

# The Effectiveness of the Economic Diplomacy of the Netherlands

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## *A Study at the Embassy in Slovenia*

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## Table of Abbreviations

<b>Abbreviation</b>	<b>English full</b>	<b>Dutch full</b>
<b>ED</b>	Economic Diplomacy	Economische Diplomatie
<b>MEA</b>	Ministry of Economic Affairs	Ministerie van Economische Zaken
<b>MFA</b>	Ministry of Foreign Affairs	Ministerie van Buitenlandse Zaken
<b>MT</b>	Ministry of Trade	
<b>RVO</b>	Dutch enterprise agency	Rijksdienst voor Ondernemen
<b>SME</b>	Small and Medium-sized Enterprise	Midden- en KleinBedrijf

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## 1. Introduction

For centuries the Netherlands has been a trading nation. During most of these centuries the Dutch government has helped its entrepreneurs to enter foreign markets in order to promote trade and, ultimately, to increase the prosperity of the Netherlands. In times of the Dutch Golden Age the East Indian Trading Company already had overseas representatives stepping up for the interests of the Dutch trading fleet. While the first diplomatic consulates far away from home were established during the time of the Ottoman Empire (Ministerie van Buitenlandse Zaken, 2014b). Even though embassies and diplomacy seem to be as old as time and are part of our international trade and politics for as long as we can remember the how's and why's still remain rather vague. "What does the Foreign Service do? More generally, why do countries spend so many resources on embassies, consulates and the Foreign Service?" (Rose, 2007, p.22) In the eyes of the general public diplomacy usually has this renowned status, of protected buildings and persons, of highly important political debates taking place behind closed doors. So from that point of view what does the term 'economic diplomacy' entail? As economics is usually more concerned with business and is known as quite a transparent philosophy, how does this match with the diplomatic world concerned with high status and realisation of national interest? Does the interference of diplomacy in economics go against the basic principles of economics; the free market principles?

These questions become even more viable when we look at the changes that have taken place between the age of the East Indian Trading Company and nowadays. Obviously, a lot has changed. The world order has shifted, in terms of economic power, to the East. Globalization and digitalisation are increasingly impacting both the national, EU and world economy. These changes also have an impact on the old establishments of the foreign service. As it is based on gaining information regarding security, politics and trade relations in a foreign country, one can imagine these recent shifts, especially concerning digitalisation, have a lasting impact on diplomacy. "Consular affairs – passports, visas and the like – do not seem to justify the expense and prestige of a Foreign Service. In the age of the Internet, is there a *raison d'être* for the Foreign Service?" (p.22Rose) Researchers, companies and even policy makers wonder: Is this the end of Diplomacy? Or is it just the end of diplomacy as we know it?

The government of the Netherlands has decided to focus its foreign trade policy and diplomatic efforts on upcoming markets such as China. Devoting most of their diplomatic instruments and tools on these parts of the world. However, directing your eyes and ears mostly to certain priority areas indicates that other parts are left with less attention. However, the Netherlands, unlike some other countries, has decided not to go for the 'closing down strategy' of part of its foreign missions but has kept most of them. Thereby still keeping its presence in most countries within the EU in the form of embassies, consulates and/or business support offices. The EU still plays a crucial role, especially in terms of economics, for a relatively small country as the Netherlands. However, the EU has its own structures for communicating and negotiating about trade and trade barriers. Somehow it seems that this does not suffice in comparison to the diplomatic network already in place. This decision and manner of acting indicates that diplomacy is still crucial for the Dutch trade relations and the internationalisation of Dutch businesses within the EU. Consequently this research aims to bring further insight in what one such embassy of the Netherlands does in terms of economic diplomacy by looking at the case study of the Embassy in Slovenia.

This thesis aims to find out: *How effective is the economic diplomacy of the Netherlands at the Embassy in Slovenia?* In order to provide an answer to this question this thesis will firstly discuss the theoretical background. How can diplomacy be defined? And similarly 'How does the existing literature define economic diplomacy?' These are crucial questions to answer if one wants to determine its effectiveness, therefore Chapter 2 will bring further insight into these two concepts. Additionally this chapter focusses on how the strategy of economic diplomacy is formed within the foreign service and foreign policy of the Netherlands. It thus brings more insight into the organisational structure of the Dutch government in relation to ED and the role of an embassy within this structure. It thus aims to answer the question: How is the foreign policy including economic diplomacy as formulated by the Dutch ministries implemented in one of the embassies of its foreign service? The theoretical focus of this thesis lies on the effectiveness of ED. Hence, Chapter 3 discusses in what ways research has looked at ED and its effectiveness thus far and how effectiveness can be determined. Ultimately these findings from literature will be linked to the goals of the economic diplomacy and the activities deployed by an embassy to achieve these goals. The question 'How are the goals of economic diplomacy defined both by literature and by the Dutch government?' will be answered in this chapter. Insights in the goals which follow both from literature and the foreign policy of the Netherlands will create the basis of the research in this study. Moreover, the case study of the Dutch Embassy in Slovenia allows the opportunity to test the effectiveness of these goals. Using the mixed methods defined in chapter 4, the results from both primary data obtained from questionnaires with companies and secondary data gained by conducting semi-structured interviews with embassy personnel will help the formulation of the conclusions.

## 2. Economic Diplomacy of the Netherlands

Before moving into the literature review on the main topic of this research paper: economic diplomacy, we first need to describe and explain the sphere in which this strategy takes place. This thesis main focus is the Netherlands and therefore its organisational structure is crucial in outlining its functioning, and in particular the embassy's place within this structure. For the purpose of creating a general understanding, needed to grasp the idea of economic diplomacy (ED) the definition chosen for the purpose of this study is Economic diplomacy is a "strategy by which states pursue national interests, comprising economic prosperity and political stability" (Okano-Heijmans, 2011, p.23). Paragraph 2.3, and specifically 2.3.2 will discuss why this definition is used and the issues of defining ED both at the Dutch government and in literature. However, firstly this Chapter will describe the organisational structure of the Netherlands in which the strategy of economic diplomacy is executed.

### 2.1 Organisational Structure

States have different organisational and institutional structures when it comes to their trade promotion and economic diplomacy (Naray, 2008a). An explanation for these differentiations might lie in the variation in country's philosophies in relation to interactions between the government and private sector and their strategic orientation (Seringshaus & Botschen, 1991). Furthermore, factors such as homogeneity, size and political issues of the state also seem to influence the organisational structure (Mercier, 2007). Broadly five structural characteristics of the agencies responsible for the ED and export promotion services can be defined.

First, Seringshaus & Botschen (1991) note that this structure can either be public, private or a mixture of these two. In their comparative study of the export promotion services of Austria and Canada they note that Austria has a (quasi-) private structure with its Chambers of Commerce as core agencies, while Canada's promotion is organised by the central government. In most cases however states adopt a structure that is a combination of public-private (Mercier, 2007). Secondly, the level of government where the economic diplomacy services are provided can be either central, regional or local. For many countries it is the central level which defines the trade promotion and economic diplomacy (Mercier, 2007). Furthermore, these structures differ in terms of the relative independence of the agency or in other words the decentralization from its ministry. Another characteristic is the position of the agency in the overall structure of economic diplomacy. These two characteristics combined also indicate the agency's and ministry's relation with the embassy. The agency can work separately, can fall under the authority of the ambassador or there can be an integrated trade promotion policy with the embassy (Naray, 2008a). Lastly, the ministry is responsible for the policy. For a long time the MFA was the main actor in diplomacy, however "The MFA is no longer the monopolist of foreign affairs" (Rana, 2011, p.16). In the last case this could be the Ministry of Foreign Affairs (MFA), the Ministry of Trade (MT), a combination of these two or an independent structure (Naray, 2008b).

So how what is the institutional and organisational structure of the foreign policy with regards to economics in the Netherlands? And what is the place of the embassy in this organisational structure?

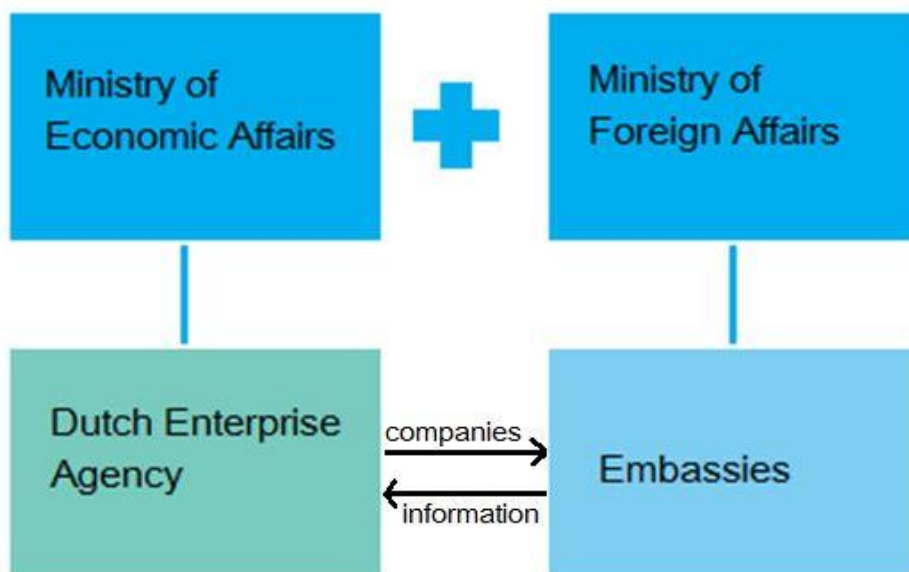


Figure 1 - Organisational structure of the Netherlands based on source: (Ministerie van Buitenlandse Zaken, 2014a, p.47)

Figure 1 shows a schematic simplification of the organisational structure of the ED of the Netherlands. As shown in the figure, the MEA formulates the strategic policy objectives for the Dutch Enterprise Agency while the MFA formulates the strategic policy objectives for the embassies. The task of the MEA in terms of economic diplomacy is to give it its 'form and content'. Furthermore, the ministry is in charge of incoming and outgoing missions of high officials. Within its policy it gives special attention to the so called 'economic top sectors' of the Netherlands, these 9 sectors are defined by the ministry (Ministerie van Economische Zaken, 2016). They are sectors in which the Dutch economy distinguishes itself. This approach is thus aimed at improving the international trading position of the Netherlands and thereby its prosperity (Tweede Kamer, 2011b).

As the MFA formulates its strategic objectives embassies can be seen as policy instruments of the MFA. The relation between the foreign ministry in the Hague and the foreign missions is defined by a focus on results. Its new policy directions are defined in yearly plan, which indicates per foreign mission which governmental goals are the most important for the mission to achieve the desired results. Only the 30 biggest posts receive more specific guidelines concerning their staff and tasks (Tweede Kamer, 2011a). The Dutch enterprise agency (Rijksdienst Voor Ondernemend Nederland) functions as the entry point and service desk for companies who intend to do business abroad. Companies can ask their questions regarding the possibilities and difficulties of doing business abroad to the RVO. The agency is only charged with the task of answering general questions and simple requests. For detailed information and more in depth request it redirects the businesses to the foreign posts of the MFA (Rijksdienst voor Ondernemend Nederland, 2016)

### 2.1.1 Embassies

The Kingdom of the Netherlands counts 140 diplomatic missions all over the world of which more than half are embassies (Rijksoverheid, 2016a). As discussed in the paragraph above, within the organisational structure the main role of the embassy is to *implement* the instructions of the MFA. Hence, the embassies and consulates of the Netherlands are both practicing economic diplomacy



and providing economic services with the aim to contribute to the success of the Dutch companies and organisations abroad. Specifically they are focussed on helping Dutch SME's on their internationalisation road. Overall, they are contributing to the incoming and outgoing investments and trade flows (Ministerie van Buitenlandse Zaken, 2014b).

Within the foreign missions network of the Netherlands some differentiations are made between the type of representations. Besides the first subdivision in missions between embassies, consulates and other representations there are differences in size between foreign missions. A small foreign post is defined by the Dutch government as a post which has 1 or 2 Dutch diplomats. As one can imagine the size of the post, and thereby the size in human resources, partly limits the scope and number of activities a foreign mission can exercise. Hence, as indicated in the previous paragraph the biggest posts receive a more specific set of guidelines. Another element within the organisational structure is that the focus of the foreign policy in terms of trade promotion and ED lies on countries with high economic potential and those where there is a lot of involvement from the foreign government. (Ministerie van Buitenlandse Zaken, 2014b). Thus, once again the embassies in those countries receive more specific policy instructions while the other embassies, within the EU for example, have to do with more general policy.

Within an embassy implementation of foreign policy in terms of economic goals set by the ministry is done by the employees in charge of ED. Among these employees a distinction can be made between diplomats and (local) economic staff. Especially the ambassador has a particular role as he or she provides access to local networks of authorities and high officials. "they act pro-actively and are operational to push forward the interests of Dutch individuals and businesses and act on the national economic interests of the Kingdom" (Tweede Kamer, 2013, p.19).

Embassies are also the source of a very valuable amount of knowledge on the ground due to their local governmental and business contacts. Therefore they are being asked for their input in different stages of the policy design (Rana, 2011). Especially towards businesses employees of the embassy play a particularly crucial role: "employees know the local market, signal opportunities and give practical tips. Additionally, they are often able to open doors which would have remained closed otherwise" (Rijksoverheid, 2016b).

### **2.1.2 Multi-layer implementation**

One could qualify the institutional structure of the Netherlands described above as one with multiple layers. From an outsiders perspective it seems like the structure is clearly top-down: (broad) goals are defined by the ministries, implementation by the foreign missions using diplomacy as a strategy to achieve these goals (Ministerie van Buitenlandse Zaken, 2014b). Hence, policy and implementation take place in different layers of the organisational structure. Several scholars of implementation identify a problem in such a structure which can arise when a so called 'implementation-gap' or 'implementation deficit' occurs. This happens when there is a big difference between the stated policy and the policy implementation, or policy 'on the ground'. The underlying assumption here is that, ideally, implementation of a certain policy has the exact outcome that the stated policy intended, any other outcome is thus seen as failure (Hill & Hupe, 2003). However, according to Hill and Hupe (2003) this kind of reasoning is flawed "if there are multiple layers then some transformation is inevitable in the transmission of a policy objective from top to bottom,

whatever the degree of consensus.” (p. 477). Furthermore, the theory of gaps and deficits assumes that their either has been a failure in the policy design or control or that the implementers have intervened illegitimately. Secondly, they assume that the relation between two layers is ‘a simple and uniform phenomenon’. As stated before in the previous paragraph Rana (2011) notes that embassies have knowledge about, and experience with, the local (business) environment (Rana, 2011). Thus, embassies might have a legitimate reason for creating a more bottom up approach.

## **2.2 Modernising Economic Diplomacy**

Recently one can see an increased focus of countries on the commercial and economic elements of diplomacy which have brought about changes in institutional structure of foreign policy. The structure defined in paragraph 2.1 is the result of these changes. In this paragraph the new policy direction and the reasons for its development are further highlighted. Economic diplomacy is now more at the centre of the state’s diplomatic structure and diplomats have extended tasks concerning commercial and economic activities. Moreover, the focus within ED activities is more on business interests (Lee & Hudson, 2004). Also in the Netherlands changes have taken place under the term ‘modernising diplomacy’.

The financial crisis sparked a lot of change in the diplomatic world. Governments found themselves in need to cut their budgets and simultaneously adapt to the ‘new’ world in such a way that they would be better able to keep up with its pace. Globalisation, digitalisation and the increased role of supranational decision makers such as the EU are the characteristics of this new world. States started re-balancing their interests. Like most governments around the world the Dutch government found themselves looking for ways to improve and cut in costs simultaneously. This resulted in the policy of ‘modernising diplomacy’ which is still implemented today. Key to this new strategy is the shifting perspectives of economics and politics, the economic diplomacy is given a more central role within the diplomatic sphere of the Netherlands (Ministerie van Buitenlandse Zaken, 2011). As Rosenthal put it in during an interview: “The time that politics was just politics and economics just economics, is over” (Minister Rosenthal in: Hoedeman, J. & Koelé, T., 2010). To an extend the foreign missions network of the Netherlands thus serves economic goals.

The changes in the foreign policy of the Netherlands started approximately when the motion of parliamentarian Nicolai which was presented to the Dutch parliament in 2009. It also included structural changes with regards to the diplomatic representations, such as the embassies. The motion asked for a modernisation of the diplomacy of the Netherlands in terms of a foreign mission network that is more ‘selective and effective’. Furthermore, it highlighted the shifts and changes in international politics of this time. Nicolai and his co-parliamentarians recognised the power shift to the East (Asia), the shift of focus on bilateral relations within the EU to multilateral relations, and more external action of the EU itself. Consequently, the motion notes that these changes also require an adaptation of the Dutch foreign missions network, making it more flexible, cooperative and digital (Tweede Kamer, 2009). After this motion the topic of modernisation stayed on the political agenda and was gradually transformed into policy by the two successive ministers of foreign affairs (period 2010-2014) Rosenthal and Timmermans. Of these two coalitions it was Minister Timmermans (2012-2014) that came up with more concrete steps, indicating the foreign missions that should be closed down and introducing a new organisational structure for foreign affairs. During the time that Timmermans was minister another structural change took place, highlighting the importance of the

connection between trade and foreign affairs. This was the creation of another ministerial post within the MFA, namely that of the minister of Foreign Trade and Development Cooperation (Ministerie van Algemene Zaken, 2012).

In his letter to the parliament Timmermans indicates that within the foreign missions network no embassies will be closed, since the ten that were identified for closing in 2011, due to their importance for the Dutch interests and developments. In this way the Netherlands aims to keep the network and bilateral relations that have been built up over the years. Additionally companies with interests in particular countries, including the less prioritised ones, can keep their point of support within that state. However, as the focus of the network is shifted to the upcoming markets such as China this means less activities in Europe and developing nations, consequently leading to a lot of EU embassies shrinking in size. Furthermore, Timmermans also pushed to further strengthen public-private partnerships. According to his letter effective economic diplomacy of the Netherlands is characterised by “trade promotion, attracting investments, promotes cooperation in innovation and stimulates a level-playing field for Dutch companies. This should happen in cooperation with the Dutch business sector, including the 9 top-sectors” (Tweede Kamer, 2013, p.11). Hence, the modernisation of diplomacy trend continues to put Dutch business sector and companies more into the spotlight. By introducing further policy steps which include a campaign specially designed for SMEs, spreading knowledge about opportunities offered by doing business abroad. Foreign missions function as the main provider of services to SMEs and other companies. Since 2015 this new strategy includes certain communication platforms, or ‘new products’ as the ministry calls them, which are designed to increase the accessibility and findability of the foreign missions. Furthermore they are supposed to highlight the different activities and services offered to SME’s who are looking to internationalise. Included are an app which companies can use to find general business related info and statistics per country (NL exporsteert app) and a separate webpage outlining the different services offered by the Dutch Enterprise agency and foreign missions network (Wegwijzer Internationaal Zakendoen) (Tweede Kamer, 2014). Main actor in the creation and maintenance of these platforms, besides the MFA, is the Dutch Enterprise Agency.

### **2.3 Defining Economic diplomacy**

Within the Dutch government ‘Economic diplomacy’ is used both to indicate a specific instrument as well as it is included as part of separate programs. The MEA, as well as the MFA in their state budget reports of 2012 define one form of economic diplomacy as the “intervention or negotiation by the Dutch government with a foreign public or private party in the context of trade promotion, R&D cooperation, or attracting investments”(Tweede Kamer, 2011a, p.96; Tweede Kamer, 2011b, p.18). In this form it should be mainly used in countries with a lot market potential but also of government interference, according to the MEA. The MEA however expands the definition by stating that the public aspect is the one critical characteristic of ED. Furthermore, this means ED can also include strategies such as: public diplomacy, Development Aid-relations, large sports and cultural events or migration issues (Tweede Kamer, 2011b). Also the MFA continues by stating that their representations abroad are also there to support businesses to access the market, find suitable partners and for trouble shooting; to help out in case certain obstacles appear. Additionally, it can also be used as an instrument to promote the international interests of the Netherlands. This also means the improvement of the EU’s internal market, as it can increase the prosperity of the

Netherlands and create jobs (Tweede Kamer, 2011a). It seems from these statements that the term economic diplomacy has many interpretations. The existence of this definition maze was confirmed by the findings of a specially appointed expert commission in 2012. Its report states that a clearly specified definition for ED is lacking both at the MEA and the MFA of the Netherlands. The MFA is more concerned with defining its own economic function. Hence, this commission advises to define the government's vision on ED more clearly including the meaning of the strategy and its role for the different departments within the Dutch government (Ministerie van Buitenlandse Zaken, 2014a).

Not only within the ministries of the Netherlands but also within the fields of literature that study economic diplomacy the concept is not clearly defined. Some 'definition-issues' arise also here, meaning that scholars do not agree on one single definition or one single method in defining the concept. For the purpose of this study it is thus important to clarify and explain the definitions of (economic) diplomacy.

Our understanding of economic diplomacy is related to our understanding of diplomacy. Therefore the concept of diplomacy is first defined below followed by that of ED. After defining the term economic diplomacy, the relevant literature is placed within a analytical framework enabling to pinpoint to the focus-area of ED for this study.

### 2.3.1 Diplomacy

Nearly everyone has an association with the words 'diplomat' and 'embassy'. However when it comes down to pin-pointing what it means exactly, and what such a diplomat is doing within an embassy, it often gets confusing as it is a complicated subject with multiple characteristics. Some scholars argue that this definition problem can be solved by laying down the history of diplomacy (Baas, 2014) others define diplomacy more specifically. One of these definitions describes diplomacy as "a method of political interaction at the international level—and the techniques used to carry out political relations across international boundaries (e.g., representation and communication)" (Leguey-Feilleux, 2009, p.1). The essence of diplomacy is one of communication, negotiation and keeping contact with other states and international players (Leguey-Feilleux, 2009). One can see diplomacy as an institution, as the meetings and practices that were held within its format have become rituals over time (Scott, 2013). Besides an institution diplomacy is also concerned with the profession of a diplomat, meaning it involves a way of working, behaving and negotiating. Diplomacy is a profession dealing with the delicate issues of state relations. Therefore it not only requires tactful behaviour and discretion from the one exercising it but also a good deal of patience and an appropriate manner of dealing with all kinds of officials from different countries (Leguey-Feilleux, 2009).

Furthermore, the concept is highly entangled within a web of other concepts and facets of international relations and politics. One of the most important related principles is that of foreign policy. The foreign policy of a country defines the ways in which diplomacy is practised, hence diplomacy is generally seen as the implementation of foreign policy (Leguey-Feilleux, 2009). "Diplomacy refers to the way in which a given foreign policy is executed by the foreign ministry (MFA) and implemented on the ground by professional diplomats" (Rana, 2002, p.17). Even though diplomats have a lot of knowledge and insight in the local situation they are still executing foreign policy as designed under influence of a variety of factors such as national priorities, current leadership's preferences, media and bureaucratic politics. A country's diplomatic profile as such is

thus defined by its character and its focus, but also factors as professionalism and credibility (Rana, 2002). In most cases, depending on the political system and leadership of a country, the diplomats have some room of manoeuvre as the policy guide-lines are usually defined very broadly (Leguey-Feilleux, 2009).

Diplomacy has changed over time. It used to be only concerned with matters of international security and stability, of maintaining peace in times of war. Throughout the years it has gained in scope, now also including matters such as the culture, technological development, law and economics (Leguey-Feilleux, 2009).

### 2.3.2 Economic diplomacy

In recent years diplomacy has expanded its scope, economics is now one of its core focusses, a trend that can clearly be viewed in the diplomatic service of the Netherlands. Research in this area however is a recently new phenomenon. The development of theories and concepts that integrate politics and economics began only in the 70s after drastic changes in the world order (Okano-Heijmans, 2010). Moreover, economic diplomacy itself has only been a topic of study since the mid-2000s (Moons & De Boer, 2014). This research aims to find out how effective the economic diplomacy of the Netherlands is at one of its embassies. In order to provide an answer to this question the term *economic diplomacy* requires some clarification. As mentioned above the term ED closely relates to other terms, especially diplomacy. In the previous paragraph the term diplomacy was explained as a political method dealing with international interactions, which involves certain methods and techniques. One study defines ED as: “Economic diplomacy is the management of economic relationships between (two or more) countries” (Romih & Logožar, 2013, p.135). This is a very broad description of the concept, without mention of any methods or techniques equal to the definition of diplomacy. This is just one example of the confusion surrounding the definition of ED. One of the reasons why the term economic diplomacy is difficult to define are the many other ED-related definitions in use such as trade diplomacy, economic security, commercial diplomacy, financial diplomacy and economic statecraft (Okano-Heijmans, 2010).

In order to create more clarity in the many definitions, instruments and goals used in literature and practice in relation to economic diplomacy (Okano-Heijmans, 2011) created an analytical framework and a conceptual framework. Her conceptual framework is based on a functional division, dividing the different researches based on their content, the different dimensions and strands of ED they embody, so not on the background of the researcher in charge. The conceptual framework, shown below in Figure 2, is designed to help “to position a particular case in its wider context and, thereby, to judge the comprehensiveness of economic diplomacy policies of the given case” (Okano-Heijmans, 2011, p.24). Therefore this conceptual structure is very valuable as a tool in this study. As it helps to place this case study, concerning the economic diplomacy of the Netherlands in Slovenia, within the field of ED.

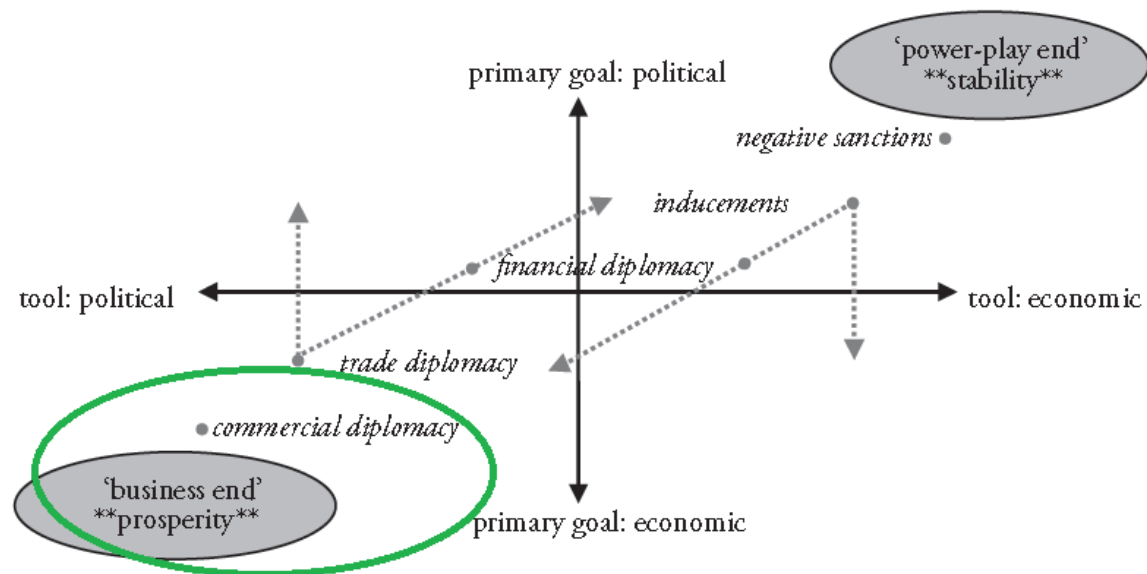


Figure 2 - Conceptual framework ED (Okano-Heijmans, 2011, p.18)

By choosing her framework for positioning and explanation reasons, this research also adapts the overall definition. Hence, ED is thus seen as a: **“strategy by which states pursue national interests, comprising economic prosperity and political stability”**(Okano-Heijmans, 2011, p.23).

The conceptual framework is based on the idea that ED is a network concept in which the different types are fluidly defined, in the sense that their definitions may overlap. The vertical axis is divided in political and economic goals and the horizontal axis shows the tools, one side being more political and the other more economic. Within this framework the five different types, or strands, of ED are placed (Okano-Heijmans, 2011).

The diagonal spectrum of the illustration of the conceptual framework thus shows a prosperity, or ‘business end’, and a stability, or ‘power-play end’ (Okano-Heijmans, 2011). According to (Lee & Hocking, 2010) this ‘power-play’ side of ED has to do with economic statecraft, meaning the ways in which states and nations (such as the UN) motivate other states to cooperate with the aim to a stable international environment (Harris & Li, 2005; Okano-Heijmans, 2011). This is done through positive sanctions (for example aid programs), or inducements as they are called in the illustration, and negative sanctions, such as trade embargos (Harris & Li, 2005). On the other side, the business side, trade diplomacy focusses on creating international political-economic welfare with certain activities, while commercial diplomacy is concerned with (groups of) companies (Van Bergeijk, 2012). Moreover trade diplomacy aims to control the effects of countries on global investment and trade by influencing policy decision making on an international level (Kostecki & Naray, 2007). While the other strand commercial diplomacy, according to Naray (2008a) is “an activity conducted by public actors with diplomatic status in view of business promotion between a home and a host country. It aims at encouraging business development through a series of business promotion and facilitation activities” (Naray, 2008b, p.2).

As its name already suggests the approach of commercial diplomacy is more commercial. Therefore it speaks of services that the government provides to businesses (Kostecki & Naray, 2007). This

study's focus lies on this side of the spectrum. Namely, it concerns businesses and their interactions with the embassy, or in other words the cooperation between firms and government to reach (commercial) goals that advance national interests. "Some small and middle-sized countries ask the question whether diplomacy at all should exclusively focus on commercial diplomacy in order to survive in the age of enhanced globalization and competition" (Naray, 2008b, p.2). Even so, it has to be noted that Economic diplomacy within the embassies of the Netherlands is more than only purely commercial diplomacy (Tweede Kamer, 2011a). However both from the viewpoint of the ability to test the effectiveness and the focus on businesses as a target group this research highlights mainly the commercial aspects of ED. Notwithstanding that hereby the thesis represents a simplification of the reality. The term economic diplomacy will be used throughout this study, instead of the related term 'commercial diplomacy' because this is the name the Dutch government uses in all of its communication on the subject.

### 3. Theoretical Focus: Effectiveness of Economic Diplomacy

After establishing the meaning of economic diplomacy and its role for a country's foreign policy the next logical step is to evaluate its success. However, this brings about a new range of questions, because how do you measure success? In what way and terms should ED be successful? Success can be measured by analysing the effects and effectiveness but also by doing an efficiency (cost-benefit) analysis (Okano-Heijmans, 2011). This study focusses on the effectiveness because this is the measurement that focusses on the benefit and necessity for economic diplomacy. It analyses the ED of the Netherlands as executed by an embassy. This chapter will thus focus on defining effectiveness, the goals of ED, its instruments and activities used to obtain those goals and the extent to which the defined goals are reached by using these tools and instruments. An analysis of the efficiency thus falls outside the scope of this thesis.

#### 3.1 Effectiveness

Van Bergeijk (2012) describes effectiveness as 'a necessary pre-condition' for economic diplomacy. This study also adopts this viewpoint on effectiveness. How effective a strategy or policy is determines the need for strategy in the first place and says something about its usefulness. Effectiveness is defined here as the extent to which the goals of ED are achieved (Ruël & Zuidema, 2012). Following this definition it is crucial to determine the goals, or objectives of ED, paragraph 3.2.3 will go more into detail about this. Firstly, this paragraph looks at the research area and the different studies that focus on effectiveness of ED in order to develop a better understanding on effectiveness in ED and how to measure it.

##### 3.1.1 Multi-Disciplinary approach

Since the mid 2000's research in ED increased (Moons & De Boer, 2014). Researchers find themselves in a fragmented research area which seems to be at the crossroads of multiple disciplines, or multiple (sub-) fields of study. The term economic diplomacy in itself already shows the eclectic nature, because it immediately raises the questions: What aspect is diplomatic and what aspect is economic in economic diplomacy? Are we talking about economic goals, tools or motives or rather diplomatic ones? (Okano-Heijmans, 2010). Every discipline in itself looks at ED from a different perspective and therefore highlights different aspects. Examples of these disciplines are international relations, politics, economics, diplomacy, international law and international business (Okano-Heijmans, 2011).

The aspect of focus between different disciplines differs. In order to get a better understanding of how the focus of these separate disciplines could complement each other Okano-Heijmans (2011) developed an analytical framework, the graphic representation is shown in Figure 3 below. In the figure the three main disciplines, according to Okano-Heijmans, are shown and additional four key elements: theatres, tools, processes and context. The internal side of the triangle represents a country's internal sphere, where the national interests of prosperity (business) and stability (power-play) are balanced. Outside of the triangle, above the ground layer, one could say is the international context (Okano-Heijmans, 2010).



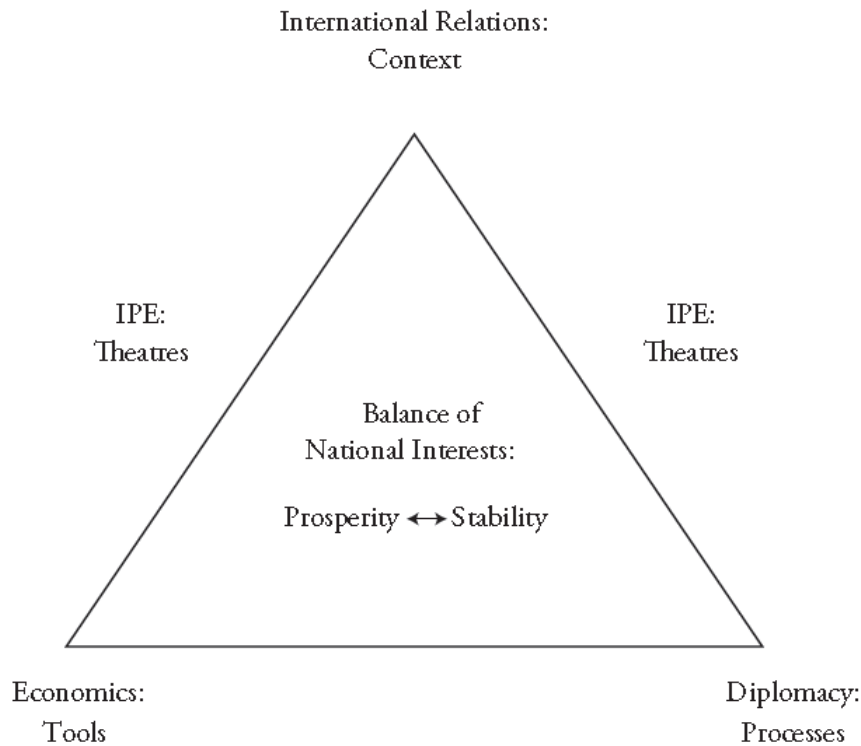


Figure 3 - Analytical Framework ED (Okano-Heijmans, 2011, p.21)

International relations focus lies on the context in which ED takes place. This means it also investigates the recent changes and shifts in balance as results of globalisation. Furthermore, studies in this area discuss the interactions between the internal and international circle, but also incorporates economics in its sub-field international political economy (Okano-Heijmans, 2010). With economics on the other hand the interest is more in the activities of ED and their effectiveness. One of the earliest researches from this perspective is the work of Jan Tinbergen in 1962 who was the first to introduce the gravity model. Most studies in the field researching the effects and effectiveness of ED still use this method of analysis (Van Bergeijk, 2012). Rose (2007) for example investigates the effectiveness of the foreign service on export, building a gravity model based on economic mass of the country (in population and income) and economic distance. Van Bergeijk follows this line of reasoning, testing the effects and effectiveness of political involvement in international trade (Moons & van Bergeijk, 2013; Van Bergeijk, 2012; Yakop & Van Bergeijk, 2009). Embassies and consulates are proven to have a positive effect, in terms of increasing exports (Rose, 2007). Furthermore, compared to other forms of representation embassies are shown to have the biggest impact on international trade (Rose, 2007).

Several economists also focus on one particular aspect of ED, namely export promotion. They investigate the effectiveness and impact of export promotion (programs) for businesses (Alvarez, 2004; Gençtürk & Kotabe, 2001). More towards the business perspective of ED, some economic studies focus on the factors determining the effectiveness of Economic diplomacy. They identify the institutional characteristics host country, the (economic) diplomat, the motivation of the business, the foreign post (Kostecki & Naray, 2007; Yakop & Van Bergeijk, 2009). Additionally, Moons & de Boer (2014) researched the effects of ED for different types of products, and found that ED is most effective in stimulating trade for transactions with more complex products.

Also the Dutch government recently started to study and evaluate the effectiveness of economic diplomacy, these studies have gained importance in light of its recent policy of modernising ED. For example the Independent Policy and Operations Evaluation Department of the MFA (the IOB) evaluated the functioning of the Netherlands Business Support Offices between 2008 and 2013. Furthermore, the study executed by van Bergeijk in 2012 was commissioned by the IOB in preparation of its own evaluations of ED and its instruments and effects. This pre-study aimed to gather all the information from previous studies in the research field and indicate the best methods for evaluating economic diplomacy (Van Bergeijk, 2012).

As shown above the recent increase in research in the area of ED is done by scholars from different disciplines. Within each discipline academics typically use a certain method to study a certain policy strategy or phenomenon and its relative success. Also in the case of ED, different studies have analysed economic diplomacy using a variety of methodologies. The aim of these studies was either to research the effects of certain instruments of ED or the effectiveness (success) of the strategy in general. Next to the field of study, the chosen level on which the research takes place also influences the choice of methodology. Van Bergeijk (2012) identifies three types of methodologies used to study ED. Namely: Gravitation analysis (Macro-level), company data studies (micro-level) and meta-analysis (Van Bergeijk, 2012). Studies based on company data can either take the form of questionnaires or company data obtained from other sources such as databases (of for example tax agencies, statistics offices or chambers of commerce). Questionnaires are a good choice in case of case studies where the obstacles of market access and/or the importance of the interference by the (Dutch) government is investigated. Meta-analysis, like the one by Moons & van Bergeijk (2013), use previous studies as their data source. These studies all generally have the same research aim and use similar methods. It is a more numerical approach summarising the outcomes of all studies brought together (Moons & van Bergeijk, 2013).

## **3.2 Goals of Economic Diplomacy**

### **3.2.1 Market interference**

Why should we as a country be involved in stimulating international trade and investment and establishing and increasing exports? “Are exports intrinsically any more valuable than domestic sales and what are exports’ contribution to growth?” (Alexander & Warwick, 2007, p.182). Ricardo’s theory of comparative advantage shows that countries always gain from trade. Furthermore, additional benefits can come from firms creating higher added value in comparison to selling on the home market (Ricardo, 1817). Selling on bigger international markets abroad also means that there is more money available to re-invest in R&D. Finally, firms have the possibility to learn from exports, as they experience doing business in another country where, for example production processes and marketing are different than at home. Competition abroad can also inspire innovation. Eventually the knowledge and innovation obtained abroad will be brought back home again (Alexander & Warwick, 2007).

According to the neo-classical view on economics companies should be able to grow on their own strength and thereby enter new markets without interference and help of the government (Van Bergeijk, 2012). The allocation of resources is most efficiently done by the market itself and public

intervention is therefore only justified if it aims to “facilitate the effective functioning of markets” (Alexander & Warwick, 2007, p.180). Products should be strong enough, from a competitive perspective, in order for the company to survive and efficiently compete internationally. Export subsidies and export promotion as part of Economic diplomacy are, in this sense, intervening in the free market, in the form of implicitly disturbing subsidies (Van Bergeijk, 2012).

This critical neoclassic view demands an explanation as to why the government has to intervene in the market in the case of businesses entering foreign markets. One justification of government intervention lies in the addressing of a market failure while another can be found in reaching distributional objectives (Alexander & Warwick, 2007). Van Bergeijk (2012) lists three functions of economic diplomacy which justify government interference: the knowledge function, signal and access function and intervention function.

Firstly, the government has, due to its long-standing non-commercial relations with other countries, access to information which cannot be obtained by the private parties. More so, the embassies offer a worldwide network for businesses to profit from (Harris and Li, 2005). These networks also supply a specific kind of knowledge required for doing business, which is usually not provided for by the private sector. Certain aspects of such networks are functioning as public goods and are therefore vulnerable to free riding. Additionally, the further away from home the harder it is for a firm to access and understand such networks. For this reason the government has “unique, reliable and impartial access to information” (Harris and Li, 2005, p. 74). Consequently, a market failure appears. In this case it is the lack of information on foreign markets and how to do business abroad. ‘Doing business abroad’ implies that the company has to, amongst others, find new partners, new (trustworthy) buyers, find new ways of transportation and sometimes adjust their products to local needs. All these steps cost a lot of time and effort and ultimately a lot of money. One company is then the first who manages to successfully enter the new market and is then followed by others who use the information this first company obtained, or in other words they can freeride on the success of the first firm, hence an externality occurs. The potential benefits of being the first to establish business in a new market is thus reduced (Moons & De Boer, 2014). Due to this reduction in potential benefits, and the underestimation of such benefits (Alexander & Warwick, 2007), doing business abroad tends to be more risky and therefore less companies invest in foreign markets than would be socially desirable. In order to fix this market failure governments can execute ED. Thereby providing “knowledge about local business opportunities, country specific information about doing business in the political environment, cultural and institutional context of one country” (Van Bergeijk, 2012, p.22).

Secondly, ED has a signal- and access function, meaning that in some cases public involvement in transactions, specific business relations or quality and production processes of certain goods is required. In general ED serves the purpose of promoting a country as a reliable international trade partner and is providing high quality products which are in line with international rules and regulations on safety, environmental standards and corporate social responsibility. In nearly all states certain products, such as infrastructure or military (dual use) goods, necessitate the presence and involvement of the host country’s government. Furthermore, some countries require the presence of government representatives as a precondition for international transactions. This happens if the host government is a dominant player or the potential trade partner is public. Additionally the presence of ministers or high officials can be used as an indication of the high level of interest the host country

attaches to certain commercial transactions or products and thereby a guarantee that this transaction will not be interfered politically (Van Bergeijk, 2012).

The last function of ED aims to intervene in cases of unequal and unfair treatment of a 'home' business by the host country (Van Bergeijk, 2012). Other arguments for interference lies in government assistance aiming to create a 'level playing field' which "might be beneficial if it enables the entry of exporters into a market that would otherwise have remained closed" (Alexander & Warwick, 2007, p.181)

### 3.2.2 Businesses

ED takes place within a framework of actors from both the public and private sphere. The state is seen as the main actor in ED strategies and practices (Okano-Heijmans, 2011). However benefits from this diplomacy are for various stakeholders, not only the state (Naray, 2008b). As shown within the framework in Chapter 2.3.2 this study is mainly looking at the prosperity end, in this sense interaction between government and business (Okano-Heijmans, 2011). A close relation can be viewed between businesses and the government in charge of ED. Services are provided by embassies, export promotion agencies and chambers of commerce for the purpose of helping the firm in achieving its business goals abroad (Naray, 2008b).

As mentioned before the state is considered the main actor in many researches on ED, however there are also studies focussing on the business side. The businesses and organisations are the ones that are ultimately in charge of increasing the prosperity of the home country. When looking at businesses as actors in ED one should note that these businesses have certain characteristics that need to be taken into account. Firstly the size of a firm is important in relation to the impact and goals of ED. As studies show that the size of the firm matters when it comes to the levels of performance of individual firms (attempting to) internationalise (Alvarez, 2004). In its strategy of modernising diplomacy, as discussed in chapter 2.2, the Dutch government declared to put more focus on helping SMEs on their paths of internationalisation (Ministerie van Algemene Zaken, 2012). In literature the importance of export promotion by government and other actors is also studied. The focus in government strategies and programs on SMEs is typically based on a range of factors. Firms that are smaller in size face more challenges when it comes to competing in markets abroad. Larger firms have more resources available (Spence, 2003), they have higher capacity to take risks and have economies of scale and specialization advantages (Alvarez, 2004). Researches based on questionnaires to firms have investigated the different ways in which SMEs can still be successful, including also the help of government (Alvarez, 2004; Hessels & Tiggelooe, 2009; Spence, 2003). SMEs are shown to profit from export promotion programs, in a study after the export successes of Chilean SME's (Alvarez, 2004). On the other hand, the study by (Kesteley, 2014) gathered the opinions of multinationals on the ED services provided by the Belgian foreign service, concluding that multinationals first use their own diplomatic resources before turning to government facilities.

International, is defined as both "an attitude of the firm towards foreign activities or the actual carrying out of foreign activities abroad" (Johanson & Wiedersheim-Paul, 1975, p.306). These attitudes plus the experiences of carrying out foreign activities both influence the firm's decision to embark on an 'internationalisation journey'. In the Uppsala model Johanson & Wiedersheim-Paul (1975) describe the process of internationalisation of a (mostly small) national firm. The model is based on the assumption that businesses are first establishing and developing within the home

country market after which certain decisions are made that might lead to international activities. Furthermore, it assumes that during this process the biggest obstacles are formed by lack of resources and knowledge. Therefore, businesses are inclined to embark on their internationalisation journey in neighbouring countries first, as the obstacles are perceived as less (Johanson & Wiedersheim-Paul, 1975). Based on this model one can distinguish different stages of internationalisation of companies. Firstly, the business is either interested or not interested in internationalisation. If there is an interest the company will explore the possibilities of exporting, importing or investing to the particular country. This is where the firm can run into certain obstacles (prohibitions, lack of resources or knowledge, etc.) leaving them unsuccessful in their attempt. Consequently, if it sees enough opportunities and possibilities it can decide to start exporting, investing or importing. After the start the companies status of internationalisation can be called 'active' and after a longer period even 'experienced' (Ministerie van Buitenlandse Zaken, 2014a; Van Bergeijk, 2012). Being 'active' can also have several meanings: companies can export via an independent agent, they can have a sales subsidiary or a production or manufacturing chain (Johanson & Wiedersheim-Paul, 1975).

Besides businesses as other main actors involved in ED the Dutch government also mentions knowledge institutions (Ministerie van Algemene Zaken, 2012) and sometimes NGOs (Tweede Kamer, 2011a). They have a specific term encompassing all actors called 'Internationaal Ondernemend Nederland'. However, by lack of a suitable translation into English the entire group will be called 'business and organisations'. Even speaking specifically of the services of the embassy there is no particular difference defined in services provided between businesses and organisations.

### 3.2.3 Defining goals

The two previous paragraphs have shown both the rationale for governments to use ED strategies as well as those used by businesses who would possibly like to make use of ED services. Paragraph 3.2.1 has shown that governments enter into diplomatic strategies for economic purposes and thereby intervene in the market from a neoclassical perspective. Nevertheless three functions can be given which justify this government interference. Paragraph 3.2.2 then continues by further highlighting the businesses motivations and needs, which can vary based on their size (SMEs or multinationals). Furthermore, the process of internationalisation of a business is crucial when speaking about goals as the Dutch government has decided to focus more on SMEs in its strategy.

Literature on commercial diplomacy acknowledges the difference between governmental goals and business goals. While government is aiming for prosperity in terms of economic growth, creation of jobs and increasing its country competitiveness, business are seeking profitability, yet balancing the risk of entering foreign markets with the possible profit. Therefore, in a business' eyes services provided for by the government's embassies are useful and good if they are offered at a cheap price, or preferably for free, and if they consequently lower the risk of entering the unknown market (Naray, 2008b).

The Ministry of Economic Affairs (MEA) of the Netherlands has defined three 'operational goals' of ED which are defined below (Tweede Kamer, 2011b, p.5):

1. *To promote free international trade and strengthen the economic international law, focussing on societal responsibilities.*

2. *Promote good policy frameworks which aim strengthen to the competitiveness of the internal market and the EU.*

3. *Promote international business and entrepreneurship and support Dutch businesses in promising markets and sectors.*

The first two objectives are more in the direction of trade diplomacy while the last one is more commercial diplomacy related. On a side note the MEA indicates that the realisation of these goals is depending on a range of factors, they mention for example geo-political factors and influence of supranational bodies. Furthermore, they indicate that there are no 'concrete instruments' to achieve these objectives (Tweede Kamer, 2011b, p.5).

The business goals can be easily and clearly defined. A business which is looking to enter a foreign market wishes to: obtain reliable information, increase credibility and image in the new market, find partners and deal with conflicts that might arise (Naray, 2008b; Ruël & Zuidema, 2012). The Dutch government recognises these needs as it states "Our representations abroad *support businesses* in the obtaining of market access, finding suitable partners and troubleshooting: when business run into obstacles the embassy can intercede with foreign governments" (Tweede Kamer, 2011a, p.18). These objectives are re-confirmed and extended by scholars and policy studies within the definition of economic diplomacy as providing market access, trouble shooting and strengthening the functioning international economic regulations (Ministerie van Buitenlandse Zaken, 2014a; Moons & Van Bergeijk, 2011; Van Bergeijk, 2012). The Dutch government also explains by which manners these businesses can be supported. Key herein lies with the role of the diplomats who have the knowledge and local network in the particular country at hand to help out. In this way they can explain local norms and regulations and in case problems arise for the business they can mediate and use their local network (Tweede Kamer, 2011a).

Ruël & Zuidema (2012) confirm that there are more ways in which commercial diplomacy can be effective. This could be in terms of the firm's profitability (Gençtürk & Kotabe, 2001) or export success (Alvarez, 2004) or diplomacy's positive effect on international trade (Rose, 2007; Yakop & Van Bergeijk, 2009). The most frequently used objective, according to Ruël & Zuidema (2012) is: Increasing import, export and international trade (p.5). Figure 4 below shows the differentiation in goals, or objectives, aligned based on the criteria of directness, the level of the objective and influence of public actors. The goals of the (Dutch) government, as the ones defined by the MEA, seem to be falling more into the right side of the spectrum, speaking in terms of competitiveness, international trade and societal responsibilities (Tweede Kamer, 2011b, p.5). At the embassy level, more direct and operational goals are expected. Direct objectives can be defined as providing added value for those firms which make use of economic diplomacy. Kostecki & Naray (2007) closely link this added value to the activity profile, or in other words the services offered by the embassy to the company, and the performance. Ruël & Zuidema (2012) further elaborate on this by defining added value in terms of quality and relevance.

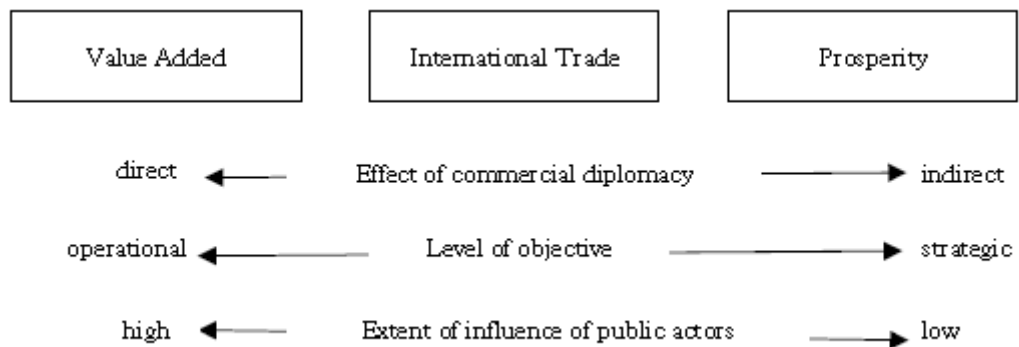


Figure 4 - Differentiation in Goals (Ruël & Zuidema, 2012, p.7)

This study is investigating the ED at the Embassy of the Netherlands in Slovenia. It aims to find out how effective the strategy is based on the goals it needs to achieve. For the reason that this thesis looks at the implementation side, the more direct and operational objectives play a key role. Based on the analysis of different goals formulated above and the practice of the Embassy in Slovenia the following four objectives will be tested:

A. Provide services of high quality to Dutch businesses and organisations (Kostecki & Naray, 2007; Ruël & Zuidema, 2012).

B. Offer most relevant activity profile to Dutch businesses and organisations (Kostecki & Naray, 2007; Ruël & Zuidema, 2012).

The embassy's services aim to reach the following goals:

C. Market access: "open markets and the opening of markets to stimulate cross border economic activities (imports, exports, FDI)" (Moons & Van Bergeijk, 2011). Providing market access also includes services of providing information about the local market and help in finding a business partner (Tweede Kamer, 2011a).

D. Trouble shooting: solving problems or obstacles Dutch companies might have, mainly with foreign governments (van Bergeijk, 2011).

### 3.3 Instruments & Activities

ED has several goals as defined in the previous paragraph. In general one could say, it is a strategy designed to, amongst others, stimulate companies in their quest for internationalization. It thus indirectly promotes export but also import and investment. For that purpose several instruments and activities are used by countries and their (foreign) ministries (Moons & De Boer, 2014). Examples of instruments of ED are embassies, consulates, state visits, economic missions, export promotion, treaties, boycotts, embargo's and financial sanctions (Van Bergeijk, 2012). As defined before, in chapter 2.3.2 the focus of this thesis lies on commercial side of economic diplomacy. Furthermore it aims to find out the effectiveness of the Dutch ED at one of its Embassies. Within this Embassy several activities are offered, carried out by the embassies diplomats and local staff, and take the form of service provision to companies. These activities, or services (they are used in synonym here),

take the form of intangible assets, such as information, image and contacts created by the staff's time and effort (Naray, 2008a).

Table 1 below lists the services provided by the Embassy of the Netherlands studied in this research as defined by the Dutch Enterprise agency and executed by the Embassy. Explanations offered by the Dutch Enterprise Agency and literature are given to indicate the scope of the activities.

**Table 1 - Service provision by the Embassy in Slovenia**

<b>Services</b>	<b>Explanation</b>
1. Inquiry	Trade, technology or investment related question. Embassy answers the question, usually provides general information (Kostecki & Naray, 2007).
2. Matchmaking	Assistance in finding suitable business partners (Tweede Kamer, 2011a). Upon request of the company the embassy sends a list with potential importers or distributors and extra information. This service does not include pro-active partner search (Kostecki & Naray, 2007).
3. Customised Information	Guidance for Dutch companies entering new markets For example includes: - a list of specific tender opportunities and/or attractive projects based on the sector (Kostecki & Naray, 2007) - "real life analysis of market access and potential threads (Kostecki & Naray, 2007, p.27)"
4. Tailor-made service	special research, support over longer period, visiting program, etc.
5. Resolving Market Access Barrier	Embassy is helping in situations where the local government is obstructing official business procedures or is unwilling to cooperate, which is usually the case in countries with a lot of government involvement (Rijksdienst voor Ondernemend Nederland, 2016).
6. Helping with Investment Projects	"promotion of a country's image on the level of the host government authorities and large MNEs to build trust and a good reputation (public diplomacy) for inward FDI" (Naray, 2008a, p.28)
7. Official Attendance/ event/reception/conference/seminar	Embassy cooperates in organisation or organises events for the match-making and networking purposes, usually in a public-private context (Rijksdienst voor Ondernemend Nederland, 2016).
8. Subsidies/Schemes	Answering questions regarding possible subsidies and schemes (Dutch government, EU, local government) (Rijksdienst voor Ondernemend Nederland, 2016).
9. Resolving Trade dispute	Trouble shooting for problems with local partner (Rijksdienst voor Ondernemend Nederland, 2016).  Embassy helps by thinking of possible solutions and might provide a list of suitable (tax) lawyers (Kostecki & Naray, 2007; Rijksdienst voor Ondernemend Nederland, 2016).



As defined in goal A and B in the previous paragraph, the following is to be noted concerning the services provided in relation to the effectiveness: “When activities are carried out most professionally in harmony with both government’s objectives and beneficiary’s satisfaction, then we consider that Commercial Diplomats actually add value to the promotion of international business (IB)” (Naray, 2008a).

## 4. Empirical Design: Case Study

### 4.1 Case Study

How effective is the economic diplomacy of the Netherlands at one of its embassies? In order to provide an adequate answer to this question the methodology in this research is applied to the case study of the of economic diplomacy at the Embassy of the Kingdom of the Netherlands in Slovenia. In this methodology the main focus will be the business perspective, as they form the target group of this study.

#### 4.1.1 The Embassy in Slovenia

As the focus of the Dutch economic diplomacy policy is more on upcoming markets such as China or Brazil (Ministerie van Algemene Zaken, 2012) the service provision offered to Dutch companies at one of the small embassies within the EU, such as Slovenia, is more basic in nature (see for the list of services and explanation paragraph 3.3). Furthermore, as mentioned in Chapter 2.1 the MFA and MEA of the Netherlands defines broad guidelines on what form the ED should take and goals, as defined in Chapter 3.2.3. The Embassy is charged with the implementation of the foreign policy with relation to the ED strategy of the ministry. This still gives them room to interpret and add to the existing strategy, not only because the goals are defined broadly but also because the Embassy has 'on the ground' knowledge and networks (Chapter 2.1.2). Just like the ministry the Embassy makes a year plan.

Within their foreign policy and ED strategy the ministries have indicated that ED in its service provision to, and interest representation of, Dutch businesses should give special attention to the nine top sectors of the Netherlands as defined by the MEA (Tweede Kamer, 2011b). In light of this the Embassy in Slovenia has developed a pro-active strategy in which it focusses on one of these sectors, or a combination of two sectors, per time period. The Embassy organises a special events aimed at bringing together Dutch companies and organisations from within this sector with their Slovene counter parts. Such an event includes match-making sessions, exchange of knowledge and possible field-trips. After analysis of the Slovene market four priority sectors have been chosen for the past two years and future two years: Agriculture (included also Horticulture), Water, Transport & Logistics and Irrigation (combination of Water and Agriculture). The analysis is done in the form of a market scan in which possible challenges and business opportunities are identified. For example, in the case of the Water sector, recent floods in Slovenia and investments in the drinking water area (such as pipelines) have led to the focus on Water as a priority sector.

#### 4.1.2 Slovenia's business climate

As this case study is focused on the Embassy in Slovenia it is important to give some background information related to the country and its business climate in particular. The main reason for doing so is that this research is based around the perceptions, experiences and characteristics of the Dutch businesses and organisations that have come into contact with the Embassy. Their responses to the questionnaires form the core data on which this study bases its conclusions. Hence, in order to understand their responses some basic background on the situation 'on the ground' in Slovenia is needed.

Slovenia is a small country of approximately 2 million inhabitants. It used to be part of Yugoslavia until it was recognised as an independent state in 1992. The country joined the EU in 2004 and adopted the euro as its currency in 2007. Like many other European states also Slovenia was affected severely by the recent economic crisis (Romih & Logožar, 2013), hitting a double dip recession in 2011. In potential it is seen as an attractive investment location. One of its strongest attraction points in terms of doing business lies in its geostrategic location. It is an important transit country as it is located at the crossroads between Austria, Italy and the Balkan region. However, some foreign companies face issues with its business environment (Netherlands Embassy, 2016). According to the European Commission “Major weaknesses stem from the developments in the financial sector, the slow privatisation process, lengthy administrative procedures and the risk of corruption” (European Commission, 2015).

## 4.2 Research Design and Methodology

In this case study the aim is to measure the success of the strategy of ED at the Embassy. As such a study has not been carried out before this can be viewed as a pilot study. The measurement of success being its effectiveness. In other words, this case study presents an inventory of the effectiveness of ED of the Netherlands at the Embassy in Slovenia, and in to this extend the question that needs to be answered is: *How effective is the economic diplomacy of the Netherlands at the Embassy in Slovenia?*

The outcome depends on the extent to which certain goals have been reached. These goals are the ones defined in Chapter 3.2.3, they will be operationalized in paragraph 4.3.2. The primary data from which the achieving of this goals will be determined takes the form of mixed data (qualitative and quantitative) from questionnaires send out to a group of businesses and organisations that have been in contact with the Embassy at some point in the past years. Their experiences and satisfaction with the activity profile of ED offered are the basis on which this study draws its conclusions. Secondly, in order to put these data into perspective and bring more insight into the ED at the Embassy and its effectiveness three semi-structured interviews were held with the Embassy staff, both diplomats and local staff, who are/were occupied with the economic diplomacy of the Netherlands in Slovenia. Data obtained from these interviews will take the form of qualitative data.

### 4.2.1 Questionnaires

As mentioned before in 3.2.2. and 3.2.3 businesses have different motivations and needs connected to the ‘phase’ of internationalisation they are in. Furthermore, the range of activities the Embassy organises as defined in 3.3 are aimed at meeting these needs and motivations each at a different stage. Considering the effectiveness of the ED it is thus crucial to design a research method that can map the group of firms and organisations who used these services in their varying natures (business/organisation), sizes, sectors and ‘internationalisation stage’. For that reason the research design should enable the researcher to pin-point the company/organisation to the stage of internationalisation and the moment of its contact with the Embassy and use of the Embassy’s services. By using a questionnaire as the main research method one can is design it to function like a flowchart. Offering multiple possibilities in the form of list questions and checks in the form of yes/no questions. Secondly, questionnaires allow the opportunity to ask a specific group of people to answer

exactly the same list of questions. Furthermore, and partly because of that, it is one of the most widely used ways to collect data compared to other survey techniques (Saunders, 2011). Hence, in this study, all questions are equal for all companies and organisations involved. Furthermore, it is crucial that the questionnaire is designed in such a way that it firstly creates the opportunity for every participant to fill it in. Meaning that it is open to every respondent, not biased to a particular group in its questions. Lastly, it should be interpreted by all the respondents in a similar way. The content and type of questions will be discussed in paragraph 4.3, for the full questionnaire see attachment 1.

Questionnaires are preferred over other research methods such as individual interviews because it enables the researcher to establish a broader picture of the opinions, behaviours and characteristics of the subjects. Furthermore questionnaires limit the influence of additional factors, such as interviewing skills (Saunders, 2011).

The sample includes all the 159 Dutch economic contacts in the databases of the Embassy since around the year 2006. However, the databases are not completely up to date, so the assumption that is made here is that the total population of users of Embassy's services is approximately around 200 while the sample size within this population is then 159.

The list of contacts of the Embassy were invited to participate via email (see attachment 2). In order to maximise the response rate, validity and reliability of the data the email contained a clear explanation of the purpose and functioning of the forms. Within this email a link was given to the online form. Internet-mediated questionnaires, using Google Forms, were chosen in this study for practical reasons, such as the geographical distance from the respondents and ease of data processing. Additionally internet-mediated forms allow the opportunity to offer the respondent an easily accessible, visually attractive and easy in use option, which can affect the response rate positively. Moreover, also by designing individual questions are designed in a careful and precise manner to increase reliability and validity (Saunders, 2011). As mentioned before, the questionnaire is designed like a flow-chart. For that reason not all questions are obligatory, to allow some respondent to continue further on the topic while others can quit. Before sending out the forms they were first pilot tested (Saunders, 2011; Spence, 2003) by two employees of the Embassy and two outsiders, in order to secure content validity and ease of response.

Considering the possibility of a low response rate "it must be remembered that organisations and individuals are increasingly being bombarded with requests to respond to questionnaires and so may be unwilling to answer your questionnaire." (Saunders, 2011, p.395) Therefore, in order to increase the response rate, non-respondents were given reminders via phone calls after two weeks. During these phone conversations special attention was payed to the reasoning of some contacts for non-response. The data accumulated via this way is reviewed as qualitative data in this study.

#### **4.2.2 Semi-structured interviews**

In order to put the current responses into perspective, and to reflect on the results of the questionnaires, interviews were held with the diplomats and the local staff at the Embassy. Consequently, the data obtained in this way forms the secondary data in this thesis. The employees of the Embassy were asked for their personal experiences and point of view relating to the effectiveness of economic diplomacy. This was done using semi-structured interviews on face-to-face

basis. In advance a list of questions was set up in order to structure the interview, which was sent to the respondents together with the data obtained from the questionnaires, offering the respondents a chance to prepare themselves and reflect on previous results during the interview. Furthermore, a semi-structured layout allowed the conversations to flow naturally, giving the interviewer the opportunity to ask other questions in case they came up or refrain from asking other questions in case of time restraints or other considerations. Results from the interviews can be found in Chapter 5.2.2, these results are derived from the full transcripts (two in Dutch) which can be found in attachment 4,5 and 6. As a means of recording the data, audio recording is preferred over making notes in order to increase the reliability. Before, using audio recording interviewees were asked for permission, two out of three allowed for the interview to be taped. Lastly, interviewees remain anonymous, this means that also the functions of the respondents is kept out of the data as the group that was interviewed is very small and anonymity can otherwise not be guaranteed.

## 4.3 Data Collection

### 4.3.1 Goals

This research aims to investigate the effectiveness of the economic diplomacy (ED) at the embassy of the Netherlands in Slovenia by means of a quantitative analysis. 159 businesses and organisations were asked to fill out a questionnaire regarding the service provision of the embassy. In this research the dependent variable is the effectiveness of the ED, the independent variables being the goals of ED at the embassy.

Previous literature has shown that economic diplomacy has direct and indirect goals. While the indirect goal is seen as economic growth and prosperity (Ruel & Zuidema, 2011). The direct goal at the embassy is for the economic diplomacy to have added value (Kostecki & Naray, 2007). This can be understood as the goal to provide the most relevant activity profile to Dutch businesses, NGO's and knowledge institutions at the highest quality (Ruel & Zuidema, 2011).

In other words the direct goals are defined as follows:

A. Provide services of high quality to Dutch businesses and organisations (Kostecki & Naray, 2007; Ruël & Zuidema, 2012). The three quality indicators below are defined based on the indications given by the Embassy, the SERVQUAL method for measuring service quality (Saunders, 2011) and the priorities of modernising diplomacy of the Netherlands (Tweede Kamer, 2014).

- Overall quality
- Responsiveness (which in this case is seen as the readiness to react to questions or requests of Dutch companies or organizations)
- Accessibility (in terms of the 'media' via which the respondent learned about the Embassy's service provision)

B. Offer most relevant activity profile to Dutch businesses and organisations (Kostecki & Naray, 2007; Ruël & Zuidema, 2012).

The embassy's services aim to reach the following goals:

C. Market access: “open markets and the opening of markets to stimulate cross border economic activities (imports, exports, FDI)” (Moons & Van Bergeijk, 2011). Providing market access also includes services of providing information about the local market and help in finding a business partner (Tweede Kamer, 2011a).

D. Trouble shooting: solving problems or obstacles Dutch companies might have, mainly with foreign governments (van Bergeijk, 2011).

#### 4.3.2 Operationalization of the variables

##### **Type of questions**

List questions and multiple choice answers are meant to give further structure to the answers and provide the respondent with prepared options so he or she knows in which direction the answer should go. Moreover, a list question provides the opportunity to make sure the respondent considers all possible answers. By defining a pre-determined list for them. In this questionnaire the list questions are either in the form of a simple yes/no answer or a full list of all answers possible. Full lists are created on the basis of the theoretical background (Chapter 2 and 3) and the expertise of the Embassy. In order to be able to make these lists as complete as possible an ‘other’ option, as a ‘catch-all category’, is added in the end. This allows the respondent to add any other answer that is not provided in the list. Answers that come from this category will be treated as qualitative data.

In case the firm/organisation wishes to further explain its position it will be offered the opportunity, both in the form of an extra comment space in the questionnaire and by contacting the researcher.

Furthermore, these actors all have different backgrounds and motivations. In order to understand their answers and put the outcome of the questionnaires into perspective some general information is needed about these actors. For this purpose the questionnaire first contains 6 general information questions concerning the name, size, international presence, sector and type of products of the company. The size of the company is determined by its overall turnover in million euros (question 5), afterwards the indicated category of turnover can be translated to a category of small, medium or large. A turnover up to 10 mio is considered a small business and 10-50 medium (European Commission, 2016). Furthermore, the list question on the sectors “Which sector(s) is your company active in?” offers a choice from a list of sectors. This list is based on the 9 Dutch top sectors as defined by the ministry of economic affairs (Ministerie van Economische Zaken, 2016). For the full questionnaire see attachment 1.

After the general information part the questions focus on the main variables of the research and are operationalised as shown in Table 2 below. These questions determine the independent variables which, in turn, determine the dependent variable and thereby the final research question.

Table 2 - Operationalization of variables

Independent variable (=goal)	Question in questionnaire	Item/indicator	Type of question
A. Provide services of high quality (overall assessment of quality) B. Offer relevant activity profile	Which diplomatic services of the embassy have been provided and how do you rate them? (list of 9 services is given, see §3.3)*	1 to 5 scale, or not relevant	Likert Scale 1 to 5
A. Provide services of high quality (Responsiveness)	How would you rate the responsiveness of the embassy's service provision?	1 to 5 scale	Likert Scale 1 to 5
A. Providing services of high quality (accessibility)	1. While accessing/planning to access the Slovene market did you come into contact with the embassy? Yes/no  2. How did you learn about the services provided by the embassy?	- Via the Embassy website ( <a href="http://slovenia.nlembassy.org">http://slovenia.nlembassy.org</a> ) - Via Wegwijzer Internationaal Zakendoen (rvo.nl) - Via my association - Via a Chamber of Commerce - Via a trade mission - Via an event hosted by the Embassy - Via <a href="http://www.internationaalondernemen.nl">www.internationaalondernemen.nl</a> - Via the Nederland exporteert app - Via the Embassy Newsletter (email) - Other:	List question
C. Market Access	What is your business connection with Slovenia?	- I am Interested in exporting/importing to/from the Slovene market - export to Slovenia - import from Slovenia - export to Western Balkan via Slovene agent - import to Western	List question

		Balkan via Slovene agent - Transfer of know-how - Investing in Slovenia - R&D cooperation - Technology development - No connection	
	Have you established one of the following:	- a business contact/cooperation with a Slovenian company - a business deal in Slovenia - a local office in Slovenia (subsidiary, distributor, representative agency, etc.) - other - none of these	List question*
	Since when have you been active on the Slovene market? Indicate date		Open Question
D. Trouble Shooting	Did you encounter any problems/disputes while doing business in Slovenia?*	- We did not find a business partner - No longer interested in market - Received information was insufficient - The products/services did not meet the requirements - Problems with the payment (hacking or otherwise) - Dispute with business partner - Problems with copyrights/fake products - Local company is fraudulent - Retention of goods by authorities - Other	List question*
	If so, did the provision of services by the embassy help to combat these problems/difficulties?	Yes No	Yes/No question

\* The items in this list question are based on information of the Dutch Enterprise Agency (2016)



## 4.4 Sample Selection

The sample size studied in this research contains 159 companies and organisations. The list of companies/organisations was extracted from the databases of the embassy, which includes all the personal contacts of the embassy within Dutch companies/businesses dating back to the year 2006 approximately. Due to the small size of the embassy and therefore the lack of administrative capacity the database is not completely up-to-date. Consequently, it was not possible to include the full batch of contact data in this research. The sample selection is therefore on random basis and can be seen as a sample from the total population (n) of embassy's service users which is estimated to be n=200.

Out of the 159 contacts 20 were no longer in the business that had the initial contact with, meaning their contact details were no longer valid. Additionally a certain level of non-response could not be prevented. In the end a total of 30 respondents filled out the questionnaire, reaching a response level of approximately 21%. The data of their company details, based on their responses to question 1 till 6, are discussed in further detail below.

29 respondents indicated their overall turnover, the results are shown in Figure 5. This is an indication of their company's or organisation's size. As mentioned before based on this data the size can be either considered small, medium or multinational/large. Hence 59% are small companies, 10% are medium sized and multinationals only comprise 31% of the respondents.

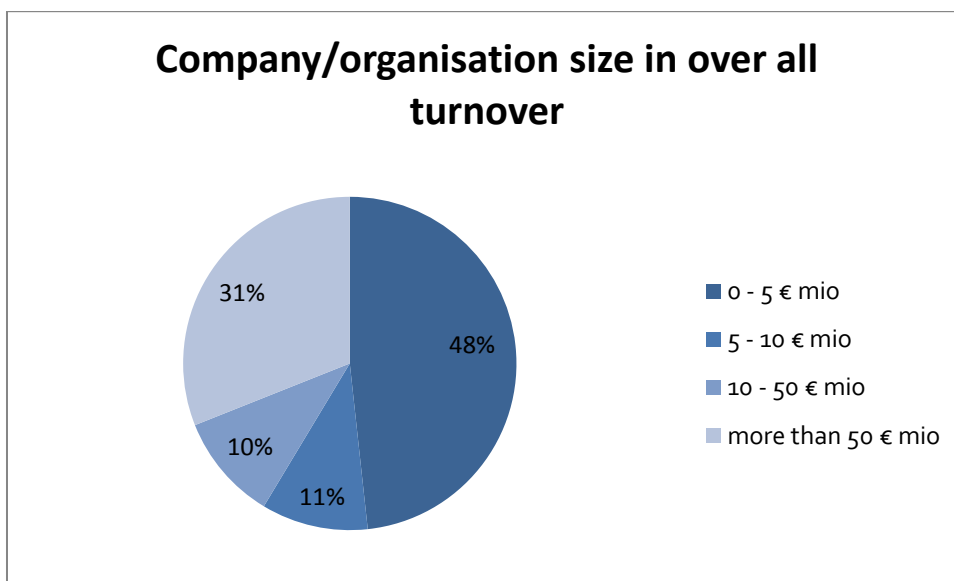


Figure 5 - Company/organisation sizes

Furthermore 73 percent of the respondents indicated that their company/organisation does export/import goods and services outside of the Netherlands while 27 percent does not.

Figure 6 below gives an overview of the sectors in which the companies and organisations that responded to the questionnaire are active. These include amongst others, 17% in the water sector, 19 % in Agri&Food, 11% in Logistics&Transport and 11% in Horticulture and Propagating Stock. Additionally there is a rest category of 19%. This 'other-category' includes various sectors that do not fall within the sectors defined (according to the respondent). Such sectors are: engineering oil and gas, banking, marketing & promotion or Cadastre affairs and Land consolidation.

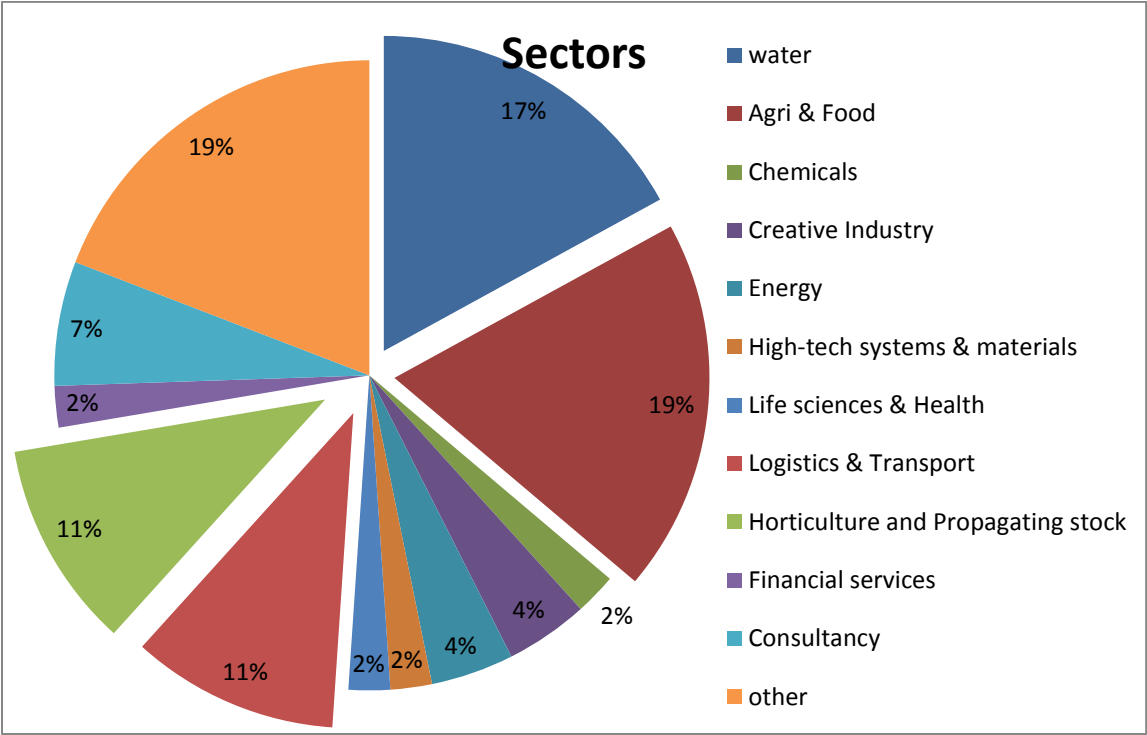


Figure 6 - Responding companies and organisations per sector

## 5. Empirical Results

Both the qualitative and quantitative findings are displayed in this Chapter. It is structured in such a way that first the data obtained from the questionnaires is given (mixed method), secondly the data from the semi-structured interviews will be discussed.

### 5.1 Questionnaires

#### 5.1.1 Quantitative data

The quantitative data part of the findings, derived from the questionnaires were processed using Excel. Onwards, the results can be viewed as structured based on the goals defined in 4.3.2.

Before moving onto the processing of the data a correction has been made concerning the interpretation of question 10. When looking at Figure 7, into the individual responses there are a not negligible amount of services receiving a 1 for rating. This could either indicate that the respondents are in fact very unsatisfied or there is a misunderstanding in their interpretation of the question and its actual meaning. Below a picture shows part of the answer of one of the respondents who gave a lot of 1's. In comparison to the other ratings given by those same respondents for other services this seems illogical. Also it seems unlikely that one company/organisation made use of the entire scope of services. A confusion that might have occurred is between the 'not relevant' button and the '1'. Meaning the 1's actually indicate non-relevance. To correct this possible error the respondents concerned were contacted once more to verify the reason for the error. Consequently the respondents in question indicated that a misinterpretation was in fact the case and either reviewed and adjusted their own responses or gave permission to change the data.

10. Which diplomatic services of the embassy have been provided (relevant) and how do you rate their quality? (1=low, 5=high) \*

\*list of services derived from RVO

	not relevant	1	2	3	4	5
Trade, investment or technology related question (inquiry)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Assistance in finding potential business partners (matchmaking)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Provision of Customised Information for entering the market	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tailor-made service (special research, support over longer period, visiting program, etc)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Resolving Market Access Barrier	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Helping with Investment Projects	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Official Attendance/event/reception/conference seminar	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

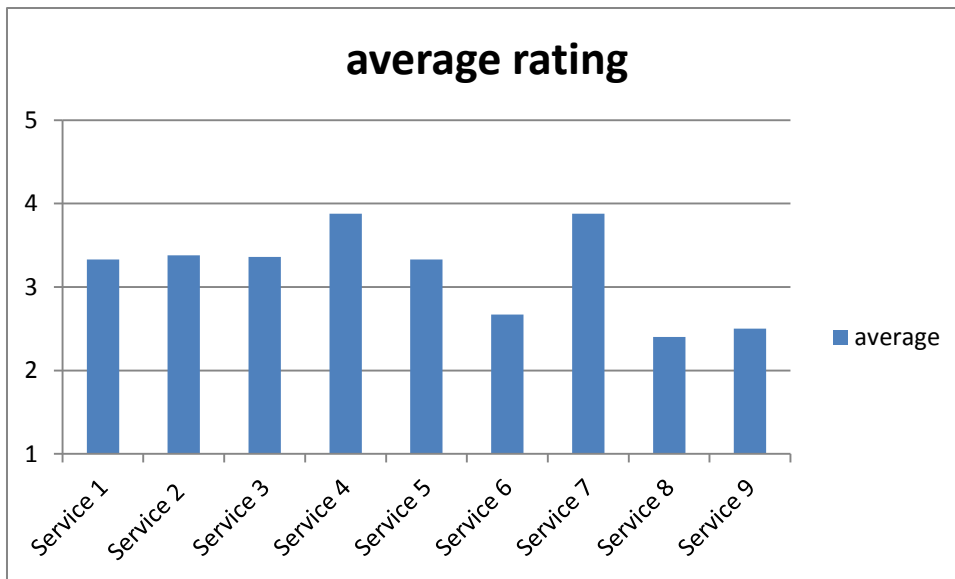
Figure 7 - Example of one of the responses to question 10 concerning service quality

**A1. Overall Quality of Services**

The respondents indicated which diplomatic services of the Embassy were provided, which is an indication of its relevance. Furthermore, they have rated the quality of each service on a likert scale of 1 (low) to 5 (high).

As a reminder, the nine services provided for by the Embassy are indicated below:  
(For the full explanation see Chapter 3.3)

- 1: Inquiry
- 2: Matchmaking
- 3: Customised Information
- 4: Tailor-made service
- 5: resolving Market Access Barrier
- 6: helping with Investment Projects
- 7: Official Attendance/ event/reception/conference seminar
- 8: Subsidies/Schemes
- 9: resolving Trade dispute



**Figure 8 - Average rating per service**

Figure 8 above indicates the average rating for the quality the respondents gave to every service that was provided individually. The two highest averages, both with a rating of 3,9 are found in service 4 (tailor-made service) and service 7 (Official Attendance/ event/reception/conference seminar) while the lowest is found for service 8 (subsidies/schemes), with a 2,4, and 9 (resolving Trade dispute), with a 2,5. It should be noted however that considering the fact that the sample in this study is relatively low, this means only 2 to 5 people scored these low-rated services compared to 10 to 20 for the high rated ones (see B. relevance of services). Therefore, the results should be interpreted with caution.

From the figure it shows that overall the average rating of services lies around 3.

### **A2. Responsiveness of Services**

The responsiveness of the Embassy's service provision is rated, similar to the overall quality on a Likert scale from 1 (non-responsive) to 5 (very responsive). The average answer to this question is a rating of 3,8. This is on the high side.

### **A3. Accesibility of Services**

While accessing/planning to access the Slovene market 80% of the respondents indicates that they have come into contact with the Embassy while entering the Slovene market. While 20% indicates that they have not.

The list of people asked to fill out the questionnaire is derived from the data base with the embassy's contacts. It is thus safe to assume that all respondents have been in contact with one of the Embassy's staff members at some point in time. It thus follows that the ones who indicate not to have had contact, have communicated regarding another matter then 'accessing/planning to access the Slovene market'. This could be that they have successfully accessed the market on their own strength but later on needed more information or ran into some kind of trouble. It could also be that the reason for contacting was of an entirely different matter.

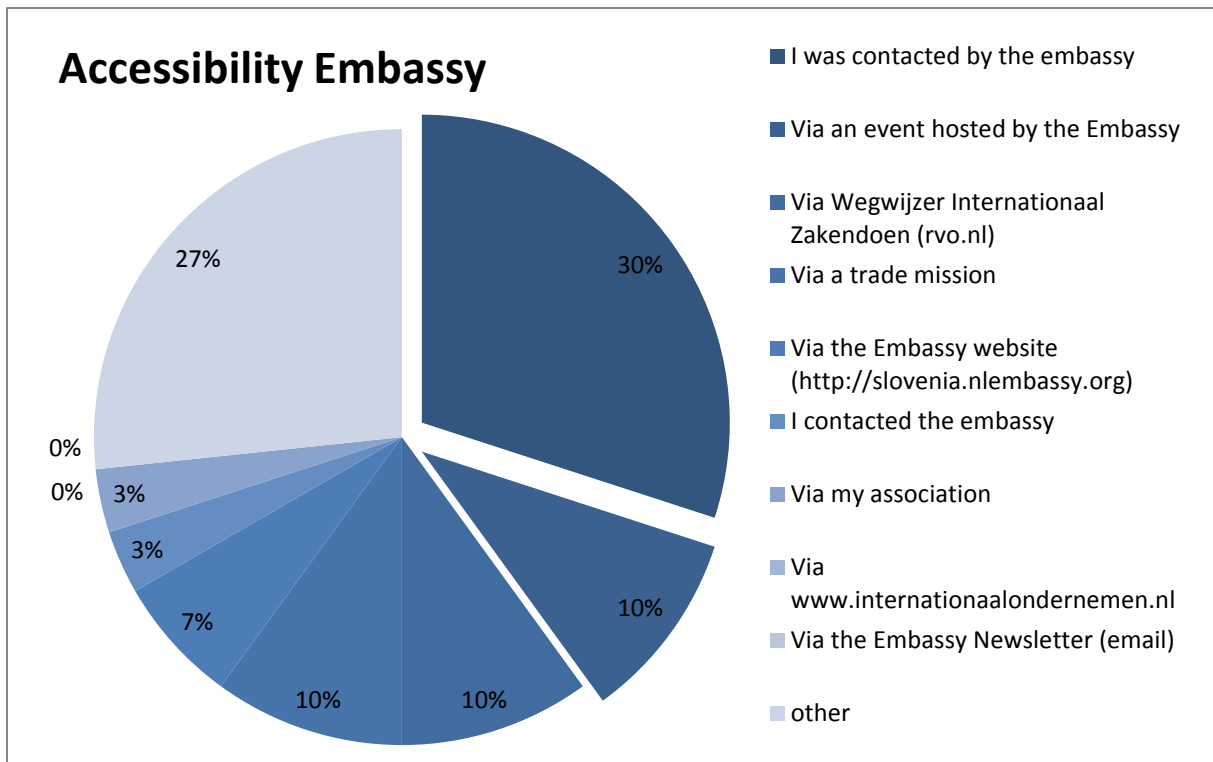


Figure 9 - Accessibility service provision of the Embassy

The graph above (Figure 9) indicates how the respondents learned about the services provided by the Embassy. One thing that immediately stands out when looking at the data is the high percentage of respondents that were contacted by the Embassy (30%) and those that learned about the services via an event hosted by the Embassy. This could indicate two things:

1. The Embassy's economic diplomacy includes a rather pro-active attitude from the Embassy itself. (see paragraph 4.1.1)
2. The other ways to learn about the service provision of the Embassy are less known.

## B. Relevance of Services

Below, in Figure 10, are the data concerning which diplomatic services of the Embassy have been provided, meaning their usage, which is seen as an indication of the relevance of the activity.

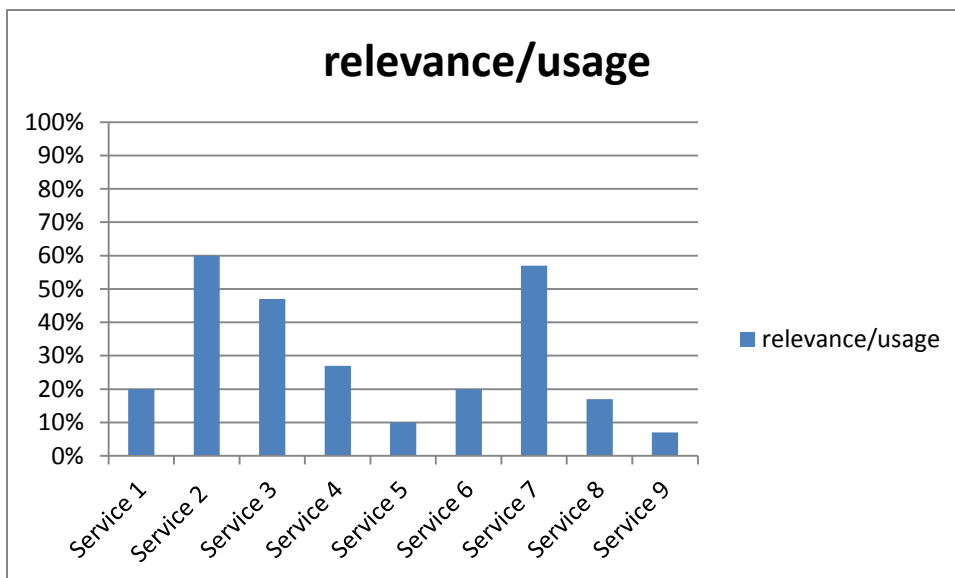


Figure 10 - Relevance based on usage of individual services

Services 2 (match-making) and 7 (Official Attendance/event, etc.) are used the most by the respondents. While service 9 (subsidies/schemes) and 5 (resolving market access barrier) have the lowest usage rate, they are indicated as 'not relevant' by a large percentage of the respondents, 93% and 90% respectively. Again, considering the fact that the sample in this study is relatively low, this means only 2 to 3 people scored these services. Furthermore, combined with the figure regarding the overall quality of services (see A1) one can see that there is a correlation between the rating the services get and their relative relevance. It seems that for some services the lower the relevance the lower the quality rating, this might have to do with the bias created by the very low responses.

### C. Market Access

The graph below indicates the businesses' and organisation's business connection with Slovenia.

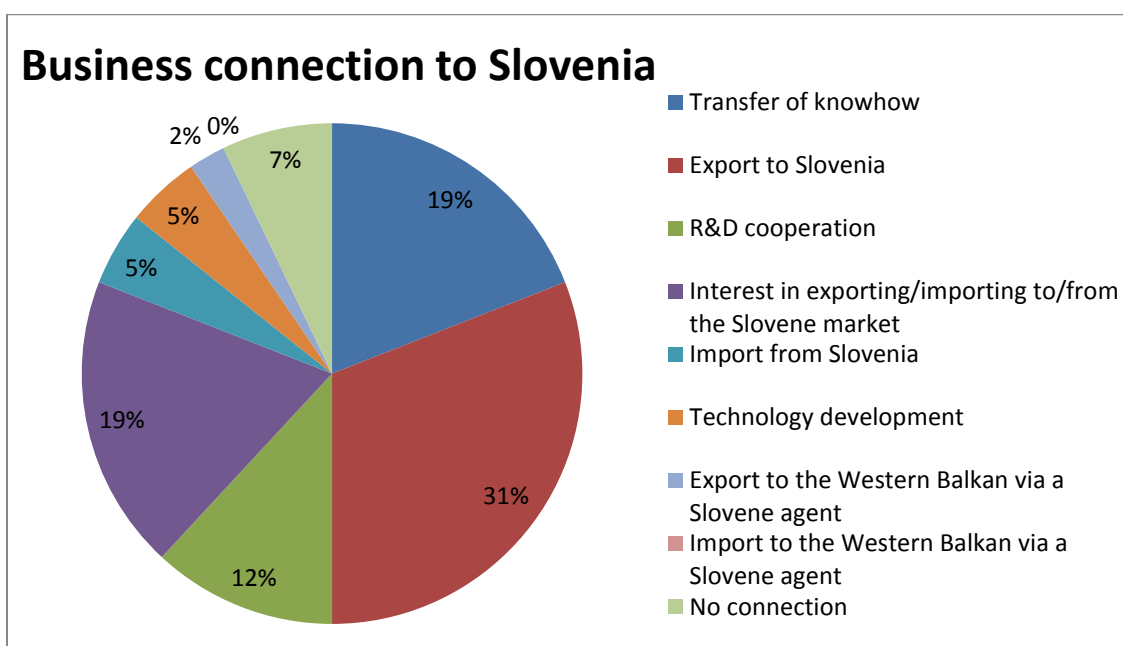


Figure 11 – Business connection to Slovenia

The graph in Figure 11 shows the companies and organisations business answering this question (30) the largest percentage is exporting their goods/services to Slovenia (31%), followed by the ones transferring knowhow (19%) and the ones interested in exporting or importing to/from Slovenia (19%). No one is importing from the Western Balkan via a Slovene agent.

This indicates that a significant part of the companies has managed to successfully enter the Slovene market. Meaning those who are exporting or importing (total 36%). Furthermore, there is also a significant percentage that have not established business connection with Slovenia but are interested in exporting or importing.

Another thing that stands out when looking at the graph is the amount of respondents (12%) indicating to have 'no connection' with Slovenia. However, the question asks for the respondents business connection with Slovenia so there might be some room for the interpretation of this question that has left certain respondents to interpret this in a narrow way while others might have interpreted it more broadly. As the questionnaire was send out to both companies ánd organisations the organisations might not have felt addressed by this question.

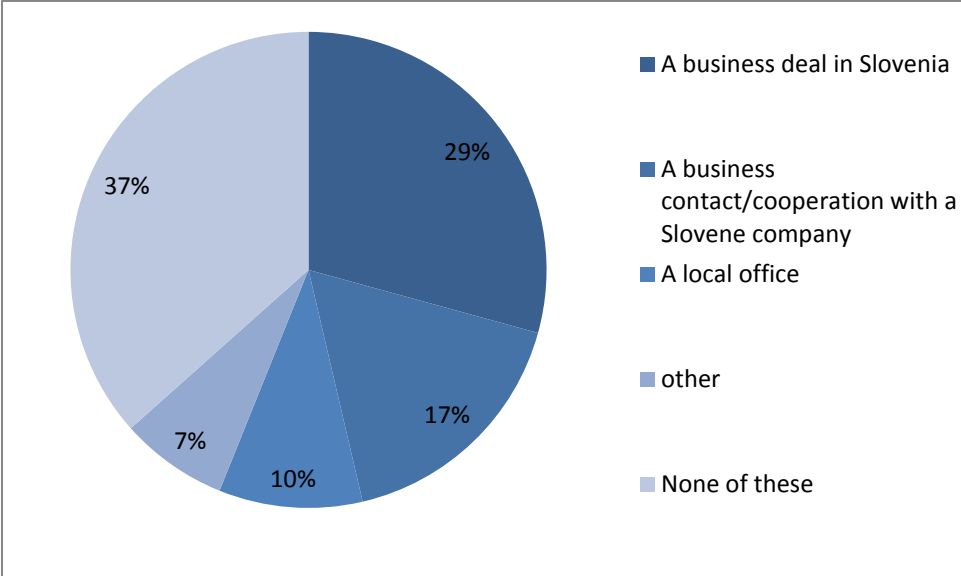


Figure 12 – Establishment of business deal, contact, cooperation or local office

The graph above (Figure 12) shows that 37% of the respondents indicated that there was no establishment of any kind with regards to the Slovene market. Furthermore, of the ones that did establish something 29% made a business deal in Slovenia and 17% established a contact/cooperation with a Slovene company.

**D. Trouble Shooting**

Of the total number of respondents 20% indicated that they did encounter problems/disputes while doing business in Slovenia, while 80% did not experience any such problems.

Out of the group of respondents that indicate to have encountered problems or disputes, which are 6 respondents 1 indicated that the provision of services by the Embassy did help to combat these



problems/difficulties (which is only one respondent). While 8 say it did not. See qualitative data below for further explanations given by the companies/organisations.

### 5.1.2 Qualitative data

This sub-paragraph contains the qualitative data obtained from the questionnaires and phone calls that were placed in order to increase the response rate. Below the data is structured using a deductive approach, which is similar to the one that will be used to structure the data of the interviews in paragraph 5.2 below. It is based on the theory used in this thesis, more specifically the framework that is formed by the goals as defined in 4.3.1. These secondary data mainly serve the purpose of reflecting on, and enhancing the primary data given in the previous sub-paragraph.

#### Service provision

Firstly regarding the phone calls made in order to increase the response rate. One of the most remarkable reasons for non-responses is that some people do not see their contact with the Embassy as falling under service provision. Hence, they indicate that they would not have enough knowledge to fill out a form concerning these services. Reasons that were given are for example “I have only given a lecture once, apart from that I have not been in contact”, but also “My only contact with the Embassy was a visit during which we drank coffee and talked” and another contact person indicated that “The contact I had was in the form of a cooperation with the Embassy as we organised an event together, in my opinion this does not fall under service provision”. On the other hand there are also Dutch contacts which indicate not having used the services but who are still willing to fill out the form. For example, one respondent said that her “attendance of the event in Slovenia was of personal and not business nature, therefore I have the feeling that my answers to this questionnaire might not be representative/useful for your research.” Another one notes: “I have tried to fill in the form as much possible for a service / consulting company.” Thereby indicating that in from his point of view the questionnaire was more aimed at companies within other sectors he thus experienced some difficulties filling it out.

Access to the service provision is mostly obtained via the events and the proactive attitude of the Embassy itself (see previous paragraph). Furthermore, within the results obtained from the questionnaires three respondents indicate, under the ‘other’ option, that they have learned about the Embassy’s service provision via the Slovene Dutch Business Platform<sup>1</sup>.

In accordance with the average ratings of the quality, respondents are generally satisfied with the service provision. “I have had very good contacts with the Embassy (for instance –name of embassy employee-) and appreciate their efforts very much.” “In the future we will also start providing legal/advocacy services which may (because of its broader scope) trigger more synergy with the activities of the embassy.” Another respondent indicates that he was happy with the services and experiences Slovenia to have a good business culture.

One other remarkable comment in terms of service provision given by two respondents was that the changing of the diplomats once every four year creates some difficulties in communication.

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<sup>1</sup> “an independent, non-profit association established to provide a basis for developing and expanding international business relations in Slovenia” (SDBP, 2016)

## **Market Access**

As indicated in the previous paragraph more than half of the respondents manages to establish a business deal, contact, cooperation with, or local office in Slovenia. The additional qualitative data mainly serves to exemplify this. One Dutch company indicates that they have “done dredging a project for Luka Koper in 2014 & 2015 autonomously making partnership with –local company name- In 2014.” They were in contact with the Embassy during this time and received one of the diplomats for a visit to their project office. Another firm in the consultancy branch established a “collaboration with the local community and university on a EU research program”.

Another illustration concerning market access and the role of the company in its success in entering the Slovene market stems from a respondent of one of the bigger Dutch companies selling food products. He indicated during a phone conversation that they lost interest and therefore “did not put that much effort in it myself”. As a reason for this the respondent indicated that “the demand for quality products was not high enough” due to the level of development of the market in Slovenia. Additionally, the company is a multinational (falls in the more than 50 € mio category in Figure 5) and therefore the need to add export to another market abroad was less urgent.

## **Trouble Shooting**

Concerning problems or disputes 20% indicated to have run into problems or disputes while they accessed or tried to access the market. These problems were of different natures and appeared in different stages of the process of access for the company/organization. For example, respondents have indicated that they could not find a business partner, had problems with the language or were no longer interested.

One respondent describes the situation where he was leading a team of water management experts from the Netherlands on a business trip in Slovenia: “Our delegation had participants from the biggest Dutch construction-companies and different governmental levels. However, our Slovenian counterparts were only interested in financial support. The authorities didn't seem to be interested in a sustainable collaboration.” He does note that “The embassy was very helpful, but the authorities and especially the ambassador have invested much energy in the program of our visit. I don't think that much more could have been done. The political circumstances at that moment (financial crisis, and inner-political circumstances) played also a huge role than.”

## **5.2 Semi-structured Interviews**

To bring the previous results (5.2.3) into perspective three semi-structured interviews were held with the free staff members of the Embassy, including both diplomats and local staff, who are involved in the ED at the Embassy. For the full transcripts of the interviews, see attachments 4,5 and 6. This paragraph contains the data obtained from the interview in the form of quotes which are grouped on the basis of a deductive approach (Saunders, 2011). Within this approach the existing theory is used in this thesis within Chapter 2 and 3 is used as a framework by which the data is structured. Elements from this theory that form the framework are: defining economic diplomacy, its effectiveness and the goals of economic diplomacy (A, B, C and D).

## **Defining Economic Diplomacy**

Just like within the research area also the definitions of ED of the interviewees differ. One respondent firstly gives a more broad definition, as being the “pursuit of national interest of a certain country”. Subsequently adding to this definition that it also includes other matters which are not so clearly defined at first hand “Meaning also intangible assets of people, their knowledge and their communication skills.” Another interviewee notes that around the globe there are two main differences in defining ED. One which corresponds to the definition given by the MFA in 3.2.3 where the representations abroad support Dutch businesses and organisations via the diplomats and their local network and knowledge. While the other definitions holds that ED is “using the local presence of a Dutch business network for the purpose of diplomacy”. This is usually the case in countries where the Dutch business network is well embedded into the local business environment, thereby creating the possibility of useful connections. Thirdly it was noted that ED is seen as “helping Dutch businesses and Dutch businessmen in those cases that involve a Dutch economic interest”. Side remark hereby is that it is complicated to define a ‘Dutch business’.

## **Effectiveness**

The question: When, in your opinion is ED effective? receives responses that are in accordance with the theory and the strategy as defined by the ministry. “Economic diplomacy is effective if it results in Dutch businesses and organisations establishing economic contacts, contracts or profit.” A second response notes that helping Dutch companies is seen as effective ED. Which also includes for example giving answers that indicate a lack of opportunities in Slovenia in a certain sector. This could be for instance when the market is already saturated and a certain Dutch product has a limited chance of getting sold.

## **Services**

One response indicates that in case of economic diplomacy two ways of exercising the strategy should be identified. One is the ED includes services provision and diplomacy for the purpose of helping the Dutch business world in its entirety. Another is more specific, meaning ED as a strategy deployed for the purpose of “one project, company or job”. As the interest from the Dutch businesses in Slovenia is relatively low, most time and effort of the Embassy goes into promoting “the full range of the possibilities and opportunities from the Netherlands” in Slovenia. Another respondent gave the answer which was approximately in the same direction namely the “promotion of economic sectors of the Netherlands and sharing info about what the Netherlands is best at”.

One of the respondents indicates that the services that companies ask for which are not provided for by the Embassy include more in depth services, which can be for example business intelligence services, legal advice or consultancy services. Another response notes that companies sometimes want more but the service provision of the Embassy is limited in a certain way. “Businesses are always looking for the cheapest way to gain information”. According to the interviewee there is a certain point where the Embassy’s service provision stops and that of commercial firms, such as consultancy companies, begins. In this sense the Embassy has the role of facilitator with the local government and first contact point. Activities such as in depth market analysis and organising individual match-making programs are part of the commercial services. The limitation in the service

provision is not only connected to competing with the commercial businesses but also has to do with the small size of the Embassy in terms of human resources.

### **Market Access**

Crucial in terms of market access is the local business culture (see paragraph 4.1.2). One interviewee notes that “It depends on the county how the business culture works and what kind of diplomatic ‘tools are therefore’ more appropriate. Slovenia’s business culture is more about lobby groups.” Activities which aim to help Dutch companies access the Slovene market should, as another respondent notes, focus on identifying the opportunities within this market “In those cases where the Dutch businesses have not yet identified the opportunities”. The Embassy consequently adopts this logic, see Chapter 4.1.1. This is also re-confirmed by another interviewee, who identifies two strategies within the Embassy one more pro-active, in which certain opportunities for priority sectors are highlighted, and the other more re-active, responding to questions of businesses and organisations. Furthermore, economic diplomacy in terms of providing market access does not only include the identifying of the opportunities. “Dutch businesses and organisations need to be brought forward in such a way the Slovene counterpart knows about its existence and trusts, in turn, that these contacts from the Netherlands offer quality and reliability.”

### **Trouble Shooting**

As shown in the quantitative data the number of businesses and organisations that run into problems or obstacles while doing business in Slovenia and cannot be helped by the Embassy is relatively small. The qualitative data give us more insight into why this could be the case. Besides being a member of the EU, and therefore having regulations that are already known among Dutch companies, three possible causes are mentioned by one of the respondents. Firstly, “The size of the economic relations between the Netherlands and Slovenia is considerably smaller than the relations with, for example, Germany.” Additionally, one other reason could be the “excellent rules regulations in Slovenia”. Lastly, “If the companies and organisations from the Netherlands are well prepared before doing business in Slovenia, chances are that they will likely run into less trouble. So one can identify the Dutch business preparedness as one of the reasons.”

### **Further considerations on ED**

In general one interviewee notes that “The Netherlands is, in my opinion, a frontrunner in providing ED services. So, to this extend there are almost no services that still need to be invented and offered to Dutch businesses”. Furthermore, concerning the service provision in Slovenia: “The ED of the Netherlands in Slovenia is well on track. The only thing I think is missing is more interest from the Netherlands, which is always very difficult to cultivate. The Dutch entrepreneur will look first at opportunities close to the Netherlands. This is not only the case because of transport costs but also because of identification reasons. Dutch people tend to identify themselves more with, for example Germans or people from Belgium, than with Slovenes.”

Another respondent indicates that economic diplomacy is a very crucial aspect of diplomacy and therefore deserves a lot of time and devotion. It is a strategy, a department, within the foreign missions by which they prove their avail. “It is not about the number of personnel, but about doing the right activities. That is how you show your added value.”

## 6. Conclusion & Recommendations

### **The definition of ED**

When it comes to economic diplomacy the first thing that should be noted is that there does not seem to be one unambiguous definition. Neither within the organization of the Dutch foreign and economic policy, nor in literature, nor within the Embassy one commonly accepted definition can be found. Consequently, this lack of clarity has an impact on the researcher's ability to measure its effectiveness.

### **Scope and impact of research**

The sample of companies and organizations on which this study bases its conclusions is very small as it only contains 30 responses. Furthermore, the group of respondents is highly diverse, including both organizations and businesses who are of different sizes and act in different sectors and segments of the market. For these reasons it is difficult to draw reliable and unilateral conclusions.

### **Effectiveness of economic diplomacy**

Firstly, overall the quality of services is rated as sufficient to good for most of the services. The responsiveness of the Embassy is rated high by respondents. In terms of accessibility the data only show how the respondents got into contact with the Embassy. Remarkable is that a large group indicated that they were either contacted by the Embassy or participated in one of its events. This, combined with the fact that the activities as events get a relative highest rating, shows that the proactive attitude of the Embassy has a positive effect. Namely, contacts are being made and knowledge is being transferred.

Secondly, some services were used more than others. A correlation was found between the amount of usage and the rating the services received. Services with higher relevance received higher ratings. To conclude, activities in the area of match-making and events respond to the demands, while services in the areas of subsidies & schemes and resolving market access barriers seem less relevant.

The qualitative data have shown that companies and organizations have their own view on what ED service provision is and what it should include. Hence, there are some cases where the business or organization needs a certain activity but this activity is not provided for by the Embassy. What has to be kept in mind in these cases is that service provision in ED has certain limitations. As indicated in the qualitative data based on the semi-structured interviews certain, more in depth, services and activities in the area of legal advice or in depth market analysis for example cannot be provided by the Embassy. In those cases commercial solutions can be found outside the foreign service.

When it comes to market access more than half of the companies and organizations managed to access the Slovene market in some way or another and establish either a business contact or cooperation, business deal and/or local office. The Embassy helps Dutch businesses and organizations in accessing the market by highlighting the opportunities within the Slovene market in connection to Dutch top-sectors and providing information on the Slovene business culture.

Lastly, some companies/organizations run into problems while doing business in Slovenia. These problems were of different natures and appeared in different stages of the process of access for the

company/organization. Only one of the respondents indicated that the problem or dispute was solved after trouble shooting. as the details on the nature of the issue, and the types of services provided in these cases of trouble shooting are unknown. Plus, the extent to which the Embassy can help in certain cases is limited. Therefore, on the basis of these data no reliable conclusion can be drawn.

To conclude, this study has shown that good quality and relevant services are provided however when it comes to helping with market access and troubleshooting no solid conclusions can be made. Hence, the economic diplomacy (ED) of the Netherlands at the Embassy is executed in such a way that the goals are reached to a certain extend.

### **Priority sectors and SMEs**

Special attention within the Dutch policy should be given to the support of SMEs in internationalizing and the nine Dutch 'top sectors'. These two focus groups are well represented in the data. Firstly, the majority of the firms that responded has the size of an SME. Furthermore, most companies or organisations indicate that they are active within one of the four priority sectors as defined by the Embassy.

The Embassy has a very pro-active attitude in its economic diplomacy. This is seen as crucial in terms of adding value to the economic diplomacy, to highlight the business opportunities that Slovenia might offer and to spark an interest in Slovenia among Dutch businessmen. It thus exemplifies that economic diplomacy is a very viable option as a new 'raison d'être' for an embassy within the foreign service of the Netherlands.

### **Recommendations**

Strong internal communication within the ED network of the Netherlands is key. Embassies have access to vital information concerning the local situation and opportunities in the foreign country while the ministries and agencies in the Netherlands have crucial knowledge about the Dutch business world and are closer to the development and the meaning of the policy in terms of ED.

The government has already highlighted its focus on increasing Increase visibility and findability of the services provided at its foreign missions network. Additionally, this study has shown that in case of Slovenia interest from the businesses in the Netherlands is still relatively low. It would thus be recommended to increase these visibility aspects even further. This can be done by spreading the information on opportunities in Slovenia and the activities and services of the Embassy among companies and organizations in the Netherlands for as much as possible. Media for doing so are already in place but need continuous updating.

Lastly. Since it the priority sector approach seems to be successful (as shown above) the obvious recommendation would be to keep the priority sector strategy within the Embassy. Furthermore, in case this is possible it might be to communicate the strategy with companies. In this way the companies and organizations in these sectors can keep track of what is happening when. However attention should be paid not to demotivate companies from other sectors.

## 7. Discussion

Every choice of organisational structure has certain advantages and disadvantages. In the case of the organisational of the Netherlands the structure has four key players: the MFA, MEA, RVO and foreign missions. Within this structure embassies have both an implementing (top-down) and elaborating (bottom-up) role, which creates both room and limitations. One can imagine that some of the embassies in other small countries within the EU are facing similar challenges. Research within those foreign missions similar to this one might be able to show the similarities and differences between small embassies in the EU.

As stated before the size of this case study is rather small, plus it includes a small batch sample of only 30 companies and organisations. Hence, further research should thus be done which investigates the level of effectiveness of economic diplomacy of the Netherland's embassies. Such research, can thus include more embassies and more importantly, more companies. Secondly, this thesis included those firms and organisations that were either interested in doing business in Slovenia or were already active on the Slovene market. This might have created a one-sided perspective. Therefore, additional research should keep in this in mind that when mapping the successes and failures of ED the sample should also include the full range of companies from different stages internationalisation. Hence, this means including also those companies that have not taken any steps and are not in contact with an embassy.

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## Attachment 1 – Questionnaire

### General Information

1. What is your name?
2. What is the name of your company?
3. What is the size of your company in over all turnover?
  - 0- 1€ mio
  - 1-5 € mio
  - 5-10 mio
  - 0-50 mio
  - meer dan 50 mio.
4. Do you export/import outside of the Netherlands? Yes/no
5. Which sector(s) is your company active in?
  - Agri & Food
  - Chemicals
  - Creative Industry
  - Energy
  - High-tech systems & materials
  - Life sciences & Health
  - Logistics & Transport
  - Horticulture and Propagating stock
  - Water
  - Financial services
  - Other...
6. Which product(s) do you sell?  
(list max. 5)

### Slovene Market

7. What is your business connection with Slovenia?  
*(Obligatory, list question, 10 options, multiple answers possible per respondent)*
  - am Interested in exporting/importing to/from the Slovene market
  - export to Slovenia
  - import from Slovenia
  - export to Western Balkan via Slovene agent
  - import to Western Balkan via Slovene agent
  - Transfer of know-how
  - Investing in Slovenia
  - R&D cooperation
  - Technology development
  - No connection

## Fase 1 : Orientation

8. While accessing/planning to access the Slovene market did you come into contact with the embassy? Yes/no  
*(Obligatory yes/no question)*
9. How did you learn about the services provided by the embassy?  
*(Obligatory list question, 9 options possible including 'other' option, only one answer possible per respondent)*
- Via the Embassy website (<http://slovenia.nlembassy.org>)
  - Via Wegwijzer Internationaal Zakendoen ([rvo.nl](http://rvo.nl))
  - Via my association
  - Via a Chamber of Commerce
  - Via a trade mission
  - Via an event hosted by the Embassy
  - Via [www.internationaalondernemen.nl](http://www.internationaalondernemen.nl)
  - Via the Nederland exporteert app
  - Via the Embassy Newsletter (email)
  - Other:
10. Which diplomatic services of the embassy have been provided and how do you rate them? 1 to 5, or not relevant  
*(Obligatory Likert scale list question, 1-5 scale plus 'not relevant' option, including 9 services)*
- Inquiry (trade, technology or investment related question)
  - Matchmaking (assistance in finding potential business partners)
  - Customised Information (guidance for Dutch companies entering new markets)
  - Tailor-made service (special research, support over longer period, visiting program, etc)
  - resolving Trade dispute
  - resolving Market Access Barrier
  - helping with Investment Projects
  - Official Attendance/ event/reception/conference seminar
  - Subsidies/Schemes
  - other,...
11. How would you rate the responsiveness of the embassy's service provision?
- Non-responsive 1 2 3 4 5 very responsive
12. Did you encounter any problems/disputes while doing business in Slovenia? Yes/No
13. If so, what are/were the problems?
- We did not find a business partner
  - No longer interested in market
  - Received information was insufficient
  - The products/services did not meet the requirements

- Problems with the payment (hacking or otherwise)
- Dispute with business partner
- Problems with copyrights/fake products
- Local company is fraudulent
- Retention of goods by authorities
- Other

14. If so, did the provision of services by the embassy help to combat these problems/difficulties? Yes/ No

Fase 2: Establishing

15. Have you established one of the following:

- a business contact/cooperation with a Slovenian company
- a business deal in Slovenia
- a local office in Slovenia (subsidiary, distributor, representative agency, etc.)
- other
- none of these -> this is the end of the questionnaire, thank you.

16. Since when have you been active on the Slovene market? Indicate date



## Attachment 2 – Cover Letter

--- For English please scroll down ---

Geachte heer/mevrouw,

De Nederlandse Ambassade zoekt altijd naar manieren om haar dienstverlening te verbeteren. In dit verband wil ik u graag om uw samenwerking vragen. Omdat u in het verleden in contact bent geweest met de Ambassade wil ik u hierbij vragen de onderstaande vragenlijst in te vullen, met betrekking tot de dienstverlening van de Ambassade aan uw bedrijf/organisatie. Uw bijdrage wordt zeer op prijs gesteld; de vragenlijst zal slechts 5 tot 10 minuten van uw tijd in beslag nemen.

Hieronder vindt u de link naar de vragenlijst. De vragenlijst is in het Engels omdat deze ook onderdeel is van mijn Engelstalige onderzoek aan de Universiteit Utrecht. Het doel van dit onderzoeksproject is het analyseren van de effectiviteit van de dienstverlening van de Ambassade aan Nederlandse bedrijven en organisaties.

Voor de vragenlijst [klik hier](#).

Namen van u en uw bedrijf dienen slechts voor het structureren van de data en zullen niet worden gebruikt voor verdere publicaties of verstrekt worden aan derde partijen.

Bij voorbaat dank voor uw samenwerking.

Met vriendelijke groet,

**Froukje Zuidema**

Intern Economic Affairs

**Embassy of the Kingdom of the Netherlands**

Palača Kapitelj, Poljanski nasip 6, SI-1000 Ljubljana, Slovenië

T. [+386 1 420 1467](tel:+38614201467)

I. <http://slovenia.nlembassy.org/> | E. [froukje.zuidema@minbuza.nl](mailto:froukje.zuidema@minbuza.nl)

--- English version ----

Dear Sir/Madam,

The Netherlands Embassy is always looking to improve its services. In this light I would like to ask for your cooperation. Since you have been in contact with our embassy in the past, I would like to ask you to fill out a questionnaire regarding the provision of our services to your business/organization.

Your cooperation is very much appreciated; the questionnaire will only take 5 to 10 minutes of your time.

Below you will find the link to the questionnaire. Your name and the name of your company will only be used for structuring the gathered data and will not be used for further publications or distributed to third parties.

For the questionnaire [click here](#).

This questionnaire is also part of my research project conducted under the supervision of Utrecht University. The aim of this research is to analyze the effectiveness of Embassy's services to Dutch companies and organizations.

Thank you in advance for your cooperation.

Yours faithfully,

**Froukje Zuidema**

Intern Economic Affairs

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## Attachment 3 – Interview protocol

The semi-structured interviews in this thesis are based around the following set of questions:

1. How would you define economic diplomacy?
2. When, in your opinion, is economic diplomacy effective?
3. How does the Embassy determine its economic diplomacy strategy? (in terms of pro-active activities)?
4. Which activities of economic diplomacy take up most of your time?
5. Are there any services companies/organisations require or ask for that should be included in the activity profile of the Embassy?
6. Which activities of economic diplomacy are, in your opinion, the most important to help Dutch businesses/organisations access the Slovene market?
7. Is there a difference in economic diplomacy for organisations compared to businesses? If so, what is it?
8. Do you receive a lot of requests for help from companies/organisations who encountered problems/disputes while doing business in Slovenia? If so, what are they asking for?
9. Is there anything that can still be improved in the economic diplomacy of the Netherlands? If so, what would that be?
10. Do you have anything further to add?

## Attachment 4 – Transcript Interview 1

**Date: 14-07-2016**

**Duration: ±10 minutes**

**Language: English**

**Recording method: notes**

*1. How would you define economic diplomacy?*

What is defined by the book: pursuit of national interest of a certain country, to present its interest. But also: everything that is not written in the definition. Meaning also intangible assets of people, their knowledge, their communication skills.

*4. Which activities of economic diplomacy take up most of your time?*

- promotion of Holland Branding
- promotion of economic sectors of the Netherlands
- Sharing info about what the Netherlands is best at
- creation of network
- advisory services to businesses

*5. Are there any services companies/organisations require or ask for that should be included in the activity profile of the Embassy?*

- more in depth services
  - business intelligence services
- (depends on the importance of the company)
- legal advice
  - consultancy services
  - tax advice, legal advice, contracting, 'everything that is common in doing business'
- They do ask for more but you are not allowed to provide all of these services.
- match-making (searching for partners)

*6. Which activities of economic diplomacy are, in your opinion, the most important to help Dutch businesses/organisations enter the Slovene market?*

Diplomats are no businessmen, which is a good thing because they have, and should have, a different perspective. My task is to see what is upcoming and to consequently, present the Netherlands as a trendsetter.

It depends on the county how the business culture works and what kind of diplomatic 'tools are therefore' more appropriate. Slovenia's business culture is more about lobby groups.

*7. Is there a difference in economic diplomacy for organisations compared to businesses? If so, what is it?*

Universities are also stepping in lines of creating an environment for entrepreneurship.

follow the trends

→ start-ups special community

not-classical economic diplomacy

businesses are one step ahead

## Attachment 5 – Transcript Interview 2

**Date: 21-07-2016**

**Duration: 23:04**

**Language: Dutch**

**Recording method: tape recorded**

### *1. Hoe zou je economische diplomatie definiëren?*

Als het helpen van Nederlandse bedrijven, in eerste instantie, Nederlandse zakenmensen, waar een Nederlands economisch belang mee gemoeid is.

.... Trouwens nog als kanttekening erbij, dat klinkt natuurlijk heel makkelijk, maar we krijgen dan ook wel de vraag: wat is een Nederlands bedrijf? Dus sommige bedrijven zijn, zal maar zeggen Shell, is natuurlijk ook Brits, dus helpen we die dan of niet? We hebben hier een bedrijf wat hier al een paar keer geweest is, APMT, dat is Maarsk zeg maar, container overslag bedrijf wat eigenlijk Deens is, maar ook in Nederland een vestiging heeft, en mensen van die vestiging komen hier. Die helpen we dan, want daar zien we een Nederlands belang. Als dat bedrijf kan groeien, of kan blijven bestaan, of zaken doet, dan heeft Nederland daar belang bij, dus helpen we die.

*Nederlands bedrijf, de definitie daarvan, wordt ook gegeven door de Nederlands overheid of is dat een interpretatie?*

Nou dat is mijn interpretatie, ik weet niet of de NL overheid een definitie heeft 'Nederlands bedrijf'.

Ik denk in eerste instantie dat je ingeschreven zou moeten zijn bij de kamer van koophandel, maar dat zijn buitenlandse bedrijven natuurlijk ook. En je hebt allerlei bedrijven, Amerikaanse bedrijven, die een Europees hoofdkantoor in Nederland hebben, die zijn ook ingeschreven bij de KVK. Maar dat maakt het nog geen Nederlands bedrijf, maar wel een NL belang. Dus het is een groot grijs gebied.

In zn algemeenheid denk ik dat wij die bedrijven helpen waar een NL economisch belang bij gemoeid is.

### *2. Wanneer is volgens jou ED effectief?*

Als we die bedrijven kunnen helpen. Maar dat is ook weer heel algemeen. Want waar zijn ze mee geholpen? Dat kan, zal maar zeggen, positief en negatief zijn. Dus een bedrijf wat hier in Slovenië opzoek is naar een distributeur, of een vraag heeft over de markt: Kunnen wij hier zitballen verkopen? Die kunnen wij een antwoord geven, dat kan zijn : Ja, die kun je hier verkopen, prima. En zij gaan hier de markt op, dan hebben we duidelijk succes, want ze hebben grotere verkoop. Maar het kan ook de andere kant zijn: Als we zeggen: Nou, de markt voor zitballen is al helemaal verzadigd, doe geen moeite. Dan doen ze geen moeite, maar zijn ze ook geholpen. Want anders hadden ze misschien allemaal moeite geïnvesteerd om te proberen hier de markt te betreden, terwijl het geen effect heeft.

*Dus het heeft te maken met de vraag die ze hebben en informatie?*

Ja en het is dus ook niet zo dat je kunt zeggen, het is effectief wanneer de economie ervan groeit. Want je kunt bedrijven ook helpen door dingen te voorkomen. Of we kunnen een bedrijf helpen die

een handelsgeschil heeft, die niet betaald wordt. Waarbij we ze helpen dat er wel betaald wordt, of dat het opgelost wordt. Dat zie je ook niet meteen als groei van de handelsbalans.

*Dat zie je niet direct terug?*

Nee, in de statistiek.

*3. Hoe bepaald de ambassade haar ED? In termen van pro-activiteit? In termen van activiteiten die ze actief uitvoeren?*

De ambassade heeft twee: We hebben reactief en proactief.

Reactief reageren we op alles wat we aan vragen binnenkrijgen. En dan ligt het er een beetje aan: De ene vraag is moeilijker dan de ander, en de ene vraag is serieuzer dan de ander. Je probeert altijd maatwerk te geven daar. Proactief hebben we een aantal sectoren, waarvan wij denken, dat in NL topsectoren zijn, dus waar vanuit NL ook extra, vanuit de overheid, aandacht gegeven wordt. Van een aantal van die topsectoren denken we dat die in Slovenië kansrijk zijn en daar proberen we bijvoorbeeld een NL delegatie daar naartoe te krijgen uit die sector, met een match-making, extra aandacht aan te geven.

*Dus dat is een aantal van de topsectoren, van de 9, die door NL zijn gedefinieerd?*

Ja, waar wij van denken dat die hier de meeste kans hebben

*4. En, welke activiteiten van ED nemen het meest tijd in beslag? Zeg maar in de zin van uren, werkuren die de ambassade daarin stopt, of die je persoonlijk erin zet?*

Ja, dat weet ik eigenlijk niet.

Ja dat is moeilijk in te schatten, ik denk dat als ik kijk naar reactief-proactief. Dat de proactieve activiteiten meer van mijn tijd kosten dan de reactieve. Laat ik hier beginnen, degene die het werk doet, in eerste instantie, is –naam van lokale medewerker-. En ik denk, ideaal gesproken, in mijn beleving, zou zij ongeveer 50-50 aan reactief en proactief besteden. Maar goed, reactief heb je níét in de hand. Want er kunnen veel vragen komen of er kan een week niks komen. Maar die reactieve vragen zijn over het algemeen relatief duidelijk en kan zij zelfstandig afhandelen. En checkt ze misschien nog even met mij. Of als ze er niet is moet ik daar iets aan doen, of dat uitzetten dat iemand daarmee aan de slag gaat. De proactieve activiteiten is meer vrijheid dus heb ik als leidinggevende meer werk aan om te sturen. Dus daar besteed ik daardoor denk ik meer tijd aan.

*Het is dus ook meer een momentopname in die zin? Dat het afhangt van welke periode van het jaar?*

Ja, precies ja.

*5. En zijn er bepaalde diensten waarnaar bedrijven of organisaties vragen, die nog niet binnen de dienstverlening van de ambassade vallen maar dat wel zouden moeten volgens jou?*

Nee. Tenminste ik denk dat soms willen bedrijven meer. Maar dat kan een bedrijf wel willen, die zoekt natuurlijk altijd naar hoe kunnen we zo goedkoop mogelijk onze informatie krijgen. Maar op een gegeven moment als ze meer willen kunnen ze dat ook commercieel krijgen. En denk ik dat wij als ambassade niet dat soort diensten aan moeten gaan bieden, gratis, want dan zijn we een soort

van oneerlijke concurrentie van adviesbureaus. Dus, nee, ik denk dat wij zijn een eerste contact en een soort van facilitator als het gaat over contacten met de overheid, daar hebben natuurlijk een rol die commerciële bedrijven niet kunnen hebben. Maar als het gaat om uitgebreide marktstudies, het organiseren van een individueel matchmaking programma, dan denk ik daar kan een bedrijf commercieel voor terecht, dus dat moeten wij ook niet gaan leveren.

*7. En is er een verschil voor organisaties in ED in vergelijking met bedrijven? En als er een verschil is wat is dat verschil?*

Organisaties is heel breed dus wat bedoel je?

*Kennisinstellingen en NGOs*

Want bij organisaties denk ik ook aan culturele organisaties, bijvoorbeeld.

Cultuur, was vroeger ook een, hadden we een medewerker voor tot 2011. We hadden een culturele afdeling zeg maar, dus daar deden we veel aan. En met de bezuinigingen destijds is dat verdwenen. Dus dat is geen prioriteit meer van de post, in tegenstelling tot de economische diplomatie. Dus in eerste instantie denk ik wel dat er een economisch belang moet zijn. Daar lopen we het hardst voor, als er een NL economisch belang is. Dat is gegeven vanuit den Haag zeg maar dat ED een prioriteit is. Maar goed als er een kennisinstelling of een culturele groep ons vraagt om een contact of om ergens mee te helpen, proberen we dat natuurlijk wel te doen. En bij kennisinstellingen is het natuurlijk ook nog zo, dat het een eerste stap kan zijn waar vervolgens ook wel een economisch belang uit voort kan komen. Dus daar, ja, daar zie ik vanuit de ED ook nog wel een belang, alleen is het niet voorspelbaar of het gerealiseerd wordt.

Dus als ik het goed begrijp, is volgens jou ED meer voor bedrijven dan voor kennisinstellingen en NGOs of is het vager gedefinieerd voor kennisinstellingen en NGOs?

Ja dan kom je weer terug bij je eerste vraag, van wat is ED. Er moet een economisch belang zijn.

En bij een kennisinstelling kun je ook zeggen van als ze samenwerken dan kunnen ze misschien meer subsidies binnenhalen en krijg je meer mensen in NL aan het werk. Maar goed, dat vind ik wel heel vaag. Dus ik denk wel dat het bedrijvigheid moet helpen.

Anders kun je ook zeggen, een culturele instelling, als die een goed gevuld programma hebben dan houden ze mensen aan het werk en dat is ook een NL economisch belang. Ja, zo kun je alles als wel als NL economisch belang bestempelen.

*De reden dat ik het vraag is dat, de definitie die ik zie vanuit den Haag is ondernemend nederland en dat definiëren ze als bedrijven en kennisinstellingen en NGOs. Dus ze zien allemaal, als vallende binnen de ED. Dus vandaar dat ik me afvroeg wat het verschil is tussen die twee.*

Ja het is een terechte vraag. Ik vind dat niet helder. Wat ik zeg, een culturele groep ofzo, dat zie ik - minder onder ED vallen. Dat is meer culturele diplomatie en people-to-people contacten. Maar dat vind ik heel iets anders dan dat Shell hier benzine verkoopt. En ik vind, kennisinstellingen dat zit er nog iets dichterbij. Zeker van die universiteiten waar je die wat meer commerciële kant van de onderzoeksinstanties hebt. Dat vind ik dichterbij ED zitten dan een culturele groep, of wat voor andere NGO dan ook.

*7. Is er iets wat naar jou mening nog verbeterd kan worden in de ED van NL, zo ja wat?*

Ja van NL dat klinkt ook weer heel ruim. Daar kan ik niet iets in zijn algemeenheid over zeggen, want mijn ervaring is hier.

Ik denk, ja natuurlijk zijn er dingen die verbeterd kunnen worden. We hadden voorheen, dat vond ik wel goed, waren we proactiever. Dus nu als post zijn, we wel redelijk proactief op bepaalde sectoren. Maar we hadden voorheen, toen ik in Sint Petersburg zat, werden we een keer per jaar in NL uitgenodigd voor spreekdagen. Met economische medewerkers van posten uit de hele regio. EN gingen we langs bij kamers van koophandel in Rotterdam, Groningen en Maastricht. En konden ondernemers daar spreken met die mensen die in Kazachstan zaten of in Sint Petersburg of in Tbilisi. En ik vind het jammer dat we dat niet meer hebben, dus dat zou weer terug moeten komen, dat zou een verbetering zijn. Maar goed dat is niet iets nieuws dat is iets ouds. Maar het is iets dat goed was, omdat ondanks dat je natuurlijk veel meer dan destijds dingen op internet kunt vinden toch goed is om iemand te spreken en te kennen en te horen van wat zijn voor mij de kansen als ik deze filters daar zou willen verkopen in Kazachstan...

*En dat zou dan overal, ook in Slovenie, kunnen worden geïntroduceerd?*

Ja, dus met, een Sloveense medewerker die ook, of een tour, met mensen uit de EU landen. Economisch medewerkers uit de EU landen die de kamers van koophandel langs gaan om de ondernemingen of bedrijven actief op het buitenland te attenderen.

Geen subsidies, ik ben een tegenstander, maar dat persoonlijk, van subsidies. Dus het moet commercieel werken maar vooral met kennis. En actief onze kennis en ons netwerk aan de zakenmensen en de bedrijven in NL presenteren.

*Dat ze weten wat er waar te halen valt?*

Ook niet verkopen. Ik ben ook niet zo enthousiast over betaalde dienstverlening want daar zitten een hoop haken en ogen aan. Dan moet je weer allerlei normen op gaan stellen over standaarden terwijl het toch vaak een beetje maatwerk is. En ik vind dat, betaalde dienstverlening daar moet het bedrijfsleven maar instappen. Dus als overheid moeten we echt duidelijk alleen maar op het eerste stapje zitten, en faciliteren waar je met de overheid moet werken. Maar dat wel heel goed presenteren, dat men je weet te vinden. En hoort over kansen die er in het land waar je zit.. Dus daar kunnen we verbeteren denk ik. En ik denk, dat we continu moeten zorgen dat we feedback vragen en krijgen van bedrijven die we helpen of proberen te helpen. Om te kijken, of zien zij nog dingen waar wij iets kunnen doen.

*8. Nog iets wat je verder kwijt wilt over ED?*

Nou misschien in zijn algemeenheid. Ik vind het heel belangrijk. Dus, ik denk dat het een pijler is van onze posten waar we duidelijk kunnen maken dat het nut heeft dat we er zitten. Dus we moeten daar voldoende tijd en aandacht aan besteden. Even los van bezuinigingen, het gaat niet altijd om de hoeveelheid mensen, maar dat je de juiste dingen doet. En daarmee laat zien dat je meerwaarde hebt.

*En kan je dat minder aantonen bij de andere aspecten? Je hebt natuurlijk wel consulair...*



Ja bij consulair kan je het ook heel duidelijk aantonen. Bij politiek is het heel moeilijk aan te tonen. Het is wel heel belangrijk maar het is heel moeilijk om aan te tonen dat wat wij hier politiek in Slovenie doen, of wat te maken heeft met de EU, dat Nederland daar iets aan heeft. Het is moeilijk uit te drukken in cijfers.

*En de economische diplomatie is uit te drukken in cijfers?*

Ja. Terwijl de politiek ook belangrijk is, denk ik hoor. We kunnen hier ook invloed uit oefenen op hoe slovenie stemt over bepaalde voorstellen die voor ons belangrijk zijn, om maar wat te noemen. Dat is nog wel redelijk concreet. Maar voor de rest dat we hier volgen hoe de sentimenten zijn over vluchtelingen, over Brexit. Dat is veel minder makkelijk uit te leggen aan de gemiddelde Nederlander dat dat nut heeft dan economische diplomatie. Dus het is belangrijk voor ons bestaansrecht. En ook om continu open te zijn voor hoe kunnen we het verder verbeteren en niet te blijven hangen in hoe we het nu doen. Maar kijken, ja, de wereld verandert en de manier van zaken doen ook.

*Dus het is iets wat altijd aan verandering onderhevig is?*

Ja.

*Meer dan de andere aspecten van de ambassade?*

Nee alle aspecten zijn aan verandering onderhevig. Dus volgens mij moet je bij alles je ogen open houden. Maar tegelijkertijd blijven beseffen dat in Nederland het waarschijnlijk zo is dat je alle zaken vanaf je computer kunt doen en contracten afsluiten en dan wordt dat zo gedaan. Maar in het buitenland kan het heel anders zijn en kan het persoonlijk contact veel belangrijker zijn dan het contract wat je sluit. Dus je moet enerzijds mee gaan met de tijd, anderzijds continu de lokale situatie in het oog houden.

## Attachment 6 – Transcript Interview 3

**Date: 25-07-2016**

**Duration: 23:18 minutes**

**Language: Dutch**

**Recording method: tape recorded**

### *1. Hoe zou u economische diplomatie definiëren?*

Dat is natuurlijk al een hele goede vraag. Omdat er in de wereld twee definities van economische diplomatie worden gehanteerd. En de vorm die wij het meest hanteren is natuurlijk het inzetten van de tools, de instruments, de mensen, de kennis van én binnen de diplomatieke dienst ten behoeve van de BV Nederland. En de BV Nederland is natuurlijk het geheel van economische actoren; bedrijven, organisaties, instituties. Dat is eigenlijk naar mijn idee de definitie is zoals wij die in Nederland hanteren. Dat neemt niet weg dat er ook een tweede wijze van interpretatie is waar we soms ook wel eens gebruik van maken. Dat is namelijk het gebruik maken van lokaal aanwezig Nederlands bedrijfsleven ten behoeve van de diplomatie. Dat bestaat ook, maar dat is een hele andere tak van sport. Stel je voor dat de relaties moeizaam verlopen met een ander land maar het Nederlandse bedrijfsleven zit er wel heel goed. Dan kan je de aanwezigheid van het Nederlandse bedrijven aangrijpen om de relaties op een ander niveau te krijgen of een andere inkleuring eraan te geven. Maar ik denk dat ten behoeve van jouw thesis dat we alleen de eerste definitie gebruiken.

*U maakt dus onderscheid tussen een manier via een meer publieke weg en een manier via een meer private weg?*

Nee, ik maak een onderscheid tussen het gebruik van de diplomatie ten behoeve van de BV Nederland of het gebruik van de lokale aanwezige economie ten behoeve van de diplomatie. Die zijn er allebei. Maar het meest, 95 % gebruiken we natuurlijk de diplomatie, het naar buiten treden, het leggen van contacten, de netwerken gebruiken we al dan niet direct of indirect voor het ondersteunen van de BV Nederland, van het Nederlandse bedrijfsleven.

### *2. Wanneer is volgens u deze economische diplomatie effectief? Laten we zeggen de eerste vorm.*

De eerste vorm en daar zullen we ook verder over doorpraten.

Die is effectief als de BV Nederland daaruit contracten kan halen, daaruit economische winst kan halen, daaruit economische contacten kan leggen. Dus dat is de effectiviteit van die diplomatie.

### *3. Hoe bepaald deze ambassade haar economische diplomatie? Dus haar strategie in termen van activiteiten die ze proactief uitvoeren?*

Ik denk dat je daar wel duidelijk onderscheid moet maken tussen ED ten behoeve van de BV Nederland in zijn algemeenheid, of ED ten behoeve van een project, een bedrijf of een opdracht. En als je gewoon kijkt naar de ED ten behoeve van de BV Nederland, (en als ik over BV Nederland spreek dan is dat niet gedefinieerd maar is dat hét economisch belang van Nederland, dat kan zijn via publieke organisaties of private ondernemingen), dan denk ik dat je een hele andere strategie hebt dan wanneer je een strategie moet uitstippelen om één bedrijf voor het voetlicht te krijgen. Als je een bedrijf voor het voetlicht moet krijgen, of een

branche voor het voetlicht wil krijgen, dan moet je natuurlijk eerst je op de hoogte stellen van de wensen, de belangen en de mogelijkheden van dat bedrijfsleven in het land waar je werkzaam bent. Je kunt alleen maar effectief optreden als je dat doet in het belang van, en ook met de steun van, dat bedrijfsleven anders werk je helemaal voor niets. Dat is natuurlijk iets anders als je de algemene BV NL wil ondersteunen. Want dan wil je de naamsbekendheid van NL in zijn algemeenheid naar voren brengen. En als ik kijk naar de algemene kwaliteiten van NL dan zie ik betrouwbaarheid en ik zie kwaliteit. Dat zijn voor mij twee kernwaarden, die terugkeren in principe binnen de hele BV NL. Nogmaals als je voor een bedrijfstak gaat of als je voor een bedrijfsopdracht gaat, voor Philips bijvoorbeeld, dan moet je weten wat Philips in Slovenië wil voordat ze daar een traject op gaan inzetten. Dus ik denk dat dat heel belangrijk is. Eerst definiëren welke kant je uit wilt.

*Dus of in zijn algemeenheid of individueel?*

Ja

*En in zijn algemeenheid gaat dat dan op sector basis?*

Dat hoeft niet, in zijn algemeenheid kan het iedere dag gebeuren. In zijn algemeenheid spreek je vandaag met een krant, morgen met een minister, de dag daarna met een Kamer van Koophandel. En bij ieder gesprek kan je de kernwaarden van de BV Nederland naar voren brengen. En als ik morgen bij minister X zit en zonder enige bedoeling komt naar voren dat ze over een jaar een nieuwe airport gaan bouwen dan gaan bij mij natuurlijk meteen de alarmbellen rinkelen. En dan zal ik meteen kijken: We zijn een van de best opererende airports in de wereld, als Schiphol, we hebben een geweldig indicatie systeem dat wereldwijd wordt ge-exporteert. Hoe je door het gebouw moet lopen met al die aanwijzingen, dat is een Nederlandse uitvinding. Dat is export-fähig en dat doen we ook. We zijn heel goed in bagagebelts en dat soort dingen, dus mocht zoiets ter sprake komen spring je daar meteen op in. Je houdt oren en ogen open om in ieder gesprek dingen te kunnen koppelen aan een Nederlands belang, en bij de ene kan je dat pregnanter doen dan bij de ander. Bij de ene gesprekspartner in het buitenland kun je er heel duidelijk op in gaan wat we allemaal te bieden hebben, en bij de ander moet je misschien de informatie mee naar huis nemen en eerst eens overleggen van hoe gaan we dat insteken. Dat is wat de BV Nederland betreft. Ga je op pad voor een bedrijf dan zal je eerst moeten overleggen, wat zijn de kansen en mogelijkheden in dit land, wil je dit wel? En zo ja, dan ga je heel voorzichtig de belangen van dat bedrijf overal insteken en hou je een vinger aan de pols.

4. *Welke activiteiten van ED nemen voor u het meeste tijd in beslag?*

Nou ik denk dat dat de pure economische diplomatie is in algemene zin. Dat geldt hier voor Slovenië. In Dubai waar ik gewerkt heb was het heel vaak puur bedrijfsmatig. Dat was of een branche, of het was een productgroep of het was een enkel bedrijf waar voor je op stap ging. Hier, met een relatief lage interesse van het NL bedrijfsleven in het land, is het van belang om de hele range van Nederlandse mogelijkheden constant voor het voetlicht te houden. Dat neemt de meeste tijd in, dat je inderdaad in ieder gesprek probeert te definiëren: hebben we daar wat aan en kunnen we daar wat mee? En dat moet natuurlijk niet ten koste van het

gesprek gaan. Als je een politiek gesprek hebt dan moet je natuurlijk niet alleen maar aan het NL bedrijfsleven denken omdat er namelijk ook politieke discussies zijn. Maar ik denk wel, in een land als Slovenië, met relatief weinig bedrijfsleven hier, kost de ED voor de BV NL in zijn algemeenheid de meeste tijd.

*Dus het is niet zo dat u naar een bedrijf of naar een overheidsinstantie of naar een bepaald persoon gaat met alleen maar ED als doel, maar dit is meestal gemixt met andere (politieke) diplomatie?*

Nee, dat is niet helemaal waar. Het hangt ervan af, als er daadwerkelijke interesse is vanuit het Nederlands bedrijfsleven ga ik ook specifiek voor dat bedrijf of voor twee bedrijven naar een minister, of naar de organisatie, of naar een supervisory board. Maar ik merk in Slovenië, dat dat de minste van de economische uitdagingen is. Omdat er niet zo heel veel directe interesse (uit Nederland) is.

5. *Zijn er bepaalde diensten/activiteiten waarnaar NL bedrijven/organisaties vragen, die nog niet binnen de dienstverlening vallen maar dat wel moeten volgens u?*

Nou ik denk dat Nederland voorop loopt in het aanbieden van diensten. Dus ik denk dat er nog maar weinig diensten zijn die we zouden moeten uitvinden en moeten aanbieden aan het bedrijfsleven die er nog niet zijn. Het is zo dat ik in een vorig leven al mijn residentie ter beschikking heb gesteld aan het bedrijfsleven, ook door een lunch te geven en een productpresentatie met een hele filosofie daar achter. Dat doen we allemaal al. Maar nogmaals dat kan alleen maar op verzoek van het bedrijfsleven. Daarbij komt wel dat bepaalde verzoeken je niet alleen moet afwachten maar die kun je ook initiëren. Want het bedrijfsleven in Nederland loopt wel bij een hele boel zaken voorop maar is soms ook wel bescheiden en dus soms weten ze ook niet wat de mogelijkheden zijn. Maar als je dan de mogelijkheden neerlegt, dan hangt het van de interesse van het bedrijf af of je dat kunt materialiseren.

Voor zover ik het zie, denk ik dat er weinig instrumenten zijn die we zouden moeten aanbieden die we nog niet aanbieden. Daarentegen denk ik dat het bedrijfsleven soms wel diensten van ons verlangt waaraan wij niet tegemoet kunnen komen. Ik bedoel marktscans en dat soort dingen kunnen wij niet zo maar per se als ambassade leveren. In dat geval als ze ons dat vragen is dat vaak omdat ze denken dat het gratis is terwijl ze het commercieel gewoon op de markt kunnen krijgen. En daarvoor zijn wij, jammer genoeg, niet en zeker niet meer op gericht vanwege personele krapte.

*Dus het verschilt per ambassade?*

Ja. Maar er is bij iedere ambassade gesneden. Er is geen enkele ambassade meer die zonder betaling marktscans kan maken.

6. *Welke activiteiten van ED zijn volgens u het belangrijkste in het helpen van NL bedrijven die de Sloveense markt willen betreden?*

Ik denk ten eerste identificatie. Is natuurlijk heel erg belangrijk. Daar waar het NL bedrijfsleven nog niet heeft gezien waar de kansen liggen, zouden wij dat moeten doen, en dat doen we ook. Dat is heel erg belangrijk.

Tweede is natuurlijk om dan de naam van de BV Nederland of van het specifieke bedrijf op de juiste wijze voor het voetlicht te krijgen. En het een keer poneren is veelal niet genoeg om daar een resultaat uit te halen. Het is heel erg belangrijk om de contacten met de decisionmakers warm te houden. Dat zij ook zien dat de ambassade kwaliteit levert en dus ook kwalitatief kan spreken over de economische mogelijkheden vanuit NL. En dat je dan heel langzamerhand, een soort seelenmassage, dat je dan het NL bedrijfsleven daar kunt krijgen.

*Dus het gaat om het identificeren van de kansen en dan de mogelijkheden creëren?*

Identificeren van de kansen en het NL bedrijfsleven naar voren brengen. Zodat de Sloveense counterpart daarvan op de hoogte is, van wat we te bieden hebben, en dat ze ervan op de hoogte zijn van dat wij kwaliteit en reliability te bieden hebben.

*Dus eigenlijk de Holland Brand?*

Absoluut.

7. *Is er vanuit uw oogpunt een verschil tussen ED voor organisaties en ED voor bedrijven?*

Nee ik heb tot nu toe nog in ieder geval geen onderscheid mee gemaakt. Want uiteindelijk is het natuurlijk zo dat wij namens het bedrijfsleven of namens de organisatie ook geen contracten afsluiten. Dus het gaat ook niet om de details en de uitwerking van de contracten. Het is het naar voren schuiven van het bedrijfsleven of van de organisatie en daarvoor kan je min of meer dezelfde tools gebruiken. Weliswaar niet altijd met dezelfde counterpart, maar wel dezelfde tools. Ik denk dat het belangrijk is, dat wat je ook doet als diplomaat dat je op de hoogte bent van wat je vertelt. Alle details hoeft je niet te kennen, maar je moet wel weten als je het over Philips hebt wat er in hun producten zit, wat ze daarmee kunnen, of dat aansluit bij de Sloveense wensen. Dat geldt voor branches en dat geldt ook voor organisaties. Dus een ding is altijd heel erg belangrijk; op het moment dat je een gesprek aangaat moet je niet alleen weten hoe het min of meer aan de andere kant van de lijn is maar moet je absoluut weten hoe het in NL is. Zodat ze in jou een goede gesprekspartner zien. Als ze dat in jou al niet vinden dan gaat hun vertrouwen in het NL bedrijfsleven ook achteruit. Dus je moet goed op de hoogte zijn anders moet je er niet aan beginnen, of je in ieder geval beter voorbereiden.

8. *Ontvangt u of ontvangt de ambassade veel verzoeken van bedrijven/organisaties die tegen problemen aanlopen? Zo ja wat voor verzoeken zijn dat zoal?*

Nee die ontvang ik niet. Die zal de tweede man misschien hebben ontvangen die zal de Economic policy advisor ontvangen.

Het feit dat ik ze niet ontvang betekent dat de problemen niet van een enorme omvang zijn. En voor de meer algemene problemen, dat zullen betalingsproblemen zijn, dat zullen identificatieproblemen zijn of uitdagingen, daarvoor is deze ambassade goed ingericht, en dat kan prima binnen de economische afdeling gemanaged en opgelost worden. Ik ben niet, tot nu toe in dit jaar dat ik er zit, benaderd door een bedrijf met een enorm probleem. Gelukkig maar, zou ik zeggen.

*En denkt u dat dat iets zegt over de Sloveense overheid? Dat bedrijven niet in problemen komen met de overheid omdat ze oneerlijk behandeld worden of omdat er iets is met de toegang tot de markt die*

*in de weg zit. Dat omdat het binnen de EU valt of omdat het Slovenië is dat dat geen grote problemen oplevert?*

Het feit dat Slovenië in de EU is dat helpt natuurlijk altijd mee. Daarmee is een deel van de regelgeving al bekend bij het NL bedrijfsleven. Maar er zijn meer factoren die spelen. Het feit dat ik geen grote problemen op mijn tafel krijg heeft onder andere te maken met de omvang van de economische betrekkingen, die is hier natuurlijk beduidend kleiner dan in Duitsland. Het zou heel goed te maken kunnen hebben met de uitstekende regelgeving in Slovenië. Maar ook daar valt wel eens een steekje, maar dat kan een reden zijn. Een derde reden kan natuurlijk goed zijn dat het NL bedrijfsleven dat zaken doet met Slovenië uitstekend is voorbereid en weet waar het aan begint. Want Het bedrijfsleven zelf moet natuurlijk zeer goed voorbereid zijn, als je dat bent kom je natuurlijk een stuk minder problemen tegen. Dat zijn drie factoren die ongelooflijk bepalend zijn voor het goed zaken doen met een ander land.

9. *Is er iets wat naar uw mening nog verbeterd kan worden in de ED van NL? Zo ja, wat*

Er kan natuurlijk altijd iets verbeterd worden bij alles wat je doet. Ik denk dat we als NL, nogmaals, heel erg goed op weg zijn, meer dan goed op weg. Zeker als ik het vergelijk met andere landen, zeker als ik het vergelijk met personele capaciteit die andere landen vaak hebben. Ik heb er zelf nog niet over nagedacht, wat er beter kan als NL in de ED voor de rest van de wereld. Nogmaals, ik denk dat we hier in Slovenië een behoorlijk eind op weg zijn. Het enige wat we denk ik missen, dat is meer interesse vanuit NL. En dat is altijd lastig om te genereren. De NL ondernemer zal het eerst heel dicht bij NL zoeken, ook al vanwege transport kosten, ook al vanwege identificatie; we identificeren ons meer met de Duitser en de Belg dan met de Sloveen. In dit geval zou ik zeggen dat is misschien zelfs wel een beetje onterecht want ook de Sloveen zit best wel in onze eigen denktrant, misschien wel meer dan de Italiaan die we al veel langer kennen. Dus in die zin zal de grootste uitdaging van ons werk nog wel eens in Nederland kunnen liggen op dit moment, meer dan in Slovenië.

*Dus het heeft ook te maken met bedrijven die denken dat er een groter cultuurverschil is dan dat er is?*

Exact.

10. *Wilt u nog iets anders kwijt over ED? Dan wat tot nu toe door mij gevraagd is.*

Nee volgens mij zijn je vragen redelijk uitgebreid.

Het is altijd jammer dat het heel lastig is om het resultaat van de economische diplomatie te meten. Je weet nooit, A: of het door de ED komt dat een bedrijf zich hier vestigt of handel drijft, of niet. En daarbij is het ten eerste al zo dat een bedrijf vaak niet eens laat weten dat ze zich hier vestigen ook al heb je er een hoop voor gedaan, dat gebeurt achter je rug om. Uiteindelijk is dat natuurlijk goed want ze hoeven je niet van alles op de hoogte te houden, maar soms zou het wel goed zijn voor ons om te weten; dat en dat heeft geholpen, maar dat is heel moeilijk om boven tafel te krijgen.

*Zou u zeggen dat nadat de bedrijven bijvoorbeeld een antwoord van de ambassade hebben gekregen op een vraag, dat er onderaan dat antwoord meteen feedback wordt gevraagd, wat ze aan het antwoord gehad hebben?*

Nee ik denk niet dat dat heel veel helpt omdat ED is een heel proces, dat is niet een besluit. Kijk, als iemand vraagt: hebben jullie een afnemer voor mijn schoenen? En ik vind hier een schoenen distributeur dan weet je het meteen. Maar als het een lang proces voor een project is, als het is voor het binnenhalen van een opdracht is dan gaan er jaren overheen. En wat geeft dan de doorslag? Dat is natuurlijk heel lastig.