

## **China's Economic Diplomacy on Small States (Special Reference to Sri Lanka)**

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### **Abstract**

The Economic Diplomacy of China has significantly expanded in recent years. They practiced the term of economic diplomacy through soft power in order to achieve their strategic aims and objectives. China mostly maintains ties with the small states because of their vulnerability in the international arena and they can be captured easily. Sri Lanka as a small state that is situated in a strategic location in Indian Ocean has experienced significant Chinese involvement in Sri Lanka. However, the economic linkage with China shows different impacts on Sri Lanka. Furthermore, those economic relations made up countless difficulties, threats, and challenges as well. The objective of this article is to highlight a theoretical presentation of the realist framework in order to analyse Chinese foreign economic diplomacy under the economic relations with Sri Lanka emphasis on aid, investment and commercial agreements and to discover the negative and positive impact of China's economic diplomacy on Sri Lanka as a small state in the Indian Ocean. This research is based on a qualitative data, including secondary data from the books, articles, website and journals. This article will show that debt trap crisis has seriously affected Sri Lanka in recent years due to the Chinese aids and investments. The study concludes that China's aim is to act as a respected world leader in the region in order to increase its role in the international system.

**Keywords:** *China, Sri Lanka, Economic Diplomacy, Debt-Trap Crisis, Chinese Investments*

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