

CHINESE DEBT AND SOFT POWER
AS MEASURED THROUGH
COUNTRY RECOMMENDATIONS
IN THE UN UNIVERSAL PERIODIC REVIEW

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IR FRAMEWORK

Change in Capabilities Between States (Keohane, Nye)
=
Increased lending, official and quasi-official

1

Political Bargaining
=
Economic
Statecraft (Baldwin)

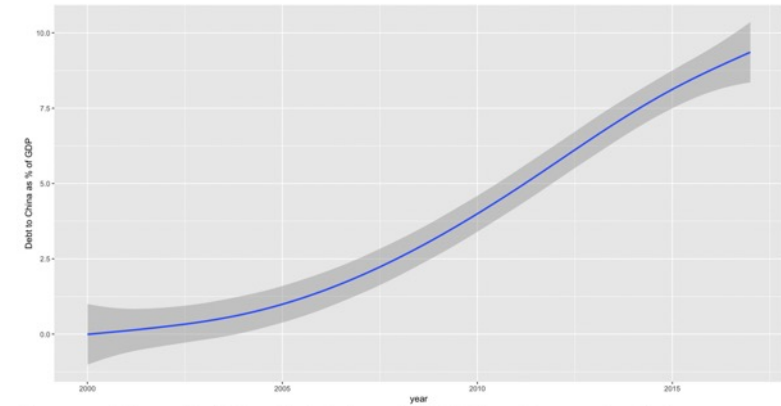
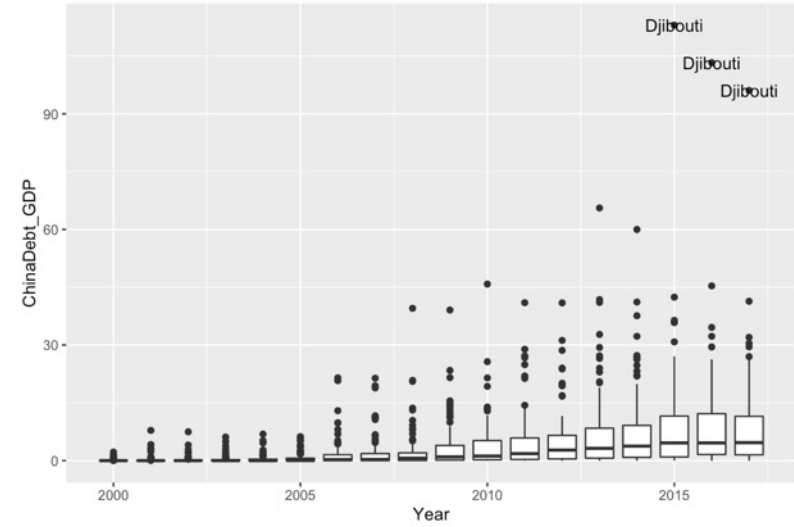
2

Change in Political Outcomes in Favor of
State which Gained Capability
=
Change in Treatment on Human Rights

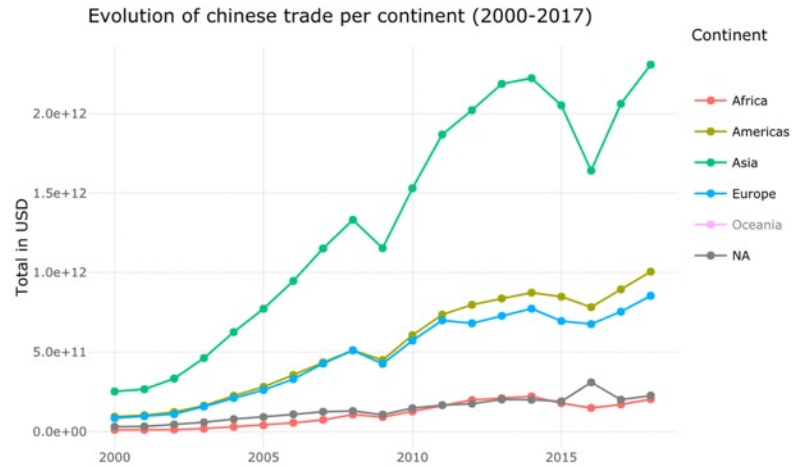
3

1

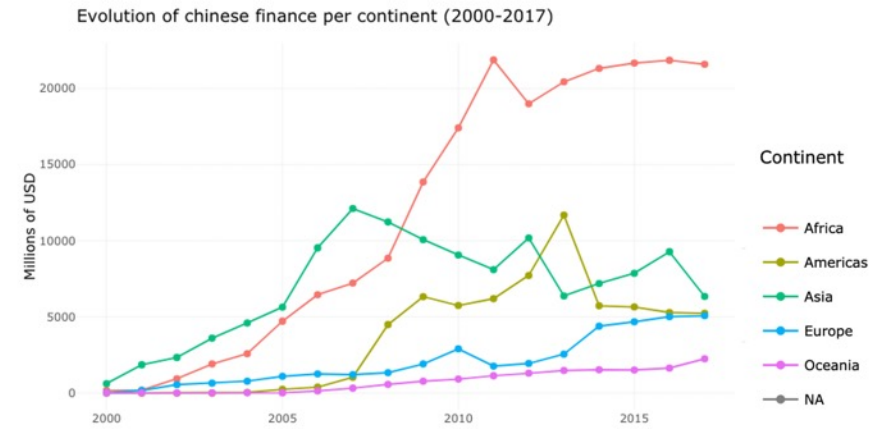
CHANGE IN LENDING: OFFICIAL AND QUASI OFFICIAL



Source: Horn, Reinhardt, Trebesch (2020). Own calculations



Source: Comtrade. Own calculations



Source: Horn, Reinhardt, Trebesch (2020). Own calculations

TRADE VERSUS LENDING

2 ECONOMIC STATECRAFT

POSITIVE (CARROTS)

- Debt rescheduling
- Additional lending
- Market access
- FDI
- Vote “buying”

NEGATIVE (STICKS)

- Repossessions
- Removal of market access
- Denial of new market access
- Guarantee calls on debt

3

CHANGE IN DESIRED
POLITICAL OUTCOMES
ON HUMAN RIGHTS



DATA: UPR RECOMMENDATIONS AND CHINESE DEBT

- UPR info export for all recommendations on China in 3 cycles.: 149 countries and 809 total recommendations.
- Horn, Reinhardt, Trebesch consensus database released in 2020 – allows for more comprehensive view of outward Chinese capital flows
 - 1949-2017
 - 1974 loans; 2947 grants to 152 countries, worth \$520 billion

Country	CountryCode	ISO	Year	ChinaDebt_USD	GDP_USDbn	ChinaDebt_GDP
Djibouti	611	DJI	2015	1952000000	2	113.03
Djibouti	611	DJI	2016	1951000000	2	103.28
Djibouti	611	DJI	2017	1949000000	2	96.06
Djibouti	611	DJI	2013	954100000	1	65.57
Djibouti	611	DJI	2014	952800000	2	60.00
Tonga	866	TON	2010	178700000	0	45.82
Tonga	866	TON	2016	194100000	0	45.35
Tonga	866	TON	2015	175200000	0	42.42
Tonga	866	TON	2013	186400000	0	41.79
Tonga	866	TON	2017	188200000	0	41.36
Tonga	866	TON	2014	184000000	0	41.16
Cambodia	522	KHM	2013	6255000000	15	41.07

METHODS: TEXT SENTIMENT ANALYSIS AND OLS

TEXT SENTIMENT ANALYSIS

- Lemmatization
- Tokenization at the word and then sentence level
- Dependency parsing
- Bing dictionary
- Network analysis to see *why* a statement was scored as negative

ORDINARY LEAST SQUARES

- with three different dependent variables: text sentiment score, “support” score, and number of recommendations
- Regressed on the (lagged) log of debt to China as % of GDP
- Controls: GDP/capita and freedomhouse score
- Also looked at categories of accepted vs. noted recommendations

H01:

a) As China's soft power as quantified through overseas lending increases, the average sentiment of overall recommendations will trend more positive.



b) Countries with higher debt to China will make more positive recommendations in the UPR.



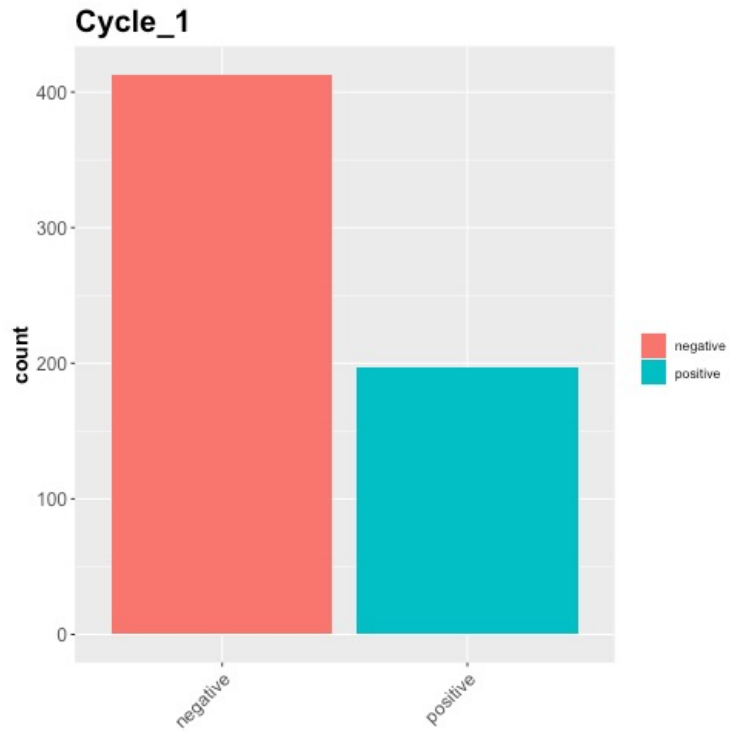
H02: Countries with higher debt levels to China will offer on average fewer recommendations in the UPR of China.



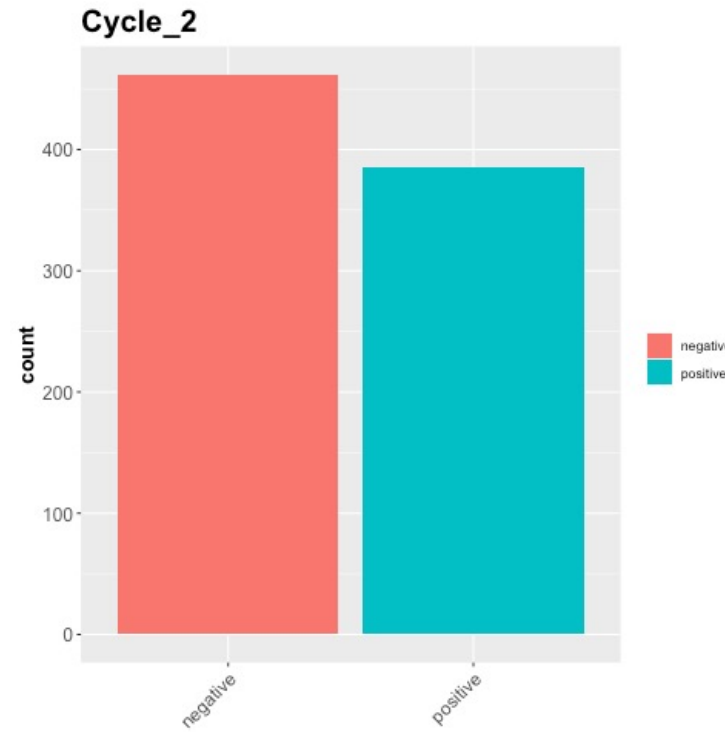
RESULTS

MEASURING SENTIMENT OF RECOMMENDATIONS OVER TIME

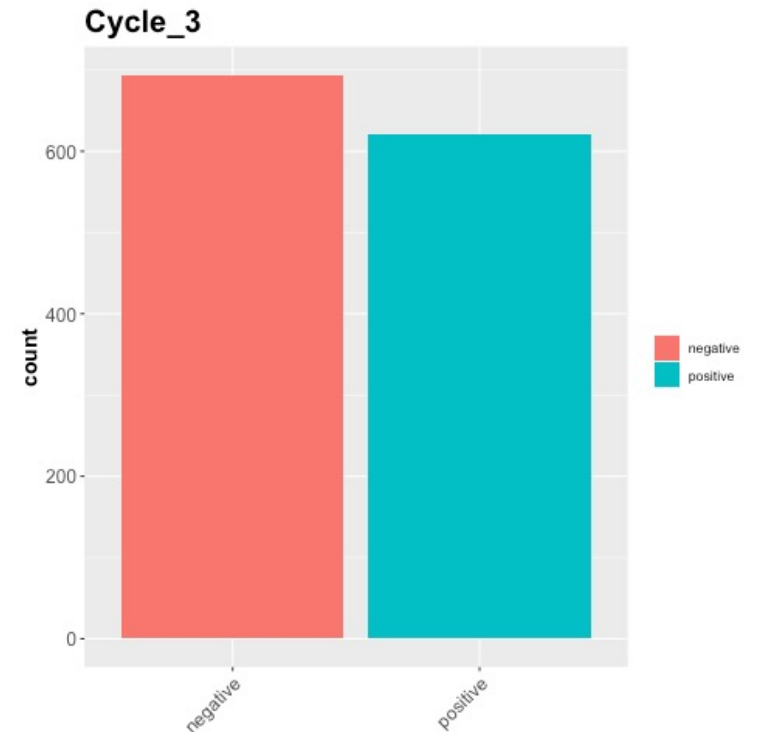
Feb 2009



Nov 2013



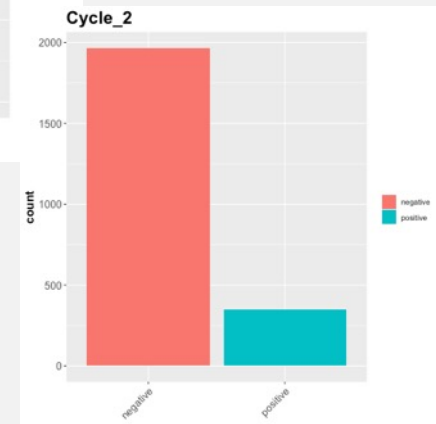
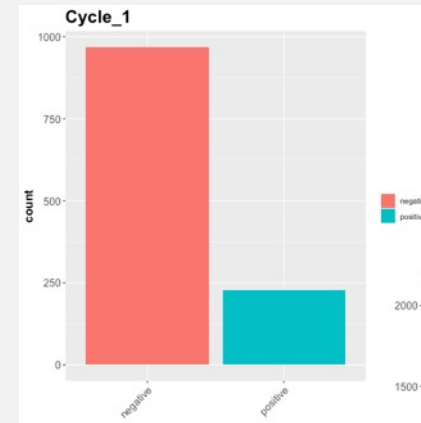
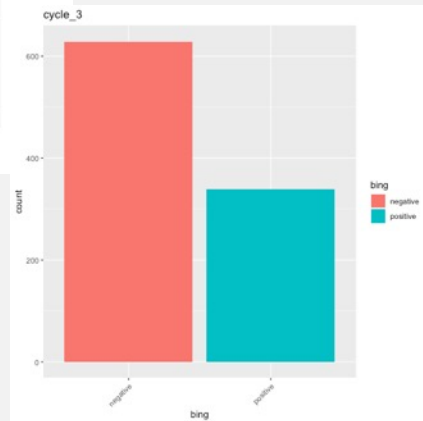
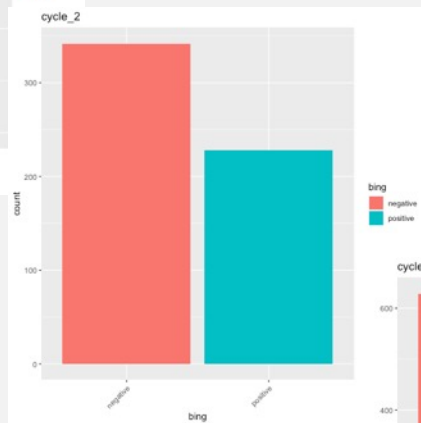
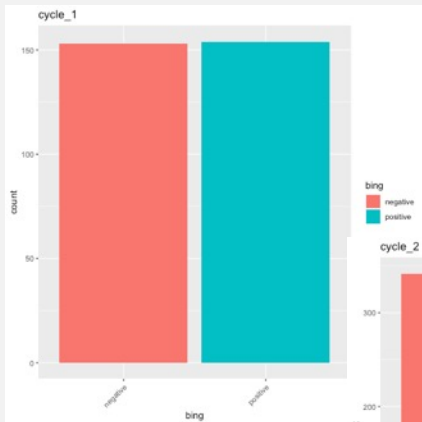
Nov 2018



COMPARED WITH OTHER COUNTRIES UNDER REVIEW

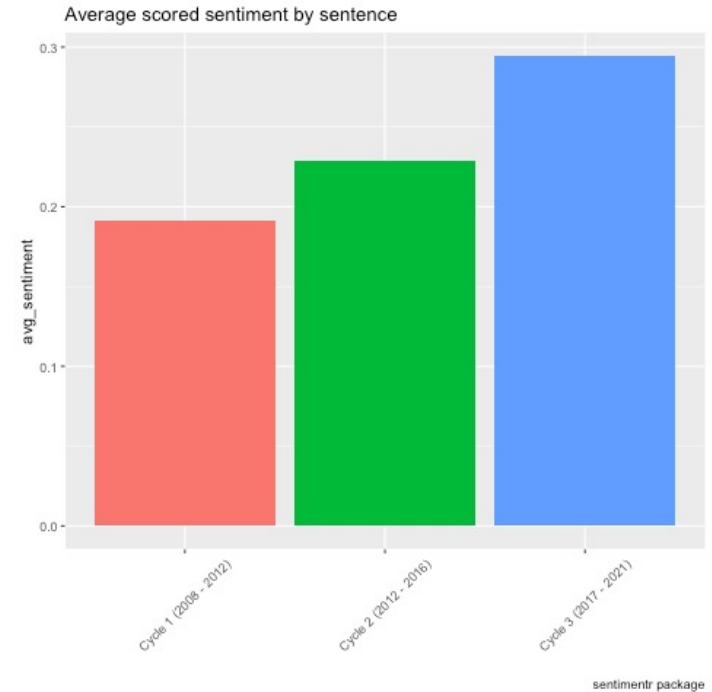
UAE

USA

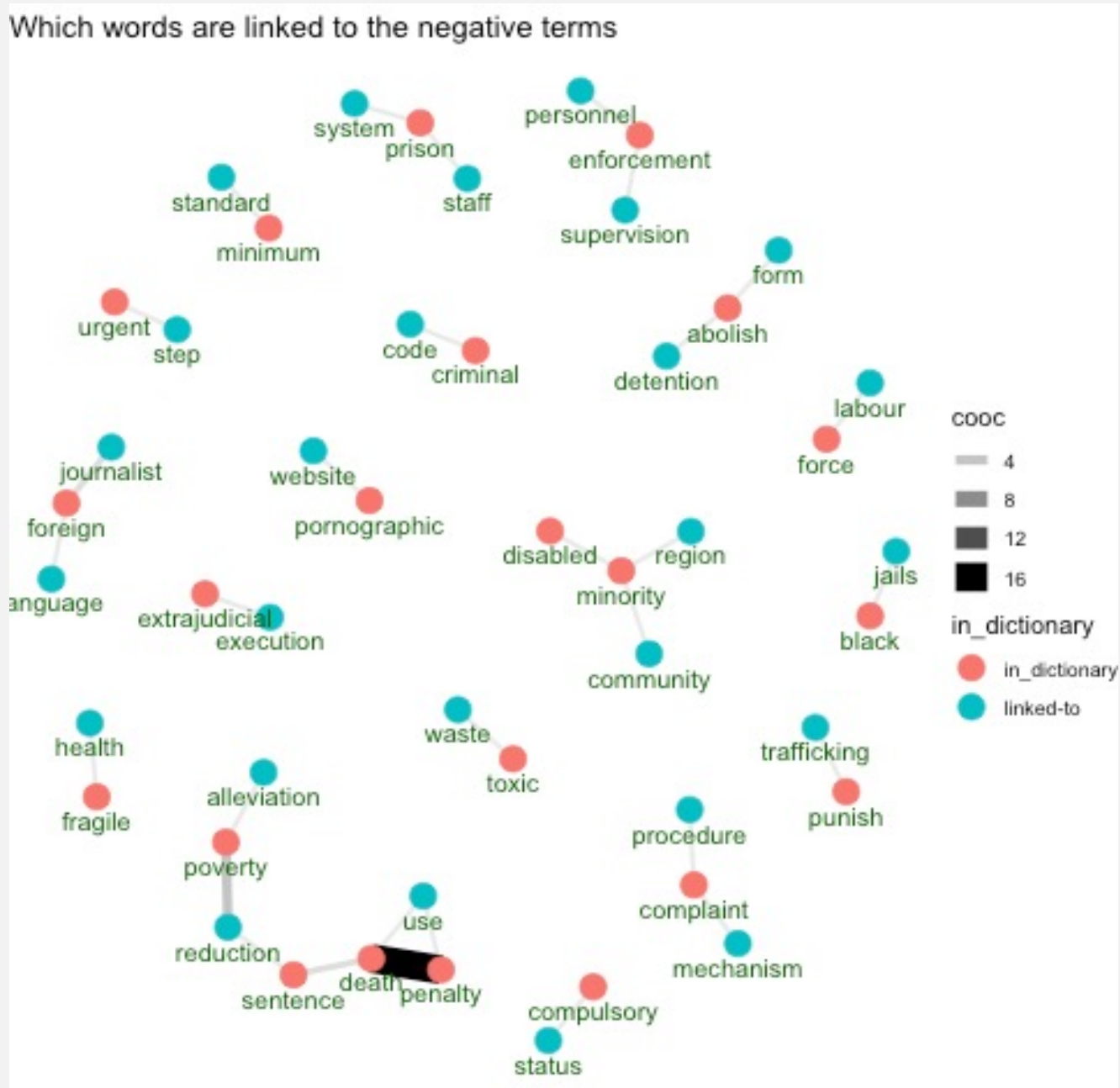


ANALYZED AT SENTENCE LEVEL

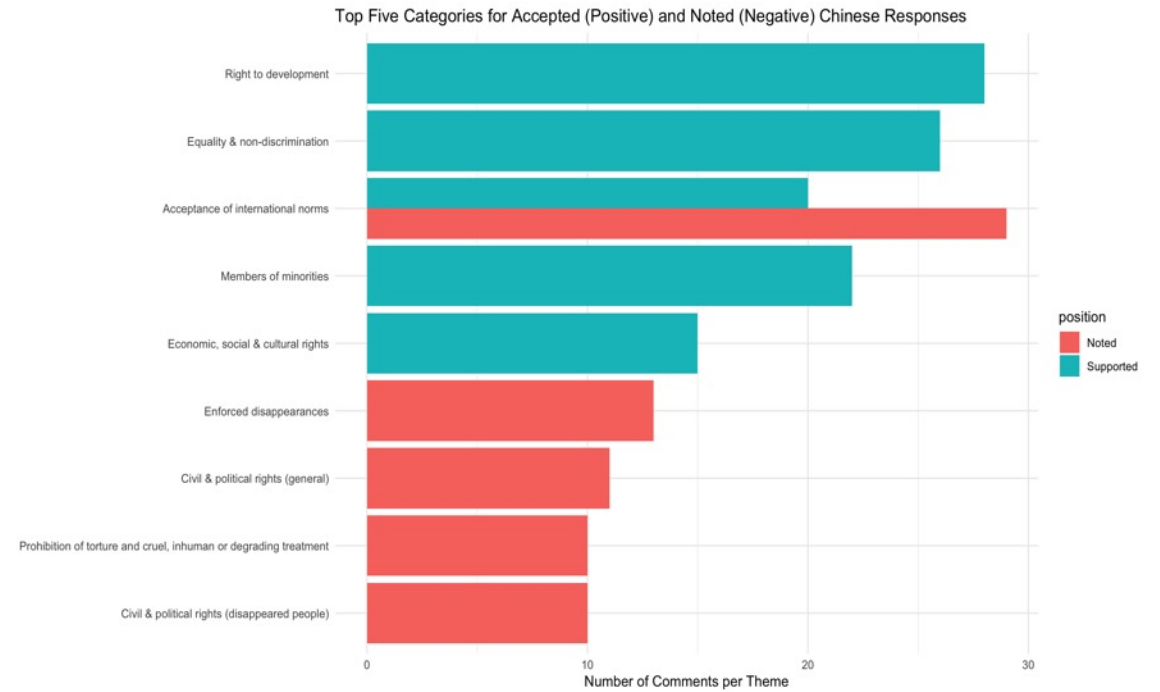
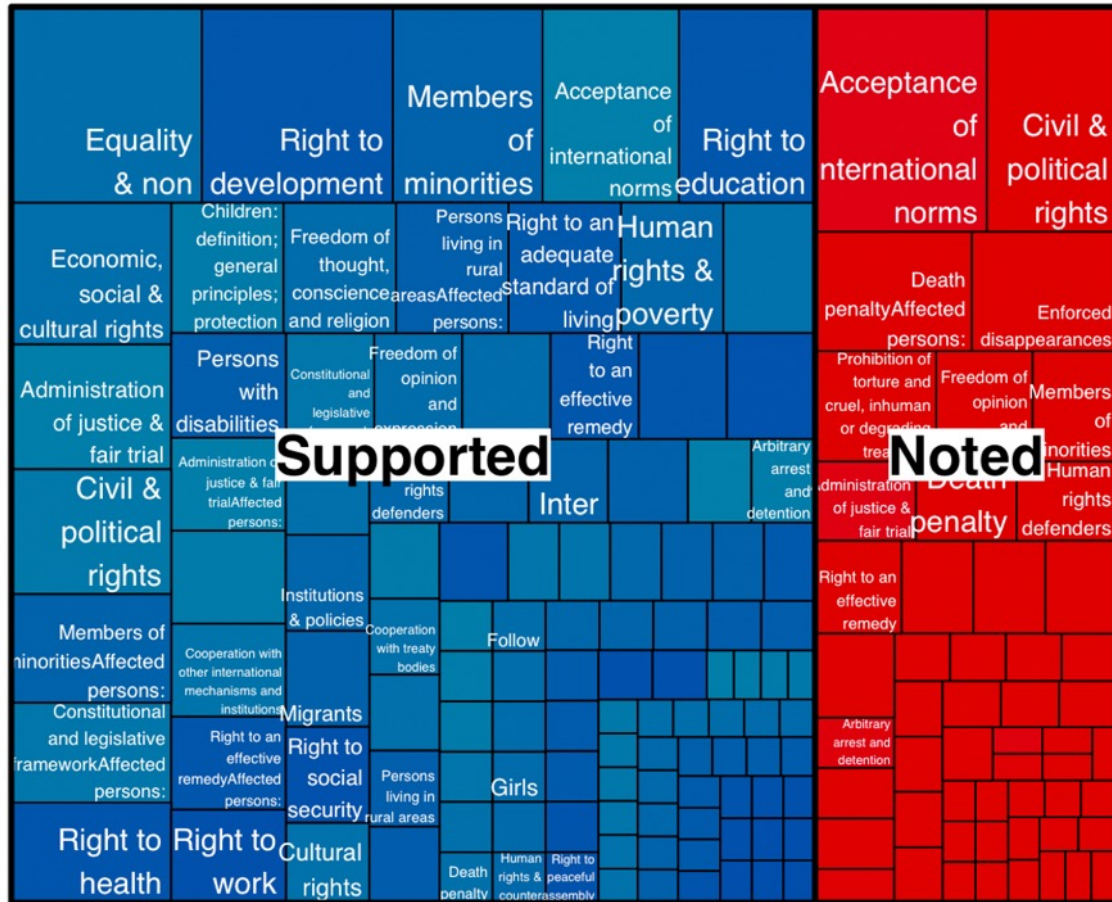
- A negator flips the sign of a polarized word (e.g., “I do *not* like it.”)
- An amplifier (intensifier) increases the impact of a polarized word (e.g., “I *really* like it.”)
- A de-amplifier (downtoner) reduces the impact of a polarized word (e.g., “I *hardly* like it.”).



NETWORK ANALYSIS ON ASSOCIATIONS OF NEGATIVE TERMS



CHINA'S RESPONSE TO RECOMMENDATIONS



REGRESSION RESULTS

- 1) H1 (b): Sentiment of Recommendations
- 2) H1 (b): “Support score” of China’s response to the recommendation
- 3) H2: Total number of recommendations

H2: TOTAL NUMBER OF RECOMMENDATIONS

OLS--Total Comments with Controls

Dependent variable:

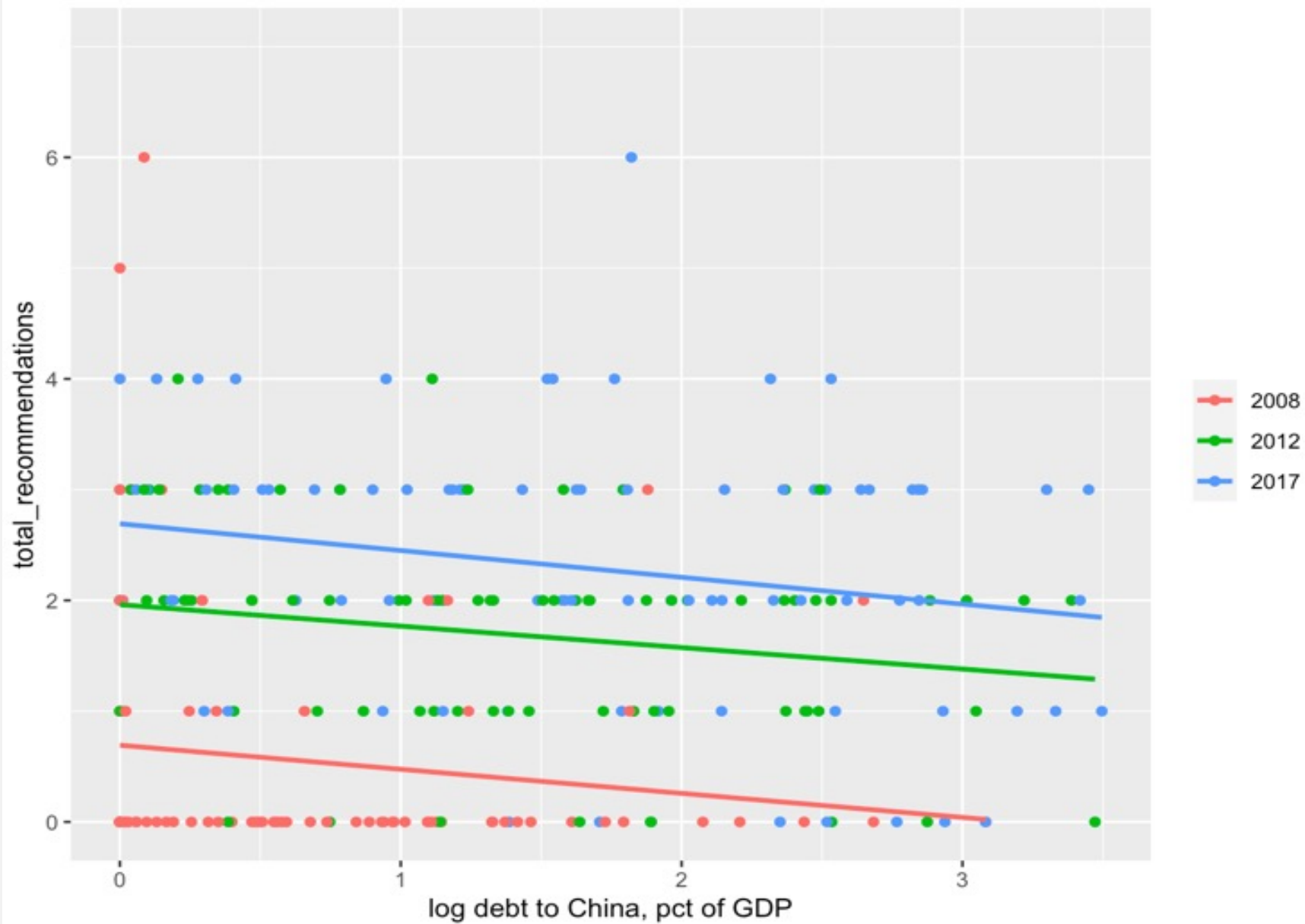
total comments

	(1)	(2)	(3)	(4)
log(ChinaDebt_GDP + 1)	0.112 (0.081)	-0.197*** (0.075)	-0.199** (0.078)	-0.169** (0.080)
year		0.213*** (0.020)	0.213*** (0.021)	0.211*** (0.021)
fh_rating			-0.006 (0.096)	-0.020 (0.096)
GDP_percapita				0.00003 (0.00002)
Constant	1.373*** (0.130)	-426.636*** (41.059)	-426.796*** (41.222)	-422.893*** (41.512)
Observations	260	260	260	256
R2	0.007	0.302	0.302	0.318
Adjusted R2	0.003	0.297	0.294	0.307
Residual Std. Error	1.323 (df = 258)	1.111 (df = 257)	1.114 (df = 256)	1.103 (df = 251)
F Statistic	1.891 (df = 1; 258)	55.673*** (df = 2; 257)	36.973*** (df = 3; 256)	29.257*** (df = 4; 251)

Note:

*p<0.1; **p<0.05; ***p<0.01

Relationship between total comments and debt to China, by Year of UPR



HI: SENTIMENT OF RECOMMENDATION

Sentiment Regression on Debt

Dependent variable:				
	sentiment comments			
	(1)	(2)	(3)	(4)
log(ChinaDebt_GDP + 1)	0.019 (0.018)	0.010 (0.019)	-0.002 (0.019)	-0.011 (0.020)
year		0.009 (0.006)	0.010 (0.006)	0.010 (0.006)
fh_rating			-0.064*** (0.024)	-0.056** (0.025)
GDP_percapita				-0.00000 (0.00000)
Constant	0.257*** (0.031)	-17.031 (12.245)	-19.168 (12.071)	-19.558 (12.160)
Observations	176	176	176	173
R2	0.006	0.018	0.055	0.051
Adjusted R2	0.001	0.006	0.039	0.028
Residual Std. Error	0.244 (df = 174)	0.244 (df = 173)	0.240 (df = 172)	0.239 (df = 168)
F Statistic	1.128 (df = 1; 174)	1.564 (df = 2; 173)	3.364** (df = 3; 172)	2.248* (df = 4; 168)

Note:

*p<0.1; **p<0.05; ***p<0.01

HI: SUPPORT SCORE

OLS--Support Score with Controls

Dependent variable:				
	support score			
	(1)	(2)	(3)	(4)
log(ChinaDebt_GDP + 1)	0.235*** (0.084)	0.001 (0.084)	-0.103 (0.085)	-0.136 (0.089)
year		0.161*** (0.023)	0.168*** (0.022)	0.174*** (0.023)
fh_rating			-0.445*** (0.105)	-0.432*** (0.106)
GDP_percapita				-0.00002 (0.00002)
Constant	0.821*** (0.135)	-323.378*** (46.557)	-335.497*** (45.195)	-349.172*** (45.739)
Observations	260	260	260	256
R2	0.029	0.183	0.237	0.244
Adjusted R2	0.025	0.177	0.228	0.232
Residual Std. Error	1.371 (df = 258)	1.260 (df = 257)	1.221 (df = 256)	1.216 (df = 251)
F Statistic	7.776*** (df = 1; 258)	28.849*** (df = 2; 257)	26.436*** (df = 3; 256)	20.238*** (df = 4; 251)

Note:

*p<0.1; **p<0.05; ***p<0.01

H01:

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DISCUSSION POINTS AND SUGGESTIONS FOR FUTURE WORK

- Not only are countries with higher debt to China systematically making fewer comments, but the tone of comments in general has become more positive.
- The strong trend of debt which coincided with the UPR's inception does not allow for a quasi-experiment like a diff-and-diff to infer causality.
- However, this supports the theoretical framework of a change in capabilities among states being imperfectly translated via economic statecraft to a change in outcomes.

Bonus:

- Text analysis can be used more widely in IR analysis. Also, it might be worthwhile to construct a diplomatic sentiment dictionary, if consistency of language is high enough.