## **Abstract**

This diploma thesis deals with the phenomenon of paradiplomacy in the context of the comparison of two substate units – Bavaria and Saxony. The growth of paradiplomatic activities is a natural reaction of non-state actors to the increase of globalization, regionalization and in the selected territory also European integration. Both Bavaria and Saxony, as representatives of the substate level of government in German federalism, do not have the full range of their own, exclusive competences. Although they cannot act as fully sovereign international entities, they actively use means and tools available to them to engage in foreign relations. Paradiplomatic activities are illustrated in this thesis with emphasis on their current form and outside the level of channels regulated by the EU. The main differences between Bavaria and Saxony lie in their historical development, economic potential and identification with regional parties that influence both Munich and Dresden in their international appeal and self-confidence. Bavarian state players act as de facto equal partners in regional relations with Central European countries, and their attractiveness is evident on the global scale. This is also reflected in intra-German politics, where Munich articulates its provincial interests even if it deviates from Berlin politics. Thanks to the successful dominant role of the CSU, continuation of the existing development can be expected. Saxony, on the other hand, is more of a regional player who does not have the economic and demographic capacity to enter global affairs. Its primary focus is the development of cross-border relations and the development of cooperation with Central European countries. The dominant position of the Saxon CDU is currently threatened by the rise of the AfD, which may lead to a change in the continuity of Saxon politics - even vis-à-vis external relations. For both Bavaria and Saxony as strongly pro-export-oriented countries, the economic motive is the main reason for establishing external relations.