is set to ± 0.01 .

the conventional p values are well above the 0.05 threshold. In short, this supports our null hypothesis for OOF and coverage.

However, contrary to Hypothesis 4 that there is a null relationship between OOF and diplomatic visits, we cannot reject the hypothesis that the true estimate for OOF is at least as extreme as 0.01 when the outcome is elite visits in two out of three models. While OLS estimates are consistent with a null or negligible relationship with respect to OOF and elite visits, PPML and ZNB estimates are not. Moreover, an examination of the conventional p -values shows that we can reject the null for the PPML and ZNB estimates as well. In short, the data is generally consistent with a substantive relationship between the amount of OOF a country receives from China and the number of diplomatic visits that country hosts from China.

Generally, both the TOST and conventional p values tell a consistent story. When we can reject the conventional null hypothesis, we usually fail to reject the hypothesis that the true estimate is at least as extreme as 0.01, and vice versa. Examining the TOST and conventional p values simultaneously gives us more confidence in the evidence that there is either a true and meaningful correlation or a negligible or null correlation between the variables of interest.

7 | Discussion and Limitations

The positive correlation between ODA and coverage in *Xinhua* is as expected. The evidence is also consistent with the expectation that OOF has a negligible association with recipient coverage. However, the data is also consistent with a positive correlation between OOF and diplomatic visits in two out of three models, which is contrary to what was hypothesized. Similarly, the data do not consistently support a positive association between ODA and elite visits.

These findings suggest that Beijing's use of ODA and OOF is connected to its foreign policy goals, but possibly in distinct ways. High-ranking officials appear to view diplomatic visits to loan-recipient countries as a priority, perhaps seeing opportunities to sign agreements, engage in negotiations, meet with government and business officials, deliver speeches, gain media exposure, and partake in cultural exchanges, among other activities. In short, Beijing's officials seem to actively cultivate elite ties with their debtors. Conversely, aid recipients get more state-sponsored media coverage in *Xinhua*, consistent with the argument that Beijing strategically shines a spotlight on where its foreign aid goes to foster a positive international image.

We should note that our analysis cannot rule out alternative explanations for these differing relationships between ODA and OOF with media coverage and elite visits. Efforts to probe the mechanisms that we argue explain these relationships are a fruitful area for future research.

On this point, it is important that we clarify our causal argument and the limitations it implies for future researchers considering causal levers to exploit. In our view, Beijing's overseas financing does not cause media coverage or elite visits in such a way that a randomized intervention to increase its financing

to certain recipients would further lead to increases in coverage or visits. To the contrary, we argue that development financing is complementary with coverage and elite visits in a way that's analogous to how a right shoe complements a left shoe. If a consumer needs a pair of shoes, she will buy shoes in pairs because one shoe without the other is of minimal utility. But if someone were to randomly give a consumer a left shoe that would not imply that she will now purchase a right shoe. Demand for shoes precedes the decision to buy. So it is, in our view, with the connection between China's overseas financing, coverage, and visits. For example, if Beijing seeks to gain soft power through its relationship with a recipient, that goal precedes and then jointly drives its financing and diplomatic behaviours. However, exogenously increasing Beijing's financing would not imply an increase in diplomatic visits. In our view, the causal factor at work is the intrinsic value of a recipient country in view of China's foreign policy.

The generalizability of our findings is another issue we should consider. Aronow and Samii (2016) show that in the context of regression analysis, controlling for covariates and including fixed effects introduces new regression weights that determine which observations in the data get up or down weighted in identifying a particular regression coefficient. Aronow and Samii refer to this reweighted sample as the 'effective' sample, which they contrast with the 'nominal' sample or the full sample of data used to estimate a regression model. Often it is the case that the regression weights that are produced yield an effective sample that is no longer representative of the nominal sample. For this reason, Aronow and Samii (2016) recommend checking how these regression weights influence the generalizability of a set of results, and they provide guidance on how to do so. We followed their advice and have summarized the results in Figures 7 and 8. To keep the analysis simple, we consider only the regression weights produced via OLS; though a similar exercise is possible for the PPML and ZNB estimates as well. Readers interested in the details of the methodology for recovering the relevant effective sample weights are referred to Aronow and Samii (2016).

The method they propose is intuitive and effective, however. The regression weights for a given model covariate are proportional to how poorly that covariate is explained by other factors in the model. Importantly, these weights do not tell whether an effect is conditional nor that it is really limited to a subset of the sample. They only indicate how local (in contrast to general) the variation required to identify a conditional relationship is in the data. In short, they tell us where we have evidence of a relationship—not where we have evidence of no relationship.

Figure 7 summarizes the nominal and effective sample of recipient countries in the data. Importantly, there is a unique set of effective sample weights associated with ODA and OOF, so we have represented these weights in separate panels of the figure. The first panel on the left summarizes the nominal sample of recipient countries, the middle panel summarizes the effective sample for ODA, and the right panel summarizes the effective sample for OOF. The nominal sample is generally representative of the population of developing countries that would be eligible to receive development financing from China. However, the effective samples used to identify the relationships between ODA and OOF with coverage and

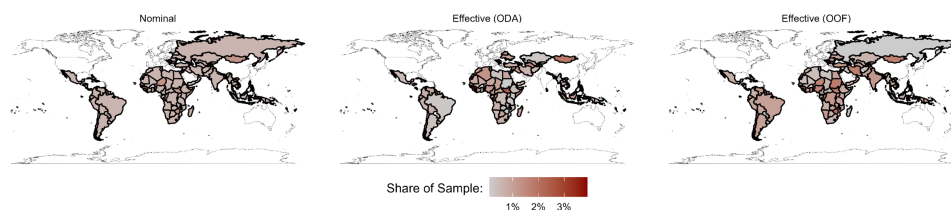


FIGURE 7 | Nominal and effective samples of recipient countries used to identify the relationships between ODA and OOF with *Xinhua* coverage and elite visits from Beijing. Effective sample weights are based on the OLS regressions.

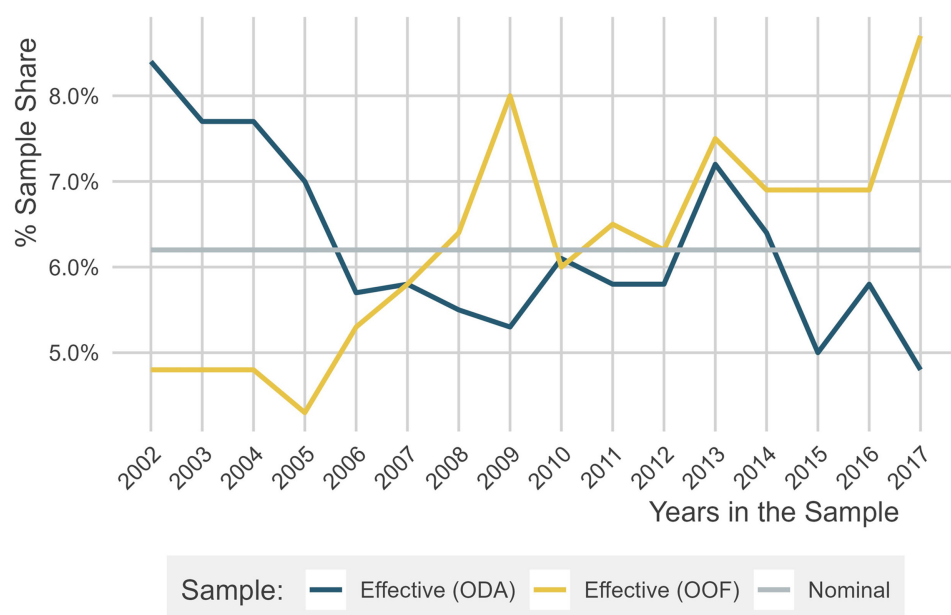


FIGURE 8 | Nominal and effective samples of years used to identify the relationships between ODA and OOF with *Xinhua* coverage and elite visits from Beijing. Effective sample weights are based on the OLS regressions.

elite visits deviate from the nominal sample. In the effective sample for ODA, India, Russia, and Pakistan receive basically zero weight. Conversely, Mongolia, South Sudan and Somalia receive more weight compared to the nominal sample. With respect to OOF, India, Russia and Pakistan are back on the map, and Iran, Sudan, South Sudan, Niger and Nigeria, among others, receive more weight.

Figure 8 summarizes the nominal and effective samples of years in the data. The grey line represents the share of the time a year appears in the nominal sample, the blue line represents the share of the time a year appears in the effective sample for ODA, and the yellow line represents the share of the time a year appears in the effective sample for OOF. While the nominal sample is constant from 2002 to 2017, the effective samples deviate from the nominal sample and do so in opposite ways. The effective sample for ODA is more heavily weighted in the earlier years than the later years of the time-series, while the effective sample for OOF shows the opposite trend.

The fact that the effective samples used to identify the conditional relationships between ODA and OOF with coverage and elite visits deviate from the nominal sample does not imply that these relationships are conditional or local to certain subsets of the data. These weights do imply that evidence of the relationships we identify in our analysis is disproportionately

concentrated in certain years and in some recipients as opposed to others. At best, we do not know whether this is any more or less problematic compared to the typical observational study where controlling for covariates inevitably yields regression weights that distort the effective sample relative to the nominal sample used in the study. However, we should point out that, even if the sample is no longer representative of the full set of countries in the data, if you look at Figure 7, there is still pretty good representation at the regional level for the effective samples unique to ODA and OOF. And even though there are systematic differences in sample weights over time in the effective samples, the differences are not big in absolute terms, and at no point is any year in the data given zero weight. In short, the reweighting that takes place in the data by virtue of our regression models is not so extreme that we are prevented from drawing reliable inferences from the data. Nonetheless, by being transparent about the scope conditions that do exist on our inferences, our hope is that researchers in the future will be able to find ways to push against these boundaries.

8 | Conclusion

In crafting its foreign policy strategies, Beijing has historically concentrated on its immediate neighbours for both security and geostrategic reasons. Nevertheless, there is an evident shift

towards a more global outlook in China's approach (Nathan and Scobell 2012; Pu 2019). Similarly, when it comes to allocating its financial resources and exerting economic influence, certain countries hold greater significance than others. However, Beijing's leaders keep these reasons close to the vest.

The secrecy surrounding China's international development financing is puzzling. But vis-à-vis this limited transparency, the painstaking work of researchers to document and analyse trends in China's development financing has illuminated a great deal about Beijing's distinctive approach to giving and lending. In one of the most comprehensive efforts to document trends in Chinese development finance, Dreher and his team (2022) find that China is far from the stereotype of a rogue donor seeking to promote authoritarianism globally, as many fear. Instead, China's ODA-like expenditures follow patterns similar to those of OECD-DAC donors. Much like these traditional donors, China's foreign aid is a versatile foreign policy tool through which Beijing seeks to accomplish important objectives in international politics. These goals, we contend, encompass securing international recognition of China as a great power, image-building and fostering closer diplomatic ties with developing countries in what China calls 'South-South' cooperation.

The goals of facilitating cooperation and winning international recognition as a rising global power are difficult to accomplish covertly. Hence, we consider the role of outward-facing state-sponsored news coverage and bilateral diplomatic visits from Beijing as valuable complements to the foreign policy goals underlying China's giving and lending. This paper has unpacked how China's official outward-facing media and diplomatic efforts engage with major destinations of China's overseas money and projects. While public diplomacy and outward-facing state-sponsored media are not solely used to bolster China's overseas development financing, they undeniably share common objectives. In particular, diplomacy and news coverage are both highly visible activities, capable of supplementing the frequently opaque nature of Beijing's development finance efforts. Therefore, in this study, we propose that if China's development finance primarily aims at bolstering its image, then countries receiving China's overseas development assistance should attract disproportionate media coverage in *Xinhua* and diplomatic visits aimed at image-building.

In our empirical analysis, we discover partial support for our hypotheses, and identify some additional patterns that run afoul of our expectations. Consistent with our argument, we observe that countries receiving greater ODA-like financing from China garner increased media attention in foreign-facing articles of *Xinhua*, which often are articles reporting on concerns about these countries' economic development. Simultaneously, OOF or loan-recipient countries host diplomatic visits from Beijing disproportionately more than other countries (all else equal). This suggests that loans, rather than ODA, are tied to Beijing's efforts to promote closer bilateral cooperation.

To foster current and future economic ties, it is possible that those receiving more debt host more diplomatic visits from Beijing where high-level officials can sign agreements, hold meetings, and engage with local communities to pave the way

for Chinese businesses. Most companies, including state-owned enterprises (SOEs), when going abroad, are still profit-driven to pursue market opportunities. In many instances, they require government officials, embassies and consulates to build benign bilateral relationships and smooth the way for firms (Kastner and Pearson 2021). Therefore, commercial-driven incentives of building strong bilateral cooperation, rather than image-building and promotion, may explain why we observe more diplomatic visits in loan-receiving countries.

Our findings shed new light on two aspects of Chinese overseas development financing projects. First, the foreign-facing version of *Xinhua* does not function primarily as a propaganda tool for China. While *Xinhua* occasionally mentions the 'Belt and Road' initiative in broad terms, it rarely delves into the specific details of on-the-ground aid projects or directly propagates its achievements. If we were to rely solely on *Xinhua*'s news reports, we would have little insight into the extent and level of China's contributions to a wide array of developing countries in need. Most of the project specifics are revealed on Chinese embassy websites and other news sources, requiring diligent research efforts to uncover this information through institutions like AidData (B.C. Parks et al. 2023).

Returning to the puzzle driving this research project—why China refrains from publicizing its aid projects at the institutional level—we discover that *Xinhua* does not extensively cover project details. Instead, aid-recipient countries receive greater media attention regarding their economic development needs. These news articles, based on events and factual information, may be intended to legitimize China's provision of Official Development Assistance (ODA) as a gesture of benevolence rather than to emphasize aid effectiveness. In short, the disproportionate coverage of aid recipients is about signalling China's generosity rather than performance. Future research should delve deeper into understanding why *Xinhua* refrains from reporting the extent of China's direct involvement in the local economies of recipient countries or whether and to what extent China influences local media outlets in these recipient countries to report on its aid projects.

Second, we observe that countries receiving loans often experience a higher frequency of high-level official visits from China compared to those that do not receive such loans. We posit that in addition to conducting business transactions, China considers policy objectives and diplomatic bonds with countries receiving loans (it is worth noting that we do not observe such relationships with countries receiving aid). China allocates significant resources to nurture enduring partnerships with these states that hold promising economic potential. Rather than desiring to see them burdened by debt and economic distress, China may seek their prosperity and mutual benefits, invest in bilateral relationships, and ensure its loans are repaid.

Moreover, our research underscores the importance of distinguishing between China's ODA and OOF in understanding its public diplomacy efforts targeting different destinations. We emphasize that countries receiving loans make efforts to maintain strong and amicable ties with China. The flow of loans can also serve as an indicator of their diplomatic proximity to China.

Future studies may delve deeper into exploring how the interplay of economic and political interests unfold differently in aid- and loan-recipient countries.

Acknowledgements

We thank Matt Winters, Yujeong Yang, Samuel Brazys, participants at MPSA 2022 and the AidData conference 2022, and anonymous reviewers for their constructive feedback. All the errors are our own.

Data Availability Statement

The data that support the findings of this study are openly available in `chinese_media_and_foreign_aid` at https://github.com/milesdwilliams15/chinese_media_and_foreign_aid.

Endnotes

- ¹ ODA (official development assistance—which has a larger grant component).
- ² OOF (other financial flows—which typically act more like loans).
- ³ ODA meets criteria similar to those outlined by the OECD.
- ⁴ OOF: These are flows with developmental, commercial, or representational intent, including export credit projects that often have a larger loan component. “Unofficial” financing such as Joint Ventures, Foreign Direct Investment, military assistance, or corporate aid is not included.
- ⁵ See, for example, the partnership between USAID and William and Mary’s AidData Research Lab: <https://www.aiddata.org/partners>.
- ⁶ See USAID’s resource page on branding: <https://www.usaid.gov/branding>.
- ⁷ China struggles to build a positive image as a rising international stature, as opposed to being a status-quo power.
- ⁸ Notably, China’s attraction to resource-rich countries is no different from many other Western donors (Chen, Dollar, and Tang 2018; Dreher, Fuchs, Brad Parks, et al. 2018).
- ⁹ See Table 1 for more details about the data sources.

References

- AidData. 2018. “China’s Financial Statecraft: Winning Africa One Yuan at a Time?” *AidData*. <https://www.aiddata.org/blog/chinas-financial-statecraft-winning-africa-one-yuan-at-a-time>.
- AidData. 2021. “AidData—China’s Public Diplomacy Dashboard Dataset, Version 2.0.”
- Aronow, P. M., and C. Samii. 2016. “Does Regression Produce Representative Estimates of Causal Effects?” *American Journal of Political Science* 60, no. 1: 250–267.
- Bailey, M. A., A. Strezhnev, and E. Voeten. 2016. “Estimating Dynamic State Preferences from United Nations Voting Data.” *Journal of Conflict Resolution* 61, no. 2: 430–456.
- Blair, R. A., R. Marty, and P. Roessler. 2022. “Foreign Aid and Soft Power: Great Power Competition in Africa in the Early Twenty-First Century.” *British Journal of Political Science* 52, no. 3: 1355–1376.
- Brady, A.-M. 2015. “Authoritarianism Goes Global (II): China’s Foreign Propaganda Machine.” *Journal of Democracy* 26, no. 4: 51–59.
- Brazys, S., and A. Dukalskis. 2020. “China’s Message Machine.” *Journal of Democracy* 31, no. 4: 59–73.
- Chen, W., D. Dollar, and H. Tang. 2018. “Why Is China Investing in Africa? Evidence From the Firm Level.” *World Bank Economic Review* 32, no. 3: 610–632.
- Cheng, C. 2019. “The Logic Behind China’s Foreign Aid Agency.” The Carnegie Endowment for International Peace. <https://carnegie-ieendowment.org/research/2019/05/the-logic-behind-chinas-foreign-aid-agency?lang=en¢er=global>.
- Cheng, Z., G. J. Golan, and S. Kioulos. 2016. “The Second-Level Agenda-Building Function of the Xinhua News Agency: Examining the Role of Government-Sponsored News in Mediated Public Diplomacy.” *Journalism Practice* 10, no. 6: 744–762.
- Cline Center for Advanced Social Research. 2022. “Global News Index and Extracted Features Repository (v.1.1.0).”
- Coppedge, M., J. Gerring, C. H. Knutsen, et al. 2020. “V-Dem Codebook v10” Varieties of Democracy (V-Dem) Project.
- Deibel, T. L., and W. R. Roberts. 1976. *Culture and Information: Two Foreign Policy Functions*. Washington Papers, v. IV, 40. Beverly Hills, California: Sage Publications.
- Delaney, R. F. 1968. “Introduction.” In *International Communication and the new Diplomacy*, edited by A. S. Hoffman and E. R. Murrow. Bloomington: Indiana University Press. Center of Public Diplomacy. Indiana. University. International Studies
- Dietrich, S., M. Mahmud, and M. S. Winters. 2018. “Foreign Aid, Foreign Policy, and Domestic Government Legitimacy: Experimental Evidence From Bangladesh.” *Journal of Politics* 80, no. 1: 133–148.
- Dreher, A., and A. Fuchs. 2015. “Rogue Aid? An American Analysis of China’s Aid Allocation.” *Canadian Journal of Economics* 48, no. 3: 988–1023.
- Dreher, A., A. Fuchs, B. Parks, A. M. Strange, and M. J. Tierney. 2018. “Apples and Dragon Fruits: The Determinants of Aid and Other Forms of State Financing From China to Africa.” *International Studies Quarterly* 62, no. 1: 182–194.
- Dreher, A., A. Fuchs, B. Parks, A. M. Strange, et al. 2022. *Banking on Beijing: The Aims and Impacts of China’s Overseas Development Program*. Cambridge: Cambridge University Press.
- Dreher, A., A. Fuchs, B. Parks, A. Strange, et al. 2021. “Aid, China, and Growth: Evidence From a New Global Development Finance Dataset.” *American Economic Journal: Economic Policy* 13, no. 2: 135–174.
- Druckman, J. N. 2001. “On the Limits of Framing Effects: Who can Frame?” *Journal of Politics* 63: 1041–1066.
- Dukalskis, A. 2021. *Making the World Safe for Dictatorship*. New York, N.Y: Oxford University Press.
- Entman, R. M. 2008. “Theorizing Mediated Public Diplomacy: The U.S. Case.” *International Journal of Press/Politics* 13: 87–102.
- Fallon, T. 2015. “The New Silk Road: Xi Jinping’s Grand Strategy for Eurasia.” *American Foreign Policy Interests* 37, no. 3: 140–147.
- Ferdinand, P. 2016. “Westward Ho-The China Dream and ‘One Belt, One Road’: Chinese Foreign Policy Under Xi Jinping.” *International Affairs* 92, no. 4: 941–957.
- Ferry, L. and C. O’Brien-Udry (2021). “Turning the Tables? Aid, Status and Stability in the International System.”
- Fielding, A. 2015. “China: Africa’s New Power Broker.” The National Interest. <https://nationalinterest.org/feature/china-africas-new-power-broker-13157> visited on 05/08/2023.
- Fuchs, A., and M. Rudyak. 2019. “The Motives of China’s Foreign Aid.” In *Handbook on the International Political Economy of China*. Cheltenham: Edward Elgar Publishing.

- Garlick, J. Oct. 5, 2023. *Advantage China: Agent of Change in an Era of Global Disruption*. New York: Bloomsbury Publishing.
- Ghosh, A., and H. Kharas. 2011. "The Money Trail: Ranking Donor Transparency in Foreign Aid". *World Development*. Expanding Our Understanding of Aid With a New Generation in Development Finance." *Information* 39, no. 11: 1918–1929.
- Goldsmith, B. E., Y. Horiuchi, and K. Matush. 2021. "Does Public Diplomacy Sway Foreign Public Opinion? Identifying the Effect of High-Level Visits." *American Political Science Review* 115, no. 4: 1342–1357.
- Goldsmith, B. E., Y. Horiuchi, and T. Wood. 2014. "Doing Well by Doing Good: The Impact of Foreign Aid on Foreign Public Opinion." *Quarterly Journal of Political Science* 9, no. 1: 87–114.
- Hall, T. H., and A. Krolkowski. 2022. "Making Sense of China's Belt and Road Initiative: A Review Essay." *International Studies Review* 24, no. 3: viac023.
- Harms, C., and D. Lakens. 2018. "Making 'null Effects' Informative: Statistical Techniques and Inferential Frameworks." *Journal of Clinical and Translational Research* 3, no. Suppl 2: 382–393.
- Health Metrics and Evaluation. 2019. "Global Burden of Disease Study."
- Hong, J. 2011. "From the World's Largest Propaganda Machine to a Multi-Purposed Global News Agency: Factors in and Implications of Xinhua's Transformation Since 1978." *Political Communication* 28, no. 3: 377–393.
- Honig, D., and C. Weaver. 2019. "A Race to the Top? The Aid Transparency Index and the Social Power of Global Performance Indicators." *International Organization* 73, no. 3: 579–610.
- Huang, H., and N. Cruz. 2022. "Propaganda, Presumed Influence, and Collective Protest." *Political Behavior* 44, no. 4: 1789–1812.
- Jones, L., and J. Zeng. 2019. "Understanding China's 'Belt and Road Initiative': Beyond 'Grand Strategy' to a State Transformation Analysis." *Third World Quarterly* 40: 1–28.
- Kastner, S. L., and M. M. Pearson. 2021. "Exploring the Parameters of China's Economic Influence." *Studies in Comparative International Development* 56, no. 1: 18–44.
- Kastner, S. L., and P. C. Saunders. 2012. "Is China a Status Quo or Revisionist State? Leadership Travel as an Empirical Indicator of Foreign Policy Priorities." *International Studies Quarterly* 56, no. 1: 163–177.
- Kurlantzick, J. 2023. *Beijing's Global Media Offensive: China's Uneven Campaign to Influence Asia and the World*. New York: Oxford University Press.
- Lee, S. T. 2023. "Vaccine Diplomacy: Nation Branding and China's COVID-19 Soft Power Play." *Place Branding and Public Diplomacy* 19, no. 1: 64–78.
- Malis, M., and A. Smith. 2021. "State Visits and Leader Survival." *American Journal of Political Science* 65, no. 1: 241–256.
- Manheim, J. B. 1994. *Strategic Public Diplomacy and American Foreign Policy: The Evolution of Influence*, x+209. New York: Oxford University Press.
- Mattingly, D. C., and J. Sundquist. 2023. "When Does Public Diplomacy Work? Evidence From China's 'Wolf Warrior' Diplomats." *Political Science Research and Methods* 11, no. 4: 921–929.
- Mayer, T. and S. Zignago (2011). Notes on CEPII's Distances Measures: The GeoDist Database.
- McCombs, M. E., and D. L. Shaw. 1972. "The Agenda-Setting Function of Mass Media." *Public Opinion Quarterly* 36, no. 2: 176.
- McManus, R. W. 2018. "Making It Personal: The Role of Leader-Specific Signals in Extended Deterrence." *Journal of Politics* 80, no. 3: 982–995.
- Nathan, A. J., and A. Scobell. 2012. *China's Search for Security*, xxiii+406. New York: Columbia University Press.
- Nitsch, V. 2005. *State Visits and International Trade*. SSRN Scholarly Paper ID 854867. Rochester, NY: Social Science Research Network.
- Nye, J. S. 2008. "Public Diplomacy and Soft Power." *Annals of the American Academy of Political and Social Science* 616, no. 1: 94–109.
- Parks, B. C., A. A. Malik, B. Escobar, et al. 2023. *Belt and Road Reboot: Beijing's Bid to De-Risk Its Global Infrastructure Initiative*. Williamsburg, VA: AidData at William & Mary.
- Pu, X. 2019. "Rebranding China: Contested Status Signaling in the Changing Global Order." In *Studies in Asian Security*. Stanford, California: Stanford University Press.
- Rainey, C. 2014. "Arguing for a Negligible Effect." *American Journal of Political Science* 58, no. 4: 1083–1091.
- Reinsberg, B., and H. Swedlund. 2023. "How Transparent Are Aid Agencies to Their Citizens? Introducing the Citizen Aid Transparency Dataset." *Journal of International Development* 35: 7–2212.
- Reuter. 2018. "China's Xi Pledges \$14.7 Billion Investment on South Africa Visit." Reuters Business News. <https://www.reuters.com/article/economy/chinas-xi-pledges-147-billion-investment-on-south-africa-visit-idUSKBN1KE2A2/>.
- Roberts, M. E. 2018. *Censored: Distraction and Diversion Inside China's Great Firewall*. Princeton: Princeton Univ. Press.
- Shambaugh, D. 2015. "China's Soft-Power Push: The Search for Respect." *Foreign Affairs* 94, no. 4: 10.
- Sheafer, T., and I. Gabay. 2009. "Mediated Public Diplomacy: A Strategic Contest Over International Agenda Building and Frame Building." *Political Communication* 26, no. 4: 447–467.
- Siebert, F. S. 1956. *Four Theories of the Press: The Authoritarian, Libertarian, Social Responsibility, and Soviet Communist Concepts of What the Press Should Be and Do*. Urbana: University of Illinois Press.
- Stone, R. W., Y. Wang, and Y. Shu. 2022. "Chinese Power and the State-Owned Enterprise." *International Organization* 76, no. 1: 229–250.
- Uppsala Conflict Data Program. 2020. "PRIO Conflict Recurrence Database."
- Urdinez, F. 2023. "Undermining U.S. Reputation: Chinese Vaccines and Aid and the Alternative Provision of Public Goods During COVID-19." *Review of International Organizations*. 19: 243–268.
- Vargas, M. 2022. "Open Trade Statistics Beta Dashboard." Open Trade Statistics. https://shiny.tradestatistics.io/countryprofiles/?_inputs_&go=0&r=%22can%22&p=%22all%22&d=%22No%22&y=%5B2016%2C2020%5D.
- Wang, C. Y. 2023. "Changing Strategies and Mixed Agendas: Contradiction and Fragmentation Within China's External Propaganda." *Journal of Contemporary China* 32, no. 142: 586–601.
- Wang, X., and P. J. Shoemaker. 2011. "What Shapes Americans' Opinion of China? Country Characteristics, Public Relations and Mass Media." *Chinese Journal of Communication* 4, no. 1: 1–20.
- Wang, Y. 2022. "Leader Visits and UN Security Council Membership." *International Studies Quarterly* 66: 4.
- Wanta, W., G. Golan, and C. Lee. 2004. "Agenda Setting and International News: Media Influence on Public Perceptions of Foreign Nations." *Journalism and Mass Communication Quarterly* 81, no. 2: 364–377.
- Wike, R. 2012. "Does Humanitarian Aid Improve America's Image?" Pew Research Center. <https://www.pewresearch.org/global/2012/03/06/does-humanitarian-aid-improve-americas-image/>.
- World Bank. 2022. "World Bank Open Data." <https://databank.worldbank.org/>.

Xinhua. 2013. "Xi Jinping: Tell Chinese Stories Well, Spread Chinese Voices Well (Xi Jinping: Jiang Hao Zhongguo Gushi, Chuanbo Hao Zhongguo Shengyin)." Xinhua. http://www.xinhuanet.com/zg/jx/2013-08/21/c/_132648439.htm.

Zhang, D., and A. B. Jamali. 2022. "China's "Weaponized" Vaccine: Intertwining Between International and Domestic Politics." *East Asia* 39, no. 3: 279–296.

Zhu, Y., and K. Fu. 2023. "How Propaganda Works in the Digital Era: Soft News as a Gateway." *Digital Journalism* 12, no. 6: 1–20.

Appendix A

TABLE A1 | Summary statistics.

	Mean	St. Dev.	Min	Max
ODA	40395771	215303107	0	8097842141
OOF	284140117	1544401775	0	36037021678
Xinhua mentions	38.105	65.470	0	643
Diplomatic visits	1.453	3.520	0	29
total visits	1.632	3.929	0	30
V-Dem	0.666	0.198	0.134	0.965
GDP	222546605712	618242335753	45183544	8276934253114
Population	29565627	103636221	9827	1338676779
Disaster	338.449	6483.236	0	222658.300
Civil war	0.133	0.340	0	1
Distance (km)	9518.719	3948.601	809.538	19297.470
Imports	2459284265	7219886819	0	62136639680
Exports	2870717062	7621027719	0	71617248156
ATOP alliance	0.142	0.349	0	1
UN distance	0.548	0.519	01	3.348
FDI	−1612.817	5331.112	−90485.120	35050.840

TABLE A2 | Regression estimates (full table).

	PPML		OLS		ZNB	
	Coverage	Visits	Coverage	Visits	Coverage	Visits
Chinese development financing:						
ODA	0.01.	0.013	0.009*	0.002.	0.009***	0
	(0.005)	(0.013)	(0.003)	(0.001)	(0.002)	(0.004)
OOF	0.001	0.026*	−0.001	0.002	0	0.007**
	(0.004)	(0.01)	(0.002)	(0.002)	(0.002)	(0.003)
Controls:						
Income	0.191.	−0.007	−0.011	−0.017	−0.028	0.306*
	(0.101)	(0.186)	(0.072)	(0.042)	(0.066)	(0.137)
Population	0.475***	−0.127	−0.191	0.035	0.284***	−0.11
	(0.081)	(0.138)	(0.144)	(0.045)	(0.073)	(0.288)
Disaster	0.005	0.1*	0.024*	−0.001	0.017*	−0.022.
	(0.028)	(0.039)	(0.012)	(0.006)	(0.008)	(0.012)
Civil war	0.257	0.451*	0.095	0.023	0.144**	0
	(0.163)	(0.19)	(0.088)	(0.061)	(0.045)	(0.083)
Distance	−0.132	−1.414***			−0.587*	−8.332***
	(0.126)	(0.214)			(0.264)	(1.431)
Democracy	0.077	0.095	−0.63	0.038	−0.452*	0.054
	(0.31)	(0.645)	(0.402)	(0.233)	(0.184)	(0.23)
Imports	−0.057*	−0.112**	−0.004	−0.005	−0.033**	−0.008
	(0.028)	(0.038)	(0.014)	(0.004)	(0.01)	(0.015)
Exports	0.063	0.262**	−0.045	0.007	−0.096***	0.144**
	(0.071)	(0.088)	(0.044)	(0.026)	(0.028)	(0.049)
UN ideal distance	0.151	−0.564.	−0.05	0.041	0	0.017
	(0.252)	(0.289)	(0.109)	(0.063)	(0.054)	(0.094)
FDI	0.012***	−0.004	0	−0.004*	0.001	−0.004
	(0.003)	(0.007)	(0.002)	(0.002)	(0.001)	(0.003)
Recipient REs	✓	✓
Recipient FEs	.	.	✓	✓	.	.
Year FEs	✓	✓	✓	✓	✓	✓
N obs.	2480	2480	2480	2480	2480	2480

*** $p < 0.001$.** $p < 0.01$.* $p < 0.05$.. $p < 0.01$.

TABLE A.3 | Yearly total counts of Xinhua news articles related to economy and government visits.

Year	Count news	Count visits
1 2000	3926	510
2 2001	4176	603
3 2002	4467	229
4 2003	5175	241
5 2004	5218	290
6 2005	4876	331
7 2006	5034	346
8 2007	4633	285
9 2008	3283	292
10 2009	8503	323
11 2010	10 249	309
12 2011	9520	260
13 2012	7565	262
14 2013	7076	235
15 2014	6280	255
16 2015	4335	233
17 2016	3979	76
18 2017	4307	88