

ABSTRACT

This study assessed the attributes of economic diplomacy in determining investment. The study was guided by liberalism theory, and a cross-sectional research design was employed. Similarly, a mixed research approach was used, and stratified and purposive sampling strategies were employed to obtain a sample size of 127 respondents. Questionnaires and interviews were used to collect data from the respondents. Data were analyzed using descriptive, inferential, and content analysis. The study's first research objective explores the pivotal role of institutional factors, including economic policies, regulatory frameworks, and governance structures, in influencing foreign investors' decisions. Notably, respondents acknowledged the significance of institutional factors in economic diplomacy, as reflected in a mean score of 4.53, with a consensus on their importance. The second research objective focuses on the role of diplomats as crucial intermediaries in the economic diplomacy landscape. While respondents overwhelmingly perceive diplomats as influential in attracting FDI, the diverse responses regarding specific aspects of diplomats' roles highlight their multifaceted contributions. The third research objective highlights the vital role of infrastructural factors in FDI attraction. Respondents collectively emphasize the significance of infrastructure in economic diplomacy, with a mean score of 4.47, although the specific importance of road networks and reliable power supply elicits varying opinions. The correlation analysis demonstrates the interdependence of institutional factors, diplomats, infrastructural elements, and economic diplomacy for FDI, showcasing their intertwined nature. The regression model underscores the effectiveness in explaining FDI attraction, with an R Square of 0.883, implying that roughly 88.3% of the variation in Economic diplomacy for FDI is accounted for by the predictors. The ANOVA results confirm the model's overall statistical significance, strengthening confidence in its predictive capabilities. The Coefficients table highlights the positive and statistically significant relationships between institutional factors, Infrastructural factors, and roles of diplomats, emphasizing their pivotal roles in shaping economic diplomacy strategies for attracting FDI. In conclusion, this study's findings emphasize the multifaceted nature of economic diplomacy in attracting FDI, with institutions, diplomats, and infrastructure playing critical roles. The research offers valuable insights and recommends strengthening institutional frameworks, empowering diplomats, and prioritizing infrastructure development to enhance FDI attraction.

