



2023-24 WILSON CHINA FELLOWSHIP

# Do Currency Swaps Help China Win Friends and Influence People? Evidence from Argentina

**David Steinberg** is an Associate Professor at the School of Advanced International Studies, Johns Hopkins University and a 2023–24 Wilson China Fellow



## Abstract

The People's Bank of China has signed bilateral swap agreements with dozens of foreign central banks since 2008, turning China into a major international lender of last resort. China's swap lines have both economic and geopolitical objectives, which include increasing political support for China on the international stage. This paper examines whether China's bilateral swaps shift foreign public opinion towards China. The empirical analysis focuses on Argentina, which has actively used its swap line to help address the country's severe economic difficulties. To examine the effect of the currency swap, I designed a survey experiment that primes some respondents about the swap. The experiment was embedded within a nationally representative survey conducted during the 2023 election period. I find that priming Argentine citizens about Chinese financial assistance does not increase the average citizen's desire to strengthen ties with China. Instead, we find that Chinese financial assistance has a polarizing effect on public opinion: it increases support for China among those who favor the incumbent party, but reduces support for China among opposition voters. In sum, Chinese financial assistance does not uniformly improve the country's image, and actually worsens the country's standing among some segments of the population. This suggests there are limits, when it comes to public opinion, for China's "bailout" diplomacy.

## Policy Implications and Key Takeaways

- The People's Bank of China has signed bilateral swap agreements with more than 40 countries. These swap agreements are an important component of China's economic diplomacy. Improving foreign sentiment towards China is one major goal of these diplomatic efforts.
- Argentina has reaped large economic benefits from its currency swap with China, but the swap has not improved Argentine public opinion towards China. Rather, the swap agreement has polarized Argentine public opinion about China along partisan lines. While the swap improves feelings towards China among supporters of the incumbent party in Argentina, it worsens perceptions of China among Argentines who favor opposition parties.

- Critics of the currency swap maintain that China used it to help the incumbent party, which advocated for close ties with China, win the 2023 presidential election. The perception that the Chinese currency swap constituted a form of election interference prevented this initiative from generating nationwide goodwill towards China.
- China's currency swaps would be more successful in achieving their diplomatic aims if the People's Bank of China implemented them in a more politically neutral manner.
- Since China's swap lines have not improved foreigners' opinions of China, the Federal Reserve should not feel compelled to expand its swap network as a means to counter Chinese influence.

## Introduction

Improving China's image abroad has been a major objective of China's leadership in recent decades.<sup>1</sup> China's state has adopted a multi-pronged strategy to achieve this goal. One component of this strategy has been to promote Chinese culture abroad through, for example, the expansion of Confucius Institutes.<sup>2</sup> Chinese officials have also engaged in "Twitter diplomacy" to disseminate favorable narratives of the country throughout the globe.<sup>3</sup> But, perhaps the most significant—and expensive—tools have been economic ones, such as foreign aid, infrastructure financing, and international rescue lending. It is widely believed that improving foreigners' opinions about China is one of the central goals of Chinese economic statecraft.<sup>4</sup> This is a sensible goal because favorable public opinion represents an important component of a country's "soft power,"<sup>5</sup> and governments tend to adopt friendlier policies towards countries when their citizens have positive opinions of them.<sup>6</sup>

Are these foreign economic tools successful at boosting foreign public opinion towards China? Previous scholarship has examined how Chinese aid and investment influences foreigners' views about China. The evidence from these studies is mixed. A number of studies find that Chinese aid and foreign investment improve foreigners' sentiment regarding China.<sup>7</sup> Other works, however, find that Chinese economic ties fail to improve foreign public opinion towards China,<sup>8</sup> and some even find evidence that Chinese investment leads to a deterioration in public opinion towards China.<sup>9</sup>

This study examines whether a different instrument of Chinese economic statecraft—bilateral swap agreements (BSAs)—are effective tools of public diplomacy. These BSAs act as a line of credit from the People's Bank of China (PBOC), China's central bank, to central banks in signatory countries. When these agreements are signed, the PBOC commits to provide Chinese renminbi (RMB) to the other country's central bank in exchange for the other country's currency, which the PBOC holds as a form of collateral. Between 2008 and 2022, China signed swap agreements with 40 different central banks, and 17 different countries have drawn on these swap lines thus far.<sup>10</sup> China's currency swaps have, thus, emerged as "an important tool of overseas crisis management" in recent years.<sup>11</sup> In fact, China's network of swap arrangements is the widest in the world, exceeding even that of the United States.<sup>12</sup>

As with other forms of Chinese economic statecraft, Chinese swap arrangements aim to advance the country's economic objectives, such as enhancing the international use of the Chinese Renminbi (RMB).<sup>13</sup> But China's swaps are also motivated by geopolitical considerations. These agreements have been described as "political gestures of goodwill."<sup>14</sup> Others suggest that the swap lines are aimed at generating "loyalty and influence" abroad and are "useful to Beijing as part of a wider, long-term charm offensive."<sup>15</sup> This paper explores whether China's currency swaps achieve these diplomatic objectives. In short, I seek to shed light on whether bilateral swap agreements increase foreign citizens' affinity to China.

A currency swap should, in theory, improve China's image because it bestows substantial benefits on recipient countries. Currency swaps help countries finance imports, repay foreign debts, and stabilize their currencies. If citizens are aware of these benefits, they will become more likely to believe that cooperating with China is beneficial for them and their countries. The perception that cooperating with China is beneficial should lead foreigners to favor maintaining close ties with China in the future.

However, these purported responses to a swap agreement are hardly automatic. There may also be countervailing channels through which these currency swaps undermine China's reputation. If these swaps are perceived as being self-serving for China, rather than altruistic, foreigners may not respond positively to this financial assistance.<sup>16</sup> One possibility along these lines is that voters may view these swaps as an effort to boost the economic and political fortunes of governments that are friendly to China. For instance, when China provided Argentina's Peronist government, which had made many concessions to China during its tenure, with a generous swap just days before the country's Presidential election, the opposition accused "China of meddling in Argentina's elections."<sup>17</sup> When people believe that swaps are little more than a tool for China to achieve its own political objectives, these agreements will lead citizens to want to cut ties with Beijing. To the extent that Chinese swaps are viewed as a form of election meddling, individuals who favor parties that China opposes are especially likely to react negatively to these agreements.

To study whether BSAs improve China's image abroad, I focus on the case of Argentina, which has had multiple swap agreements with China and has

drawn on these swap lines several times to help stabilize its financial system. Since the Chinese currency swap has had particularly noticeable effects on Argentina's economy, this is arguably a "most likely" case for the swap to influence opinions about China. In other words, if there is any country where we might expect China's currency swap to have a strong positive effect on China's public image it might be Argentina. The Argentine case therefore serves as a useful setting for examining *how* Chinese swaps shape foreigners' opinions about China.

I embedded an experiment about Chinese swaps in a representative national survey in Argentina in October 2023, during the country's presidential election campaign. The experiment randomly assigned some survey respondents to receive information about the Chinese swap arrangements while others did not. To test the effect of the swap, I compare support for economic cooperation with China among those that did not receive any information about the swap arrangement (the control group) and those that were primed about the swap agreement (the treatment group).

The evidence reveals that currency swaps do not bolster overall levels of foreign public support for China. On average, attitudes about China are very similar in the treatment and control conditions. But the swap did alter public opinion in two ways. First, priming people about the currency swap caused Argentines' opinions about China to move to the extremes: the portion of survey respondents that strongly supported or strongly opposed Chinese economic cooperation increased while the share of people who had more moderate opinions decreased. Second, Argentines from different political camps responded in opposite ways to this treatment.

Supporters of the ruling party respond favorably to the swap arrangement. Among individuals who intend to vote for the incumbent Union por la Patria (UxP) party, information about the swap significantly increased their desired level of engagement for China. But supporters of the political opposition respond in the opposite manner. For those who do not intend to vote for the UxP the treatment significantly *reduced* their support for China. In Argentina at least, Chinese financial assistance polarizes public opinion along partisan lines. These findings cast doubt on the ability of Chinese swap arrangements to serve as effective tools of public diplomacy.

## Do Currency Swaps Help China Win Friends Abroad?

When China extends a currency swap to a recipient country this means that the PBOC provides RMB to foreign central banks in exchange for collateral in the form of the recipient country's currency.<sup>18</sup> This section explores two competing hypotheses about how Chinese currency swaps influence foreign public opinion towards China. The conventional view, which I label the "Public Diplomacy Hypothesis," posits that these swaps improve the average citizen's desired level of cooperation with China. The second perspective, which I refer to as the "Political Polarization Hypothesis," suggests that swaps do not increase overall levels of public support for China. Instead, while swaps might attract support from some groups in society, it expects the swaps to worsen attitudes about China among some segments of the population groups, such as individuals who dislike the domestic governments that receive Chinese financial assistance.

The public diplomacy hypothesis starts from the assumption that Chinese swaps are economically beneficial to recipient countries and their citizens. One of the major functions of these swaps is to help recipient-country central banks stabilize their exchange rates. The source central bank, China in this example, lends RMB to recipient central banks, who can use these funds to intervene in the foreign currency market. For example, the central bank of Argentina could use these funds to buy pesos, which would increase the demand for pesos and strengthen the value of the peso.<sup>19</sup> A number of central banks, including Argentina, Laos, Mongolia, Nigeria, Pakistan, Turkey, and Ukraine, have used their swap lines with China to augment their foreign-currency reserves and support the value of the local currency.<sup>20</sup>

Empirical evidence indicates that central bank swap lines have been effective in reducing exchange rate volatility.<sup>21</sup> Related work finds that swap agreements tend to appreciate the value of recipient countries' currencies.<sup>22</sup> A stronger exchange rate is beneficial to most individuals: exchange rate appreciation lowers the costs of imported goods, which boosts real wages.<sup>23</sup> If citizens attribute these benefits to the swaps, they are likely to update their beliefs about China in a favorable direction.<sup>24</sup> For these reasons, currency swaps have the potential to increase support for economic cooperation with China.

At the same time, Chinese swaps are not without political risks. There is potential for these agreements to worsen foreigners' perceptions of China. The

risk arises because some people may focus not on the economic implications of the swap but on China's own motives and/or the domestic political repercussions of these agreements. If citizens believe that China is offering financial assistance for self-serving reasons, a swap is unlikely to improve perceptions of the country.<sup>25</sup> For example, individuals may respond to these agreements by considering China's political objectives, such as their desire to help parties that are friendly to China. China is more likely to extend these swaps to friendly governments than to governments that are not aligned with China on major foreign policy issues.<sup>26</sup> This raises the risk that voters will believe that China's motive for offering a swap is not to benefit the economy overall, but rather to bolster the economic record of political parties that are friendly to China in order to help them win re-election.<sup>27</sup> Even if these swaps are not intended to help one political party over others, in order to provoke such a response "voters need only to perceive the interventions as helping the ticket win."<sup>28</sup>

When swaps are viewed as electorally motivated, citizens' responses to them are likely to depend on their partisan affiliation. Previous research finds that foreign countries' efforts to aid one party during an election leads supporters of the aided party to want stronger ties with the foreign power. Individuals who oppose the supported will instead respond in the opposite manner, favoring more distant relations with the foreign power.<sup>29</sup>

Research on foreign public opinion towards China specifically also finds that Chinese foreign aid projects, whose benefits tend to skew towards supporters of the incumbent party, polarizes public opinion towards China across partisan lines.<sup>30</sup> Similarly for Chinese currency swaps, voters may believe that incumbent parties are the intended beneficiaries of these agreements. Voters are particularly likely to believe this when the incumbent party's program is much friendlier to China than that of the political opposition, as China would have a stronger electoral motive in this scenario.

Under these conditions, the political polarization logic implies that the currency swap should harm China's image among individuals that oppose the incumbent party.

In sum, there are some reasons to expect Chinese currency swaps to increase public support for China but also some factors that may limit their effectiveness. In the empirical analyses that follow, we will test the following competing hypotheses about the influence of Chinese swap arrangements:



- *Public Diplomacy Hypothesis*: Chinese currency swaps increase average levels of public support for China in recipient countries.
- *Political Polarization Hypothesis*: Chinese currency swaps increase support for China among supporters of the incumbent party but decrease support for China among supporters of opposition parties.

## The Empirical Context: China's BSA with Argentina

To examine public responses to Chinese currency swaps, I focus on one important case: Argentina. China's swap with Argentina has "become the biggest yuan swap line in the world,"<sup>31</sup> one that "stands out for its longevity and extensive utilization."<sup>32</sup> As a result, Argentina serves as a useful case to examine how Chinese swap agreements influence public opinion towards China.

The first currency swap between Argentina and China was signed in April 2009, during the Presidency of Cristina Fernández de Kirchner (2007–2015), a left-wing leader from the Front for Victory faction of the Peronist movement. This initial agreement, which was for three years, expired in 2012. Then, a new BSA was signed in July 2014, again for a three-year term. These initial swaps took place within a broader context of deepening ties between Argentina and China during the Kirchner administration.<sup>33</sup> In 2017, during the administration of Mauricio Macri of the center-right Let's Change coalition, this agreement was renewed for another three years, and this was followed by a second, distinct, supplementary, swap agreement signed in 2018.<sup>34</sup> Both agreements were then renewed in 2020 for another three years during the Presidency of Alberto Fernández, the leader of the Union for the Homeland (UxP), which was the new name for the Front for Victory, the left-wing faction of Peronism associated with the Kirchners. The current administration of Javier Milei, a right-wing populist from the Freedom Advances party, is negotiating a renewal of the agreement, but the negotiations have not yet concluded.

The swap agreement has been a major boon for Argentina's economy at several critical moments. The swap has become the largest source of foreign reserves for the country, accounting for more than half of the BCRA's total

reserves.<sup>35</sup> Argentina first drew on the swap line in October 2014, and made several drawings from the swap line over the next year.

Doing so provided short-term relief for Argentina's economy, helping the Fernández de Kirchner government stabilize the peso in this period.<sup>36</sup> The next administration, led by right-wing President Mauricio Macri, also benefited from the swap line. In December 2018, during another period in which the Argentine economy was in distress, Argentina's central bank made additional drawings on the swap lines. Macri's successor, Alberto Fernandez, also used the swap lines in 2023, this time to a default on its IMF debts, continue servicing its private external debts, and finance imports.<sup>37</sup>

Argentine political elites have not been shy about highlighting the economic benefits of the swap either. In a public speech in 2014, President Fernández de Kirchner "praised the swap line" to voters in attendance.<sup>38</sup> Alberto Fernández also extolled the virtues of the swap publicly, calling it a "big relief for Argentina," and thanking the Chinese government for being "very generous and attentive to our needs."<sup>39</sup> The extension of China's swap line in October 2023 was widely covered by the media at the time of the announcement.<sup>40</sup> Argentine voters therefore had access to information about the existence and benefits of these swaps, making it plausible that this agreement would influence their opinions about China.

The reception to the swaps, however, has not been unambiguously positive. One line of criticism has emphasized how the swaps have been used for political purposes, specifically to help the Peronist movement win elections. This objection surfaced during the Peronists' re-election campaign in 2015. Some believed that the currency swap "helped [the] Fernández de Kirchner government solve short-term financial problems to support political stability until the presidential elections of December 2015."<sup>41</sup> Macri's Let's Change coalition, which was seeking to unseat the Peronists, was displeased. According to Oviedo, "Xi Jinping's government support for to the Fernández de Kirchner government was not well seen by the opposition parties, because Argentina's government stabilized the domestic finances until the presidential election."<sup>42</sup>

Similar dynamics played out the next time that the Peronists were up for re-election in 2023. In October of that year, just days before the general election, the PBOC made \$6.5 billion from the swap line available to Argentina's

central bank, which was \$1.5 billion more than President Fernández even requested.<sup>43</sup> Some observers viewed the “activation of the swap...[as] the most forceful demonstration of th[e] alliance” between the Chinese Communist Party and Peronism.<sup>44</sup>

The timing of that assistance, as well as the close relationship that the two countries built during Alberto Fernández’s four-year term, has led some to speculate that China’s financial assistance in October 2023 was motivated by electoral considerations. The swap “was a potential lifeline for presidential hopeful Sergio Massa,” the UxP’s current Finance Minister and Presidential candidate, whom Beijing favored because he was “seeking stronger links with China.”

Massa’s main rival, Javier Milei, by contrast, referred to China as an “assassin,” and he threatened to cutoff diplomatic ties if elected.<sup>45</sup> One *Bloomberg* story suggested that the timing of Beijing’s financial generosity meant that China “seemed to back the government for a second term.”<sup>46</sup> Argentina’s political opposition at least viewed it in this light, with Diana Mondino, a top Milei foreign policy advisor, lambasting the agreement for its “corruption” and “Milei accused Beijing of interfering in the elections.”<sup>47</sup>

The rapid decline in China’s financial generosity after the 2023 election was likely to reinforce the perception that Beijing is not a politically neutral lender. Shortly after winning the Presidential election, Javier Milei requested access to the swap line.<sup>48</sup> China, however, has refused to grant Argentina access to the funds, claiming that “the freeze remains in effect until President Javier Milei demonstrates a clear intention to engage with Beijing.”<sup>49</sup>

To summarize, China’s currency swap provides substantial economic benefits to Argentina’s economy. On the one hand, these benefits could endear China to the Argentine voting public. At the same time, however, the perception that these funds have not been applied equally to different political parties may give Argentine voters the impression that China is not a politically neutral actor. Hence, Chinese financial assistance could have a polarizing effect on public opinion in Argentina, endearing China to voters who favor the UxP while alienating those who support other political parties.

## Evidence from a Survey Experiment

### Research Design

To examine the impact of the BSA on Argentine public opinion, we embedded a survey experiment in a national survey conducted by Isonomía Consultores. The survey, which had a sample size of 3,166, is designed to be representative of Argentina's urban population, which accounts for 95 percent of the country's total population.<sup>50</sup> The survey was fielded between October 7 and 16, 2023, which was just before the first round of Argentina's general election (October 22, 2023). Notably, the survey was completed shortly before October 18, the date in which China permitted Argentina to draw down an additional \$6.5 billion from the swap line.

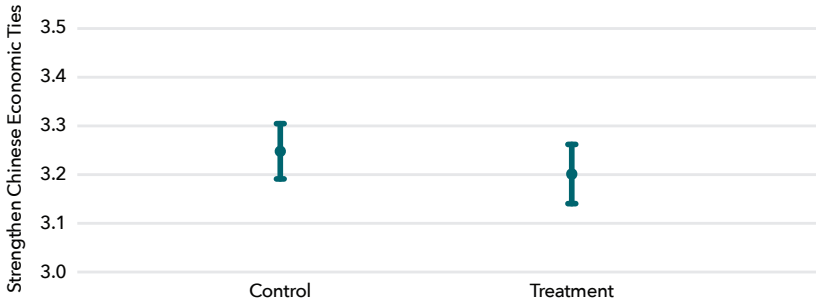
The outcome variable of interest in this survey asked respondents about whether they thought Argentina should strengthen its relationship with China. Specifically, the question asked the following: "We are interested in your opinions on Argentina's relationship with China. Do you agree or disagree that Argentina should build stronger economic ties with China?" Respondents were offered a Likert-like scale with five response categories: (1) strongly disagree, (2) disagree, (3) neither agree nor disagree, (4) agree, or (5) strongly agree.

The experiment randomly assigned half of the subjects to be reminded about Argentina's bilateral swap with China. The script described above was provided to the half of subjects assigned to the control condition. The treatment condition included the following additional text before the question: "China recently provided financial assistance to Argentina to help the Argentine government avoid a debt default." The purpose of this additional information is to prime respondents about this specific aspect of Argentina's existing relationship with China. If Chinese financial diplomacy improves Argentines' opinions about China, this treatment should increase average support for strengthening the country's economic ties with China. While we are unable to experimentally manipulate the actual existence of Chinese financial assistance, since people will only respond to this assistance when it is brought to their attention, if the actual existence of such assistance matters so too should information about this assistance.

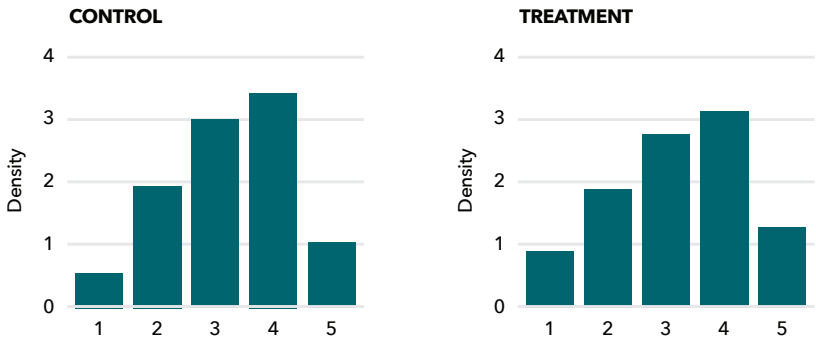
### Average Effect of Currency Swap Treatment

Figure 1 presents the mean levels of agreement that Argentina should strengthen its economic ties with China among respondents in the control

**FIGURE 1.** Average Support for Chinese Economic Ties



**FIGURE 2.** Distribution of Support for Chinese Economic Ties



and treatment conditions. The average in the control condition is a 3.24 on a five-point scale, indicating that the average respondent's opinion is between neutral and modest agreement. The mean in the treatment group is 3.20, which is very similar to the control group, yet slightly lower. The difference-in-means between the treatment and control groups falls far short of conventional levels of statistical significance. This evidence suggests that highlighting the currency swap does not lead the average Argentine to favor stronger economic ties with China. This finding casts doubt on the public diplomacy hypothesis.

While we find no evidence that Chinese financial diplomacy changes the *average* level of sentiment towards China among Argentine voters, there is evidence that opinions about China become more *polarized*. Figure 2 displays the full distribution of responses for the control and treatment groups in histogram format. The proportion of respondents that strongly disagree (1) and strongly agree (5) with the question is higher in the treatment group compared to the control group. The treatment increases the share of extreme (strongly agree or strongly disagree) responses from 16 to 22 percent of the total. This difference-in-proportions is statistically significant. A chi-squared test also indicates that the overall distribution of responses are different across the two groups. This provides some preliminary evidence that the swap agreement polarizes foreigners' attitudes towards China.<sup>51</sup>

### Partisan Differences

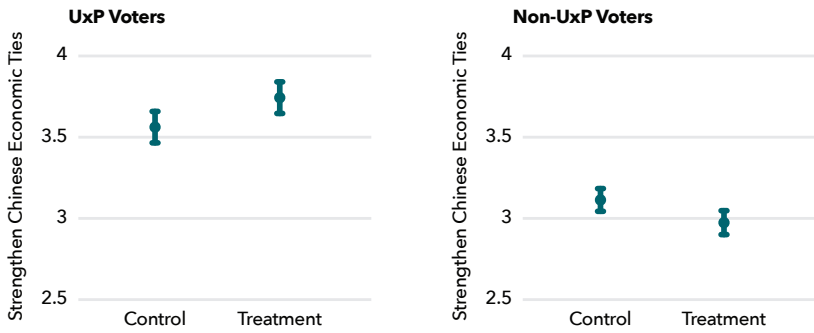
While a currency swap may not drive the Argentine public as a whole to favor closer ties with China, these diplomatic efforts could potentially win over some subsets of the population. Here, we explore whether responses to Chinese financial diplomacy vary across party lines in Argentina. As noted earlier, there are reasons to expect Chinese financial diplomacy to improve opinions toward China among incumbent-party supporters while having the opposite effect among opposition voters.

We first examine the responses of incumbent supporters. The left panel in Figure 3 plots the average level of support for Chinese economic engagement for individuals that intend to vote for the incumbent UxP party in the upcoming election. We see that supporters of the incumbent party respond favorably to the BSA. The average support level for this subgroup increases from 3.56 in the control condition to 3.74 in the treatment condition, a difference of 0.18.

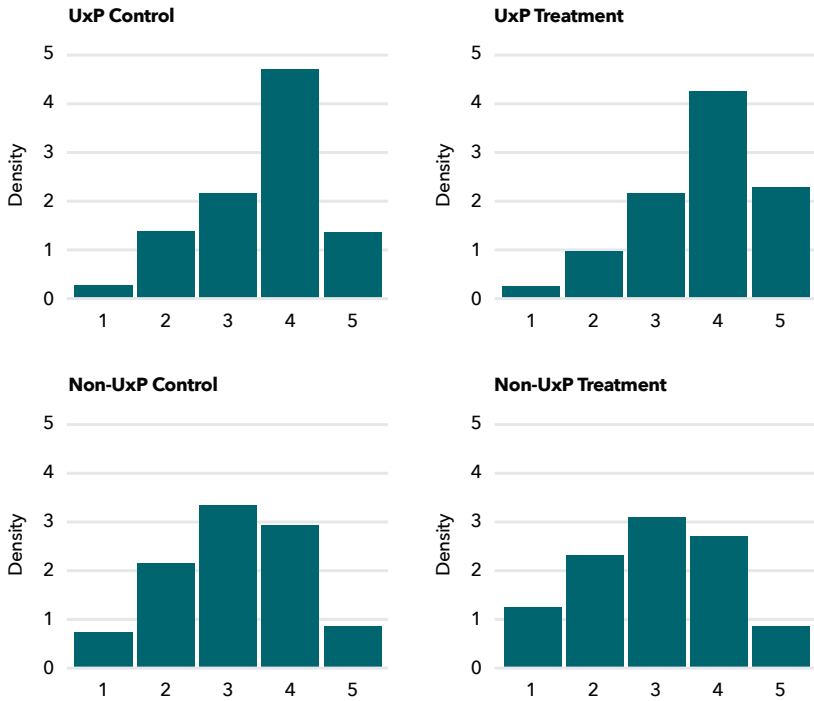
The top panels of Figure 4 dig deeper into how the treatment shaped incumbent supporters' attitudes about China. The most striking difference is in share of UxP voters that strongly favor closer economic ties with China (category 5). This figure increases by nine percentage points, from 14 percent in the control group to 23 percent in the control group. This difference is substantively large and statistically significant ( $p < 0.01$ ).

Individuals who did not intend to vote for the incumbent party respond very differently to Chinese financial diplomacy. The right panel of Figure 3

**FIGURE 3.** Mean Support for Chinese Economic Ties Across Partisan Lines



**FIGURE 4.** Distribution of Support for Chinese Economic Ties Across Partisan Lines



displays the mean levels of support for Chinese economic engagement for non-UxP voters. The first thing to notice is that opposition voters' baseline desire to engage with China is much lower compared to those who support the governing party. Despite starting with lower initial levels of agreement, the treatment further reduces this group's desire to engage with China. The mean decreases from 3.11 to 2.96, a difference that is similar in magnitude to that among UxP voters, but in the opposite direction. In short, the treatment leads to a decrease in 0.14 in average levels of support for Chinese economic engagement among non-UxP voters, which is a statistically significant effect ( $p < 0.01$ ).

The bottom panels of Figure 4 reveal that the treatment changes the share of non-UxP voters that strongly disagree with the proposal to strengthen bilateral economic ties (category 1). The treatment increases the proportion of non-UxP voters that are in the most opposed category increases from 0.07 to 0.12, a sizable and statistically significant increase ( $p < 0.01$ ). The evidence indicates that when voters who oppose the incumbent party are informed that Chinese economic assistance has been provided their desired level of engagement with China falls.

### Regression Analysis

Since partisan differences—unlike the experimental treatment—are not randomly assigned, it is possible that it is not partisanship itself, but other factors that correlate with partisanship, that are responsible for moderating the effects of the experimental treatment. To help address whether or not this is the case, we turn to multivariate regression models that control for several other variables. As with the previous analyses, attitudes about China serves as the main dependent variable. The main explanatory variables of interest are the respondent's experimental condition, whether they intend to vote for UxP in the upcoming elections, and a multiplicative interaction term between these two variables. The first column of Table 1 presents a basic model with no additional controls, which recovers the same patterns reported above: the treatment reduces the outcome by 0.14 among non-UxP voters while increasing the outcome by 0.18 for UxP voters ( $0.32 - 0.14 = 0.18$ ).

In model 2 of Table 1, we control for several demographic covariates, including a respondent's level of educational attainment, age, gender, social class,



**TABLE 1.** Regression Results

	(1)	(2)	(3)	(4)	(5)	(6)
<b>Treatment</b>	-0.14***	-0.14***	-0.17***	-0.15***	-0.14**	-0.16***
	[0.051]	[0.051]	[0.056]	[0.058]	[0.058]	[0.062]
<b>UxP Voter</b>	0.45***	0.44***	0.34***			
	[0.065]	[0.065]	[0.073]			
<b>Treatment UxP Voter</b>	0.32***	0.33***	0.33***			
	[0.091]	[0.090]	[0.096]			
<b>UxP Approval</b>				0.07***	0.08***	0.06***
				[0.009]	[0.009]	[0.010]
<b>Treatment UxP Approval</b>				0.03**	0.03**	0.04***
				[0.013]	[0.013]	[0.014]
<b>Education</b>		-0.01	0.0002		0.01	0.005
		[0.014]	[0.015]		[0.013]	[0.014]
<b>Age</b>		-0.005***	-0.004***		-0.003***	-0.003**
		[0.001]	[0.001]		[0.001]	[0.001]
<b>Female</b>		-0.15***	-0.17***		-0.19***	-0.17***
		[0.042]	[0.045]		[0.041]	[0.044]
<b>Class</b>		-0.02	-0.03		-0.02	-0.02
		[0.020]	[0.022]		[0.020]	[0.022]
<b>Ideology</b>			-0.06***			-0.06***
			[0.009]			[0.008]
<b>Nationalism</b>			0.06**			0.05**
			[0.023]			[0.023]
<b>Constant</b>	3.11***	3.59***	3.82***	3.02***	3.38***	3.64***
	[0.037]	[0.143]	[0.186]	[0.042]	[0.146]	[0.185]
<b>Observations</b>	2,555	2,553	2,138	2,594	2,592	2,216
<b>R-squared</b>	0.072	0.156	0.201	0.072	0.157	0.197

Note: Standard errors in brackets. \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

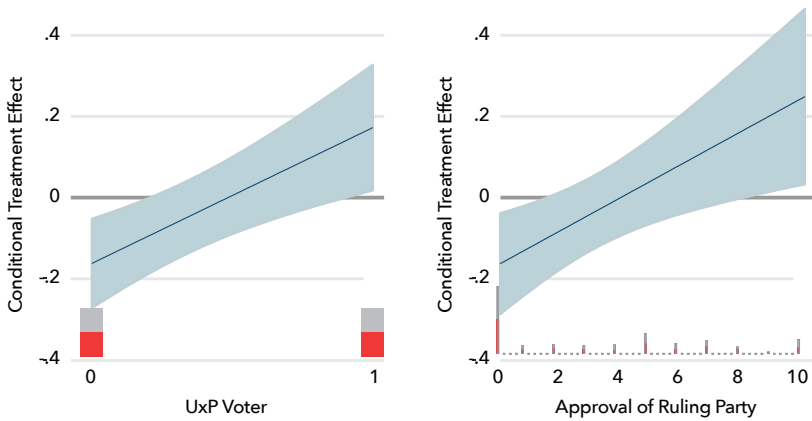
and locality.<sup>52</sup> Model 3 adds two additional attitudinal variables to the model, namely a measure of left-right ideological self-placement and a measure of national pride.<sup>53</sup> We obtain very similar estimates of the conditional treatment effects across all three models. This increases our confidence that it is partisanship and not some other factor that is conditioning how Argentines react to Chinese financial diplomacy. Several of these control variables account for variation in individuals' attitudes towards China. Older people, women, and those with more right-wing ideologies favor weakening Argentina's economic ties with China while Argentine national pride is associated with a stronger desire to strengthen economic ties with China.

As an additional robustness test, we consider an alternative measure of support for the government. The survey asked respondents to rate the extent to which they approved or disapproved of the ruling party on an 11-point scale. We use this variable as an additional indicator of support for the incumbent, where we expect the treatment to exert a more positive impact on the outcome among individuals that express stronger approval of the incumbent. Columns four through six of Table 1 present the results using this variable. The coefficient on the treatment is negative and statistically significant in all models, indicating that the currency swap prime reduces support for engaging with China among those that strongly disapprove of Argentina's ruling party. The interaction term has a positive and statistically significant effect in all cases, which means that the effect of Chinese diplomacy becomes increasingly positive for individuals that report stronger approval of the UxP.

Figure 5 presents the conditional marginal effects of the treatments from models 3 and 6. The results reinforce the conclusion that voters that support and oppose the incumbent respond in opposite ways to Chinese financial diplomacy. Irrespective of which measure of partisanship is used, the treatment has a statistically significant negative effect on attitudes towards China among opposition voters. By contrast, the effect of the treatment is positive and statistically significant among those that express the highest levels of approval of Argentina's ruling party.

To summarize, we find robust evidence that individuals' partisan leanings moderate how they respond to China's financial diplomacy. Supporters of the incumbent UxP party become more supportive of cooperation with China when primed to think about China's currency swap. Opponents of the

**FIGURE 5.** Conditional Treatment Effects



**Note:** Blue line indicates marginal effect of experimental treatment, conditional on whether respondent is a UxP voter (left panel) and the respondent’s approval of the ruling party (right panel). Shaded gray area indicates 95 percent confidence intervals of the marginal effects.

UxP, on the other hand, become more opposed to economic cooperation with China when primed about the currency swap. These patterns are consistent with the political polarization hypothesis.

## Conclusions and Implications

This study examined how priming people about a currency swap with China shape Argentines’ attitudes about China. I find that the swap has a polarizing effect on Argentine public opinion. This prime causes opinions about China to move to the extremes, with more respondents either reporting the most positive or most negative opinions about China. Reminding Argentines about the swap arrangement also produces opposite reactions from different partisan groups. Supporters of the incumbent UxP party, whose management of the economy was facilitated by Chinese financial support, respond positively to the currency swap prime. Individuals who

oppose the ruling party, by contrast, become more opposed to China when primed to think about Chinese financial assistance.

The large size of the swap with the PBOC, and Argentina's desperate need for external financing, means that the swap arrangement has had an unusually strong impact on Argentina's economy. China's currency swaps could potentially have a weaker impact on public opinion in other contexts than that observed in Argentina. The Argentine case may therefore provide an upper bound on how large of an impact the swap will have on public support for China. Put simply, the swap's apparent inability to improve perceptions of China's image mean that Chinese swaps are unlikely to work elsewhere either. To be sure, without evidence from other countries, any conclusions about how citizens outside of Argentina respond to these arrangements remain speculative. Additional research from other swap-recipient countries is therefore needed before any definitive conclusions can be reached. But the initial evidence from one country presented here casts doubt on the effectiveness of swaps as instruments of Chinese public diplomacy.

These findings have several important implications for policymakers in China, the United States, and elsewhere. First, Argentina's polarized response to Chinese bailouts highlights a key tradeoff facing Chinese financial policymakers. Using financial resources to reward friendly governments might enhance China's political leverage in swap-recipient countries. But politicizing swap usage in this manner is not costless. If foreigners recognize this political bias, Chinese bailouts will not generate broad-based political goodwill towards China across the political spectrum. In short, Chinese monetary diplomacy can either continue to reward their supporters abroad or improve Chinese soft power, it but is unlikely to be able to achieve both of these objectives simultaneously. Decision-makers at the PBOC and their principals in the Politburo should be mindful of these tradeoffs when crafting bailouts in the future. If they truly prioritize boosting the country's image on the global stage, a new, less politicized approach to monetary diplomacy would better serve their interests.

These lessons also apply to Americans policymakers or other great powers seeking to use their financial resources to generate goodwill in the developing world. The United States is more likely to gain broad-based, cross-party support abroad when its economic assistance to foreign countries maintains

the principles of political impartiality. Financial assistance that is obviously targeted at friendly governments risks alienating those parts of the electorate that favor other parties. When the Federal Reserve and US Treasury receive bailout requests from foreign governments in the future, they should seek to avoid any appearance of political favoritism to the greatest extent possible.

Finally, this evidence should alleviate concerns among US officials that Chinese financial assistance is helping win over hearts and minds in America's backyard. Following from this, the need for the United States to launch its own competing economic and diplomatic initiatives to counter China's influence may not be as great as some in Washington believe. There may be very good reasons to provide economic assistance to Latin America or other developing regions, but responding to China's growing popularity in these areas does not appear to be one of them. The Fed has extended swap lines to only a limited number of central banks—far fewer countries than the PBOC. There is little reason for American diplomats to fret about the Fed's limited use of bilateral currency swaps. Since the PBOC's swap lines do not appear to have improved China's global image, the Federal Reserve should not feel pressured to issue new swap lines for the sake of geopolitical competition.

*The views expressed are the author's alone, and do not represent the views of the US Government, Carnegie Corporation of New York, or the Wilson Center. Copyright 2024, Wilson Center. All rights reserved.*

## Notes

1. Joshua Kurlantzick, *Charm Offensive: How China's Soft Power is Transforming the World*. (New Haven, CT: Yale University Press, 2007); David Shambaugh, "China's Soft-Power Push: The Search for Respect," *Foreign Affairs* 94, no. 4 (2015): 99–107; Yiwei Wang, "Public Diplomacy and the Rise of the Chinese Soft Power," *Annals of the American Academy of Political and Social Science* 616 (2008): 257–273.
2. Samuel Brazys and Alexander Dukalskis, "Rising Powers and Grassroots Image Management: Confucius Institutes and China in the Media," *The Chinese Journal of International Politics* 12, no. 4 (2019): 557–84; Falk Hartig, "How China Understands Public Diplomacy: The Importance of National Image for National Interests," *International Studies Review* 18, no. 4 (2016): 655–80.
3. Wendy Leutert and Nicholas Atkinson, "Crafting Narratives of COVID-19 Through China's Twitter Diplomacy," in *Pandemic Crossings*, edited by Guobin Yang, Bingchun Meng, and Elaine Yuan (Michigan State University Press: Forthcoming); Mattingly, Daniel C., and James Sundquist. 2023. "When Does Public Diplomacy Work? Evidence from China's 'Wolf Warrior' Diplomats." *Political Science Research and Methods* 11 (4): 921–29.
4. Jia Chen and Sung Min Han, "Does Foreign Aid Bifurcate Donor Approval?: Patronage Politics, Winner–Loser Status, and Public Attitudes toward the Donor," *Studies in Comparative International Development* 56, no. 4 (2021), p. 541; Sheng Ding, "Analyzing Rising Power from the Perspective of Soft Power: A New Look at China's Rise to the Status Quo Power," *Journal of Contemporary China* 19, no. 64 (2010): p. 268–269; Pippa Morgan, "Can China's Economic Statecraft Win Soft Power in Africa? Unpacking Trade, Investment and Aid," *Journal of Chinese Political Science* 24, no. 3 (2019): p. 388; David Shambaugh, "China's Soft-Power Push: The Search for Respect," *Foreign Affairs* 94, no. 4 (2015): p. 100; Weifant Zhou and Mario Esteban, "Beyond Balancing: China's Approach towards the Belt and Road Initiative," *Journal of Contemporary China* 27, no. 112 (2018): p. 496
5. Joseph Nye, *Soft Power: The Means to Success in World Politics* (Public Affairs: 2004, p. 18).
6. Benjamin Goldsmith and Yusaka Horiuchi, "In Search of Soft Power: Does Foreign Public Opinion Matter for US Foreign Policy?," *World Politics* 64, no. 3 (2012): 555–585.
7. Elena Barham, Sarah Zukerman Daly, Julian Gerez, John Marshall, and Oscar Pocasangre, "Vaccine Diplomacy: How COVID-19 Vaccine Distribution in Latin America Increases Trust in Foreign Governments," *World Politics* 75, no. 4 (2023): 826–875; Pippa Morgan, "Can China's Economic Statecraft Win Soft Power in Africa? Unpacking Trade, Investment and Aid," *Journal of Chinese Political Science* 24, no. 3 (2019): 387–409; Lukas Wellner, Axel Dreher, Andreas Fuchs, Bradley C. Parks, and Austin Strange, "Can Aid Buy Foreign Public Support? Evidence from Chinese Development Finance," *Economic Development and Cultural Change*, Forthcoming; Yu Xie and Yongai Jin, "Global Attitudes toward China: Trends and Correlates," *Journal of Contemporary China* 31, no. 133 (2022): 1–16.
8. Robert Blair, Robert Marty, and Philip Roessler, "Foreign Aid and Soft Power: Great Power Competition in Africa in the Early Twenty-first Century," *British Journal of Political Science* 52, no. 3 (2022): 1355–76; Sujin Cha, Yehzee Ryoo, and Sung Eun Kim, "Losing Hearts and Minds? Unpacking the Effects of Chinese Soft Power Initiatives in

- Africa.” *Asian Survey* 63 no. 1 (2023): 1–30; Jia Chen and Sung Min Han, “Does Foreign Aid Bifurcate Donor Approval?: Patronage Politics, Winner–Loser Status, and Public Attitudes toward the Donor,” *Studies in Comparative International Development* 56, no. 4 (2021): 536–59; Vera Z. Eichenauer, Andreas Fuchs, and Lutz Brückner, “The Effects of Trade, Aid, and Investment on China’s Image in Latin America,” *Journal of Comparative Economics* 49, no. 2 (2021): 483–98; Tao Xie, and Benjamin I. Page, “What Affects China’s National Image? A Cross-National Study of Public Opinion,” *Journal of Contemporary China* 22, no. 83 (2013): 850–67.
9. Do Young Gong, Sanghoon Kim-Leffingwell, Shuyuan Shen, and Yujeong Yang, “Money Backfires: How Chinese Investment Fuels Anti-China Protests Abroadm” *World Development* 178, (2024): 106566; John F. McCauley, Margaret M. Pearson, and Xiaonan Wang, “Does Chinese FDI in Africa Inspire Support for a China Model of Development?,” *World Development* 150, (2022): 105738.
  10. Sebastian Horn, Bradley C. Parks, Carmen M. Reinhart, and Christoph Trebesch, “China as an International Lender of Last Resort,” National Bureau of Economic Research Working Paper No. 31105. <https://www.nber.org/papers/w31105>.
  11. *Ibid.*, p. 3.
  12. Bahaj, Saleem, and Ricardo Reis. 2020. “Jumpstarting an International Currency.” CEPR Discussion Paper No. DP14793.
  13. Bahaj, Saleem, and Ricardo Reis. 2020. “Jumpstarting an International Currency.” CEPR Discussion Paper No. DP14793; Steven Liao, and Daniel McDowell, “Redback Rising: China’s Bilateral Swap Agreements and Renminbi Internationalization,” *International Studies Quarterly* 59, no. 3 (2015): 401–22.; Eswar Prasad, *Gaining Currency: The Rise of the Renminbi* (Oxford, UK: Oxford University Press, 2017).
  14. Andrew Peale, “Toward Swapping China’s Currency,” *Wall Street Journal*, April 1, 2009. <https://www.wsj.com/articles/SB123849846162573407>.
  15. Daniel McDowell, “The (Ineffective) Financial Statecraft of China’s Bilateral Swap Agreements.” *Development and Change* 50, no. 1 (2019): p. 136 & 139. China’s currency swaps with South Korea and Indonesia have also been described as one element of Beijing’s “charm offensive” in those countries. See, respectively, Leif-Eric Easley, “China’s Charm Offensive on South Korea is Starting to Work,” *Foreign Policy*, November 13, 2017. <https://foreignpolicy.com/2017/11/13/chinas-charm-offensive-on-south-korea-is-starting-to-work/>; and Saibal Dasgupta, “China’s Xi Changes Track with Charm Offensive Towards ASEAN,” *Times of India*, October 5, 2013. <https://timesofindia.indiatimes.com/world/china/chinas-xi-changes-track-with-charm-offensive-towards-asean/articleshow/23557520.cms>.
  16. For example, Kasey Rhee, Charles Crabtree, and Yusaka Horiuchi, “Perceived Motives of Public Diplomacy Influence Foreign Public Opinion,” *Political Behavior* 46, (2024): 683–703.
  17. Monica de Bolle, “China is the Unacknowledged Actor in Argentina’s Elections,” RealTime Economics, Peterson Institute for International Economics, November 2, 2023. <https://www.piie.com/blogs/realtime-economics/china-unacknowledged-actor-argentinas-elections>.
  18. Saleem Bahaj and Ricardo Reis, “Jumpstarting an International Currency,” CEPR Discussion Paper No. DP14793 (2020).

19. Ibid.
20. Sebastian Horn, Bradley C. Parks, Carmen M. Reinhart, and Christoph Trebesch, "China as an International Lender of Last Resort," National Bureau of Economic Research Working Paper No. 31105. <https://www.nber.org/papers/w31105>, p. 28–32.
21. Ziliang Yu, Xiaomeng Liu, Zhuqing Liu, and Yang Li, "Central Bank Swap Arrangements and Exchange Rate Volatility: Evidence from China," *Emerging Markets Review* 56, (2023): 101044.
22. Joshua Aizenman and Gurnain Kaur Pasricha, "Selective Swap Arrangements and the Global Financial Crisis: Analysis and Interpretation," *International Review of Economics & Finance* 19, no. 3 (2010): 353–65; Joshua Aizenman, Hiro Ito, and Gurnain Kaur Pasricha, "Central Bank Swap Arrangements in the COVID-19 Crisis," *Journal of International Money and Finance* 122, (2022)L 102555; Yumi Park and Sujeong Shim, "Are Dollars Popular? The Fed's Currency Swap Arrangements and Recipient Governments' Popularity," Working Paper (2024).
23. Javier Cravino and Andrei A. Levchenko, "The Distributional Consequences of Large Devaluations," *American Economic Review* 107, no. 11 (2017): 3477–3509; Sheida Teimouri, "Currency Crises and Dynamics of Real Wages," *Review of World Economics*, 151 no. 2 (2015): 377–403. For this reason, approval ratings of incumbent governments tend to increase when the exchange rate is appreciated, as well as when governments sign BSAs. Dennis P. Quinn, Thomas Sattler, and Stephen Weymouth, "Do Exchange Rates Influence Voting? Evidence from Elections and Survey Experiments in Democracies," *International Organization* 77, no. 4 (2023): 789–823; David A. Steinberg, "How Voters Respond to Currency Crises: Evidence From Turkey," *Comparative Political Studies* 55, no. 8 (2022): 1332–65; Yumi Park and Sujeong Shim, "Are Dollars Popular? The Fed's Currency Swap Arrangements and Recipient Governments' Popularity," Working Paper (2024).
24. Robert Blair, Robert Marty, and Philip Roessler, "Foreign Aid and Soft Power: Great Power Competition in Africa in the Early Twenty-first Century," *British Journal of Political Science* 52, no. 3 (2022): p. 1355.
25. For example, Kasey Rhee, Charles Crabtree, and Yusaka Horiuchi, "Perceived Motives of Public Diplomacy Influence Foreign Public Opinion," *Political Behavior* 46, (2024): 683–703.
26. For instance, Li, Sahasrabudde, and Wingo find that countries with larger estimated ideal-point distances with China, as measured based on voting in the United Nations General Assembly, are less likely to sign BSAs with China. Siyao Li, Aditi Sahasrabudde, and Scott Wingo, "The Limits of Economic Statecraft: RMB Internationalization and the External Security Environment," Paper presented at the 2023 International Political Economy Society annual conference, Washington DC.
27. A related example comes from the area of trade policy. When tariffs are targeted at politically important districts, voters are likely to grow concerned that the foreign country has engaged in election interference, which worsens opinions towards that country. Ryan Brutger, Stephen Chaudoin, and Max Kagan, "Trade Wars and Election Interference," *Review of International Organizations* 18, (2023): 1–25.
28. Daniel Corstange and Nikolay Marinov, "Taking Sides in Other People's Elections: The



- Polarizing Effect of Foreign Intervention,” *American Journal of Political Science* 56, no. 3 (2012): p. 657
29. Sarah Sunn Bush and Lauren Prather, “Foreign Meddling and Mass Attitudes toward International Economic Engagement,” *International Organization* 74, no. 3 (2020): 584–609; Daniel Corstange and Nikolay Marinov, “Taking Sides in Other People’s Elections: The Polarizing Effect of Foreign Intervention,” *American Journal of Political Science* 56, no. 3 (2012): 655–70; Michael Tomz and Jessica LP Weeks, “Public Opinion and Foreign Electoral Intervention.” *American Political Science Review* 114, no. 3 (2020): 856–73.
  30. Jia Chen and Sung Min Han, “Does Foreign Aid Bifurcate Donor Approval?: Patronage Politics, Winner–Loser Status, and Public Attitudes toward the Donor,” *Studies in Comparative International Development* 56, no. 4 (2021): 536–59.
  31. Maria Eloisa Capurro and Manuela Tobias, “Argentina Central Bank Chief among Top Officials Headed to China,” Bloomberg, April 18, 2024. <https://www.bloomberg.com/news/articles/2024-04-18/argentine-central-bank-chief-bausili-to-travel-to-china-soon>.
  32. Xiaofeng Wang and Otaviano Canuto, “The Dollar-Renminbi Tango: The Impacts of Argentina’s Potential Dollarization on its Relations with China,” Policy Center for the New South Policy Brief 39/23, p. 4. This overview of Argentina’s BSAs with China draws from excellent summaries provided Wang and Canuto’s policy brief as well as Vincient Arnold, “China: Central Bank Swaps to Argentina,” *Journal of Financial Crises* 5, no. 1 (2023): 158–188; and Sebastian Horn, Bradley C. Parks, Carmen M. Reinhart, and Christoph Trebesch, “China as an International Lender of Last Resort,” National Bureau of Economic Research Working Paper No. 31105. <https://www.nber.org/papers/w31105>.
  33. Raúl Bernal-Meza and Juan Manuel Zanabria, “A Goat’s Cycle: The Relations Between Argentina and the People’s Republic of China During the Kirchner and Macri Administrations (2003–2018).” In Raúl Bernal-Meza and Li Xing (eds.) *China-Latin America Relations in the 21st Century*. Palgrave MacMillan.
  34. Macri had initially been more critical of China than Fernández de Kircher, and his administration did diversify its sources of financing, reducing reliance on China. But Macri’s overall stance towards China was one area of continuity the prior administration. Stephen Kaplan, *Globalizing Patient Capital: The Political Economy of Chinese Finance in the Americas* (New York: Cambridge University Press, 2021), p. 238; Raúl Bernal-Meza and Juan Manuel Zanabria, “A Goat’s Cycle: The Relations Between Argentina and the People’s Republic of China During the Kirchner and Macri Administrations (2003–2018).” In Raúl Bernal-Meza and Li Xing (eds.) *China-Latin America Relations in the 21st Century*. Palgrave MacMillan, p. 128.
  35. Jonathan Gilbert and Manuela Tobias. “Giving up China is Hard, Even for Argentina’s Anarcho-Capitalist,” *Bloomberg*, April 4, 2024. <https://www.bloomberg.com/news/features/2024-04-04/milei-softens-on-china-as-clean-break-threatens-argentina-economy>; Sebastian Horn, Bradley C. Parks, Carmen M. Reinhart, and Christoph Trebesch, “China as an International Lender of Last Resort,” National Bureau of Economic Research Working Paper No. 31105. <https://www.nber.org/papers/w31105>, 36.
  36. Raúl Bernal-Meza and Juan Manuel Zanabria, “A Goat’s Cycle: The Relations Between Argentina and the People’s Republic of China During the Kirchner and Macri

- Administrations (2003–2018).” In Raúl Bernal-Meza and Li Xing (eds.) *China-Latin America Relations in the 21st Century*. Palgrave MacMillan, p. 122; Benedict Mander, “Fernández Likely to See Out Term with Battle Cry for ‘Fatherland,’” *Financial Times*, September 7, 2014. <https://www.ft.com/content/bdd12e08-3678-11e4-85be-00144feabdc0>;
- Ken Parks, “Argentina Central Bank Borrows \$814 Million under China Currency Swap,” *Wall Street Journal*, October 30, 2014. <http://online.wsj.com/articles/argentina-central-bank-borrows-814-million-under-china-currency-swap-1414704667>; Toas Turner, “Argentine Peso Gets a Reprieve,” *Wall Street Journal*, November 10, 2014. <http://online.wsj.com/articles/argentine-peso-enjoys-a-tentative-calm-1415635891>.
37. Xiaofeng Wang and Otaviano Canuto, “The Dollar-Renminbi Tango: The Impacts of Argentina’s Potential Dollarization on its Relations with China,” Policy Center for the New South Policy Brief 39/23.
38. Stephen B. Kaplan, *Globalizing Patient Capital: The Political Economy of Chinese Finance in the Americas* (New York: Cambridge University Press, 2021), p. 239.
39. Manuela Tobias, “China Lets Argentina Tap Extra \$6.5 Billion from Swap Line,” *Bloomberg*, October 18, 2023. <https://www.bloomberg.com/news/articles/2023-10-18/argentina-says-china-activated-6-5-billion-from-swap-line>.
40. See, for example, Clarín, “Sergio Massa Confirmó que la Acuerdo del Swap con China Permitirá ‘Fortalecer la Capacidad de Intervención del Banco Central’ en el Mercado Cambiario,” October 18, 2023. [https://www.clarin.com/economia/sergio-massa-confirmo-acuerdo-swap-china-permitira-fortalecer-capacidad-intervencion-banco-central-mercado-cambiario\\_0\\_hYK47GHBTg.html](https://www.clarin.com/economia/sergio-massa-confirmo-acuerdo-swap-china-permitira-fortalecer-capacidad-intervencion-banco-central-mercado-cambiario_0_hYK47GHBTg.html); La Nación, “El Gobierno Anunció que se Ampliará en US\$6500 Millones el Swap con China,” October 18, 2023. <https://www.lanacion.com.ar/politica/fernandez-confirmo-que-china-amplio-el-uso-del-swap-por-mas-de-lo-pedido-los-buenos-amigos-aparecen-nid18102023/>; Página 12. “Refuerzo para las Reservas desde China: Alberto Fernández Anunció una Ampliación del Swap,” October 18, 2023. <https://www.pagina12.com.ar/599409-refuerzo-para-las-reservas-desde-china-alberto-fernandez-anu>.
41. Eduardo Daniel Oviedo, “Chinese Capital and Argentine Political Alternation: From Dependence to Autonomy?,” *Chinese Political Science Review* 3, (2018): p. 281
42. *Ibid.*, p. 283. The assertion that the swap boosted support for the incumbent party in this election is at least plausible. As noted earlier, the swap helped strengthen the peso in the runup to the 2015 election. Some research finds that depreciation of the peso reduced support for the incumbent party during that election. Luis Schiumerini and David Steinberg, “The Black Market Blues: The Political Costs of Illicit Currency Markets,” *Journal of Politics* 82, no. 4 (2020): 1217–1230.
43. Manuela Tobias, “China Lets Argentina Tap Extra \$6.5 Billion from Swap Line,” *Bloomberg*, October 18, 2023. <https://www.bloomberg.com/news/articles/2023-10-18/argentina-says-china-activated-6-5-billion-from-swap-line>.
44. Mariano Spezzapria, “‘Peronismo Chino’: Por Qué la Principal Fuerza de Oposición Defiende la Base Espacial de Neuquén Pese la Inquietud Estadounidense,” *La Nación*, April 4, 2024. <https://www.lanacion.com.ar/politica/peronismo-chino-por-que-la-principal-fuerza-de-oposicion-defiende-la-base-espacial-de-neuquen-pese-a-nid04042024/>.
45. Manuela Tobias, “China Lets Argentina Tap Extra \$6.5 Billion from Swap Line,”

- Bloomberg*, October 18, 2023. <https://www.bloomberg.com/news/articles/2023-10-18/argentina-says-china-activated-6-5-billion-from-swap-line>.
46. Jonathan Gilbert and Manuela Tobias. "Giving up China is Hard, Even for Argentina's Anarcho-Capitalist," *Bloomberg*, April 4, 2024. <https://www.bloomberg.com/news/features/2024-04-04/milei-softens-on-china-as-clean-break-threatens-argentina-economy>.
  47. Igor Patrick, "Argentina Won't Break China Ties if Javier Milei Wins Presidency, but 'Secret' Deals Due for Review: Adviser," *South China Morning Post*, October 31, 2023. <https://www.scmp.com/news/china/article/3239750/argentina-wont-break-china-ties-if-javier-milei-wins-presidency-secret-deals-due-review-adviser>.
  48. Jaime Rosemberg, "Javier Milei Pidió por Carta a Xi Jinping que Interceda por el Swap con China," *La Nación*, December 12, 2023. <https://www.lanacion.com.ar/autos/electricos/javier-milei-pidio-por-carta-a-xi-xinping-que-interceda-por-el-swap-con-china-nid12122023/>.
  49. Igor Patrick, "China Suspends US\$6.5 Billion Currency Swap Agreement with Argentina, Reports Say," December 21, 2023. <https://www.scmp.com/news/china/diplomacy/article/3245805/china-reportedly-suspends-us65-billion-currency-swap-agreement-argentina>.
  50. Isonomía uses stratified sampling across Argentina's major geographic zones, and a cluster and multi-stage sampling within those regions. Within each sampling region, households are randomly selected, and quotas for age and gender are used. Surveys were administrated using a mixture of face-to-face interviews and on electronic devices.
  51. This pattern echoes Eichenauer, Fuchs, and Brückner's finding that growing trade, investment, and aid from China does not influence average levels of support for China, but increases the share of very positive and very negative opinions. Vera Z Eichenauer, Andreas Fuchs, and Lutz Brückner, "The Effects of Trade, Aid, and Investment on China's Image in Latin America," *Journal of Comparative Economics* 49, no. 2 (2021): 483–98.
  52. Education is a nine-point ordinal scale. Age is measured as the respondent's age in years. Gender is a binary indicator of whether the respondent self-identifies as female. Social class is a five-point scale of socioeconomic class known as the "Nivel Socio Económico," which is commonly employed in Argentina. Locality is measured with a series of dummy variables indicating which of the 98 sampled municipalities the respondent resides in.
  53. The ideology variable is based on self-placement on an 11-point left-right scale. National pride is measured based on subjects' agreement with the statement that they would rather be a citizen of Argentina than any other country, on a five-point scale.



Woodrow Wilson International Center for Scholars  
One Woodrow Wilson Plaza  
1300 Pennsylvania Avenue NW  
Washington, DC 20004-3027

### **Wilson Center**

-  [wilsoncenter.org](https://wilsoncenter.org)
-  [woodrowwilsoncenter](https://www.facebook.com/woodrowwilsoncenter)
-  [@TheWilsonCenter](https://twitter.com/TheWilsonCenter)
-  [@thewilsoncenter](https://www.instagram.com/thewilsoncenter)
-  [The Wilson Center](https://www.linkedin.com/company/the-wilson-center)

### **Kissinger Institute**

-  [wilsoncenter.org/program/kissinger-institute-china-and-united-states](https://wilsoncenter.org/program/kissinger-institute-china-and-united-states)