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## **The BRI in the CEEC: A new form of neo-colonialism in the 21st century? A political and economic assessment**

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**The BRI in the CEEC: A new form of neo-colonialism in the 21<sup>st</sup> century?  
A political and economic assessment**

Thesis and Methods in International Relations Research  
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### **Abstract**

The Belt and Road Initiative (BRI) as an international development incentive has raised critiques of hidden agenda power politics in many regions around the world. Although research indicates possible positive consequences of the BRI, critics believe the development initiative shows characteristics of economic and political dependence through power politics. Some even argue the BRI shows neo-colonial characteristics.

However, as China is not a former European colonial power, nor a developed nation, the assumption of classical neo-colonialism is inconvenient. This research argues that China is using the BRI as a new form of neo-colonialism in the 21st century. By holding the classical interpretations of neo-colonialism in the light of the 21<sup>st</sup> century, this research developed a broader conceptualisation of modern-day neo-colonialism. By means of an operationalisation framework using four neo-colonial characteristics (import and export dominance, dominance in crucial industries, fields and companies, backwardness and debt-obligations), this research found that China in some cases used neo-colonialism as an instrument to obtain economic and political dependence over Hungary, Serbia and Poland.

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## Introduction

The Belt and Road Initiative (BRI) is China's foreign affairs policy flagship. Since President Xi Jinping instigated the BRI in 2013, discussions concerning its geopolitical implications have arisen worldwide.

According to China, the BRI aims to improve regional integration, increase trade and stimulate economic growth (Rich & Recker, 2013; Sautman & Hairong, 2007). An example of a BRI infrastructure project is the Mombasa-Nairobi Railway in Kenya. The railway is currently promoting trade amongst several countries in the African region. Scholars and economists argue that the deals made by China are great development opportunities for governments that would not be able to secure such favourable loans anywhere else (Rich & Recker, 2013; Sautman & Hairong, 2007). Apart from that, the BRI can have an increasingly positive global impact as experts from the World Bank Group believe the BRI will lift 8.7 million people from extreme poverty and 34 million people from moderate poverty at the international level by increasing the global real income by 0.7% (Maliszewska & Van Der Mensbrugghe, 2019, p.19).

However, other BRI infrastructure developments for example, in Pakistan and Namibia have accrued many critiques. Menon (2017) researched the viability of the China-Pakistan Economic Corridor (CPEC) and concluded that it lacks economic justification, and Larmer (2017) found that Chinese development loans in Namibia were welcomed, but the loans have not created many jobs; instead, they have increased the national debt rate enormously.

More recently, the critique of 'debt deals' has intensified the global discussions on the geopolitical implications of the BRI resulting in some harsh accusations of power domination by President Xi Jinping. Critics believe China knowingly deceives developing countries through so-called 'debt traps' (Langan, 2018; Lumumba-Kasongo, 2011; Robertson & Pinstrip-Andersen, 2010). An example of this is the case of Sri Lanka. Struggling to pay the

development loan debt back to the China Harbour Engineering Company, the Sri-Lankan government was forced to hand over the Hambantota Port authority to the Chinese government on a 99-year lease (Abi-Habib, 2018; Schultz, 2017).

For that reason, but for many other reasons, scholars do not acknowledge Xi Jinping's foreign policy, through the BRI, as a positive development incentive. Due to the circumstances in which deals are established, some experts accuse the foreign policy of showing neo-colonial traits. For instance, Langan (2018) argues that BRI projects in Ghana, Uganda and Zambia show aspects of neo-colonialism. Lumumba-Kasongo (2011) analysed the unequal balance of power resulting from the BRI in south-south relations between Africa and China. And Robertson and Pinstrop-Andersen (2010) believe the Chinese global land acquisition under the umbrella of development opportunities is merely a facade for neo-colonialism. However, despite arguments against and favouring the BRI showing neo-colonialist traits, there is no general agreement on whether the BRI's primary goal is to connect China to the rest of the world or serves as a neo-colonial instrument (Tat et al., 2018).

One thing is sure; the BRI project will significantly impact the world (Matura, 2018). Research into neo-colonialism within the BRI in Southeast Asia and Africa has been performed extensively. However, Europe has not yet been subject to neo-colonial research as much. This is remarkable since the BRI will affect the connections between the European Union and China. Because Central and Eastern European Countries (CEEC) are located between Europe and Asia, the CEEC's role will likely be significant in building the BRI (Matura, 2018). The debate on the nature of the infant relationship between a relatively new superpower and a developing region is of academic relevance. Especially when in other regions of the world, the BRI was debated to be the source of an unequal balance of power

and neo-colonialism (Langan, 2018; Lumumba-Kasongo, 2011; Robertson & Pinstруп-Andersen, 2010).

Based on the increasing intensity and growing volume of BRI dimensions in the region, the relationship between China and the CEEC is of high academic importance. However, as Matura (2018) states: “Research on the impact of the BRI in the CEE region is still in its infancy” (Matura, 2018). Therefore, this thesis aims to answer the research objective to determine whether the BRI in the CEEC can be classified as a new form of neo-colonialism. By doing so, this research aims to advance the conceptualisation of neo-colonialism outside Africa. Additionally, it is an opportunity to discuss the implications of the Chinese power expansion project in the light of neo-colonialism in the 21<sup>st</sup> century.

The research aims to contribute to the conceptualisation of neo-colonialism with the help of operationalisation based on existing literature. This research will study the former and current conceptualisation of neo-colonialism, which was established in specific demographic, historical and economic dimensions. It will hold this concept in the light of the BRI in the CEEC in a way which has not been done before. By doing so, this thesis aims to answer the research question: *To what extent is the Chinese BRI in the CEEC a new form of neo-colonialism in the 21<sup>st</sup> century?*

This thesis will assess political and economic dependency in an in-depth within-case study using three cases. The sub-questions this thesis aims to answer are:

- *To what extent has China used the BRI in the CEEC as a neo-colonial instrument to establish Economic Dependence in the 21<sup>st</sup> century?*
- *To what extent has China used the BRI in the CEEC as a neo-colonial instrument to establish Political Dependence in the 21<sup>st</sup> century?*

The hypotheses for this research objective are:

- **H1:** The Chinese foreign affairs policy in the form of the BRI shows neo-colonial traits in the CEEC. As the BRI is used as a newly developed neo-colonial instrument, it establishes economic and political dependency on China in the 21<sup>st</sup> century.
- **H0:** China is not using the BRI as a neo-colonial instrument in the CEEC. The BRI should be seen as a development opportunity for the CEEC.

This paper will firstly conceptualise neo-colonialism in terms of historical background and provide an analysis of the current literature on neo-colonialism and the BRI in chapters 1 and 2. Using this analysis, insight into the methodological approach to the research will be provided, and the operationalisation framework will be introduced in chapter 3. The case study analysis will follow in chapter 4, and the case study findings will be discussed in chapter 5 and concluded in chapter 6.

### **Literature review on neo-colonialism**

To establish a theoretical framework to work with, there needs to be a clear understanding of what characteristics would define neo-colonial. Only then this research will be able to assess whether the BRI in the CEEC can be defined as a neo-colonial instrument. Understanding neo-colonialism will help to argue whether the BRI can be seen as a new form of neo-colonialism. First, there will be an analysis of current literature on neo-colonialism.

### **Colonialism and neo-colonialism**

Colonialism can be defined as the practice of a nation's domination over another country, territory, or people, which involves subjugating one people to another (Kohn & Reddy, 2006). Colonialism as a form of domination attests state's sovereignty. Colonialism as we know it happened during the Colonial Era, roughly from the 16<sup>th</sup> century until the 20<sup>th</sup> century AC. In many instances, imperialism as an instrument was used to achieve the same outcome, domination. However, colonialism stems from a period when colonies were subject



to western hegemonic ruling. In times of colonialism, the main goal of western nations was to transfer commodities to western territories and rule over other states' territories. Colonialism refers to the assertion of dominance and a subsequent dependency of one state or nation over another state, country, region or people.

Following the colonial era, the post-colonial era was set forth. The (political or economic) colonialism that occurred after the post-colonial period can be referred to as neo-colonialism. However, since the establishment of the term neo-colonialism, there have been different definitions and ways neo-colonialism was used in academia (Junbo and Frasher, 2014). The term neo-colonialism was first used in 1958. Ghana's foreign minister, Quaison-Sackey, used the term neo-colonialism during his speech at the United Nations General Assembly, stating: "By neocolonialism, we mean the practice of granting a sort of independence with the concealed intention of making the liberated country a client-state and controlling it effectively by means other than political ones." (Legum, 1965, p.118; Uzoigwe, 2019).

Later, in 1967, the first President of Ghana, Kwame Nkrumah, was outspoken on neo-colonialism in Africa and its influence on African states. He stated: "The essence of neo-colonialism is that the state which is subject to it is, in theory, independent and has all the outward trappings of international sovereignty. In reality, its economic system and thus its political policy is directed from outside." (Nkrumah, 1965, p.1). This belief of neo-colonialism is the basis of the conceptualisation of neo-colonialism in Africa. This basis of neo-colonialism will be built upon in the light of the CEEC.

This is important because, in his writings, Nkrumah (1965) tried to warn the world about the behaviour which can be regarded as identical to the relationship of colonialism we saw in the Colonial Era. This behaviour by dominating states may result in foreign political control or spiralling debt obligations, which, shown in the introduction, can have severe

outcomes for nations, losing their political or economic sovereignty. Nkrumah (1967) believed that neo-colonialism “represents imperialism in its final and perhaps its most dangerous stage.” (Nkrumah, 1965, p.1).

The reason why Nkrumah (1965) believed neo-colonialism was more dangerous than imperialism was that in the “old-fashioned colonialism,” the colonising state “had at least to explain and justify at home” their undertakings, whilst the colonised “could at least look to its protection against any violent move by their opponents.” (Nkrumah, 1965, p.3). Even more importantly, though, Nkrumah (1965) believed “neocolonialism is also the worst form of imperialism because those who practice it” exercise “power without responsibility and for those who suffer from it, it means exploitation without redress.” (Nkrumah, 1965, p.3).

As the term and references to neo-colonialism in Africa developed over the years, so did the number of countries which experienced neo-colonial traits. In the 1960s, more and more countries which became independent of their colonisers recognised the phenomenon referred to by Quaison-Sackey and Nkrumah. The sense of fear for a new colonial era developed the notion that “the greatest threat to Africa and the Third World was neo-colonialism” (Uzoigwe, 2019, p. 63).

However, the post-colonial era occurred worldwide, for example, in central and south America. Neo-colonialism happened in these regions, although it was referred to differently (e.g. the dependency theory). For the goal of this research, the focus will lie on the establishment and development of African neo-colonialism. This is because of two main reasons: firstly, as China’s foreign policy has historically focussed on Africa, the terminology in academia when discussing post-colonial colonial characteristics of China is coined as neo-colonialism. Secondly, there need to be limitations to the scope of this research to be able to establish a framework. Neo-colonial research has established boundaries and characteristics that can be used in the conceptualisation of this framework.

### **Neo-colonial characteristics**

This subchapter will discuss the existing literature on behavioural traits linked to neo-colonialism as an instrument to understand what characteristics can define neo-colonial behaviour when operationalising later on in this research.

Junbo and Frasheri (2014), in their article *Neo-colonialism or De-colonialism? China's economic engagement in Africa and the implications for world order* discuss some of the general characteristics of neo-colonialism. The four main characteristics they define are based upon the works of neo-colonial founders Nkrumah (1965) and Sarte (1965) and discuss mostly the economic features of neo-colonisation. The four characteristics are defined by Junbo and Frasheri (2014) in the following way.

The first characteristic discusses the import and export relation between the neo-colonised and the neo-colonist. It states that the combination of a neo-colonist importing cheap commodities and exporting high-quality, expensive necessities will ensure the neo-colonist can maintain its superiority in the economic market of the neo-colonised nation. Because the added value and profit margins of produces are exported to be exploited in the neo-colonist economy, the economy of the neo-colonised misses out on this growth potential. This economic theory is still relevant in today's economy. Therefore, import and export exploitation should be something to take into consideration as characteristic of neo-colonialism.

The second characteristic defined by Junbo and Frasheri (2014) is in line with their first characteristic. It states that the added value and profit margins are exported to the neo-colonists' economy, and the neo-colonised economy can't compete with the neo-colonist in prices. In the current world economy, the first and second characteristics can be considered one and the same (mainly due to globalisation).

Thirdly, Junbo and Frasheri's (2014) defined "the dependency of the neo-colonised economy on the neo-colonist's relationship". Because exported commodities often provide an otherwise absent economic benefit to an economy or nation, the dependence on the existence of the neo-colonist in the region is very high. This characteristic is very much in line with the dependency theory, used in the research of post-colonialism in central and southern America, developed by Baran in 1957. It means that the neo-colonised nation cannot stop exporting its export products to the neo-colonial ruler as they are dependent on the income generated from this relationship. If this does happen, it is sometimes referred to as 'backwardness'.

Backwardness will be discussed in a moment, first, the fourth characteristic.

The fourth characteristic goes into the economic sovereignty of the neo-colonised nation. Junbo and Frasheri (2014) theorise based on Nkrumah (1965) and Sarte (1965) that the economic dependency of the neo-colonised country in the essential industries, fields and companies establishes total control of the neo-colonised county. Hirschman (1945), in his article *National Power and the Structure of Foreign Trade*, went into the power discrepancy resulting from trade relations. He initiated the idea that "a state can exploit an asymmetric trade relationship to force its counterpart to make a certain decision or the act in a certain way that benefits the first state" (Hirschman 1945). This results in soft power beneficiary to the neo-colonial state. Consequently, these four characteristics are believed by Junbo and Frasheri (2014) to establish high dependence on colonial powers economically and politically. Junbo and Frasheri (2014) also state that these characteristics stimulate the neo-colonised economy's backwardness.

Backwardness in terms of neo-colonialism means that the development of a nation's economy grew at the expense of another nation's development. In this way, the CEEC and the African countries would be the "backward" countries. But "backward countries" have a negative colonial implication which is not considered to be relevant for the sake of this

research. The debate on the justification of the concept, in terms of colonial theories are not intended to be discussed in this research. Backwardness as intended in this research refers to the possible economic development a country might have enjoyed when another nation would have invested in its economy but ultimately did not. André Gunder Frank and Amir Samin's *radical dependency theory* aligns with this belief. Frank (1966) and Amin (1979) believe that the centre of the world economy (China) grew at the expense of the periphery (the CEEC) (Velasco, 2002).

Valesco (2002) defined the characteristics of neo-colonialism in line with Nkrumah (1967), who stated: "The result of neo-colonialism is that foreign capital is used for the exploitation rather than for the development of the less developed parts of the world. Investment under neo-colonialism increases rather than decreases the gap between the rich and the developing countries of the world." (Nkrumah, 1967, p. 3). Both experts stated that backwardness can be a result of neo-colonialism but can help define neo-colonialism as well as the level of backwardness is measurable by researching economic dependence, using the characteristics described by Junbo and Frasher (2014)

Another scholar who characterised the behaviour of neo-colonial states is Charles McKelvey (2013). McKelvey based his notion of neo-colonial characteristics on Jesús' (2008) *La Revolución del Otro Mundo*, and it is mainly in line with the beforementioned characterised concept by Junbo and Frasher (2014). In essence, lies the control of the economy of the neo-colonised nation, which benefits the neo-colonial ruler. Once again, the backwardness of the economy and the dependence of the neo-colonised country on the development incentives of the neo-colonist lies in line with the beliefs of Nkrumah (1967), Frank (1966) and Amin (1979). However, McKelvey goes further in the dominance of the neo-colonising state by referring to social control by the military forces.

This aspect of neo-colonialism is often disregarded by scholars (and this research) as a reference to being imperialistic instead of neo-colonial. It is believed that military control and military force are not characteristics of neo-colonialism, as a nation can achieve neo-colonialism without military force. In a way, neo-colonialism on a spectrum lies more towards the side of capitalism instead of imperialism. This research will show that the BRI as a neo-colonial instrument in the 21<sup>st</sup> century focuses on being capitalistic instead of imperialistic. The result of McKelvey's neo-colonialism, however, lies in line with the beliefs of the beforementioned scholars, which is the appearance of independence whilst being extremely dependent, mostly economically, on the neo-colonial ruler.

One last remark on the characteristics of neo-colonialism comes from a school of scholars who believe neo-colonialism can only be seen concerning European powers and their former colonies. Uzoigwe (2019) states: "Essentially, what is broadly called neocolonialism is the nature of relations after independence between European powers and their former colonies of the non- European world. Thus, it is misleading to see current Chinese, Indian, and Brazilian proceedings in Africa, Asia, Latin America, or the Middle East as neo-colonial." (Uzoigwe, 2019, p.1).

Although this research agrees with Uzoigwe based on the limitations of researching neo-colonialism outside Africa, it does not believe neo-colonialism is solely able to exist in the relationship between former European powers and their African colonies. Uzoigwe (2019) acknowledges that behavioural patterns show neo-colonial traits, but because they are non-European, he believes they should be researched from another perspective. As we have seen, the main characteristics of neo-colonial behaviour can be found in the scope of dependence, economically and politically, and dependence is not to be allocated to geographical or historical requirements for nations to be former European colonies to enforce dependence. In terms of classic neo-colonialism, as described by Nkrumah and Sarte, neo-

colonialism evolves around the relational circumstance of two states, and the significant contribution of researching neo-colonialism outside the historical scope of neo-colonialism might be able to help illustrate modern-day power relations.

As this research will focus on Chinese foreign policy in terms of the BRI and whether the procedure can be characterised as neo-colonial, Uzoigwe's critique is considered. However, this research's possible academic contribution to the conceptualisation of neo-colonialism in the 21<sup>st</sup>-century is considered to be more important. Therefore, this research believes that even though neo-colonialism is mainly believed to be present in Africa, it is not limited to this region.

So, to conclude, neo-colonialism has existed ever since the end of the colonial era. Some scholars believed neo-colonialism was dead; others thought neo-colonialism was temporary. Nevertheless, research has shown that neo-colonialism is far from being dead (Leys, 1975; Uzoigwe, 2019, p.65). Where colonies in the post-colonial era were believed to be independent, at least politically, the age of neo-colonialism has shown that independence is relative when a nation is economically and politically dependent on a neo-colonial ruler, directly or indirectly.

When such economic dependency occurs due to the characteristics defined by the scholars motioned earlier: import and export dominance, dominance in crucial industries, fields and companies and potential backwardness, there is a high possibility of neo-colonialism being used as an instrument to achieve economic dependence. This research will now go deeper into the BRI and the current literature on neo-colonialism and the BRI.

### **The BRI**

The BRI aims to connect China with Africa, Europe, Latin America, and the South Pacific Region via land and maritime networks. As of March 2020, the number of countries that have joined the BRI by signing a Memorandum of Understanding (MoU) is 138,

including 18 EU countries (EBRD, 2020). The “Vision and actions on jointly building silk road economic belt and 21st-century maritime silk road” was published by the Belt and Road Forum (BRF). With state council authorisation and in the name of the Ministry of Foreign Affairs and the Ministry of Commerce of the People's Republic of China, it is a document which enlightens upon the background, principles, framework, cooperation priorities and cooperation mechanisms of the BRI. This document will serve as one of the rare Chinese produced primary sources of information regarding the BRI.

The Chinese foreign policy flagship, the BRI, consists of two main segments: "The Silk Road Economic Belt" and "The 21st-Century Maritime Silk Road".

Figure 1. *China's Belt and Road Initiative* represents the two main segments of the BRI and shows the distinction between the maritime and the earthbound segments.

### Figure 1.

#### *China's Belt and Road Initiative*



Figure 1: China's Belt and Road Initiative. Source, The Sankei Shimbun / JAPAN Forward. "China's BRI, Saudi Arabia, and the Confusing Game Inside Pakistan" (2018). *Japan Forward*. <https://japan-forward.com/wp-content/uploads/2018/04/china's-bri-saudi-arabia-and-the-confusing-game-inside-pakistan.jpg>



The BRI is built by merging six economic corridors. The corridors consist of: (1) China-Mongolia-Russia Economic Corridor, (2) New Eurasian Land Bridge, (3) China-Central Asia-West Asia Economic Corridor, (4) China-Indochina Peninsula Economic Corridor, (5) China-Pakistan Economic Corridor and (6) Bangladesh-China-India-Myanmar Economic Corridor. These corridors are depicted in Figure 2.

**Figure 2.**

*Major Trans- Eurasian Corridors*



Figure 2: Major Trans- Eurasian Corridors. Source: EDB, "Belt and Road transport corridors: Barriers and investments." (2018). EDB Centre for Integration Studies, 2018, Available at SSRN: <https://ssrn.com/abstract=3178056>.

The most important corridor for this research is the New Eurasian Land Bridge (NELB). The goal of the NELB is to connect the Atlantic Ocean to the Pacific Ocean, utilising an earthbound corridor. The NELB links the coastal cities of Lianyungang and Rizhao to European ports like Antwerp and Rotterdam. In Figure 2. the EDB refers to this corridor as the Central Eurasian Corridor in red. Figure 3. zooms in on this specific corridor. The almost 11,000-kilometre-long corridor runs through Kazakhstan, Russia, Belarus, Poland and Germany, affecting more than 30 countries and regions on its way.

**Figure 3.**

*The course of the New Eurasian Land Bridge Economic Corridor overlaid on Eurasia and competing routes*

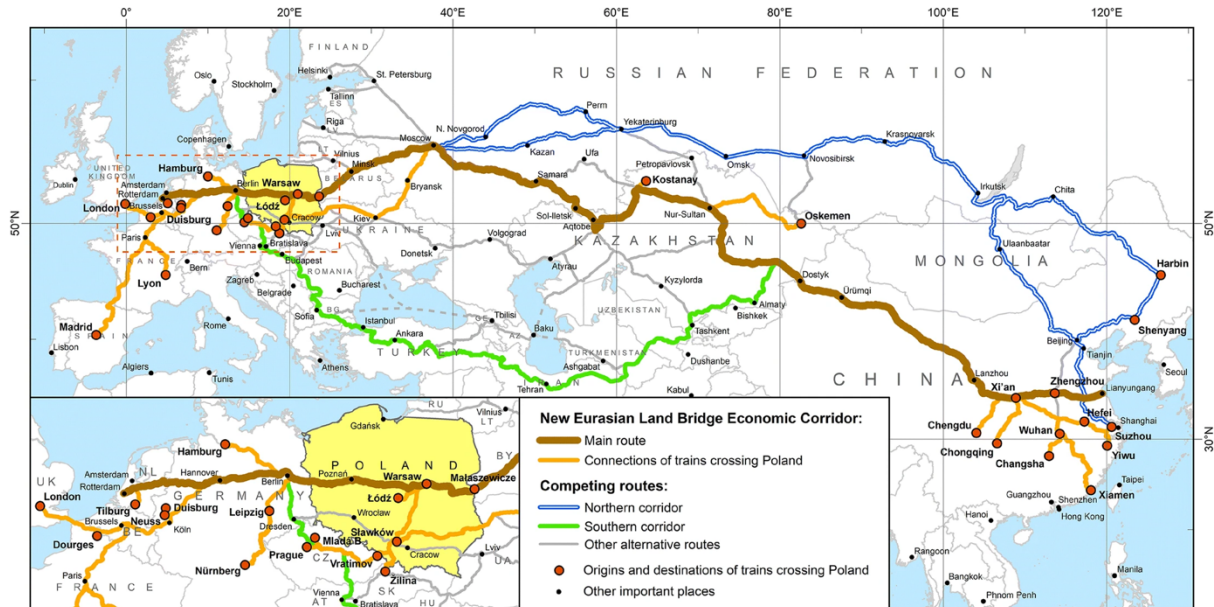


Figure 3: Course of the New Eurasian Land Bridge Economic Corridor overlaid on Eurasia and competing routes. (Jakubowski et al., 2020)

The NELB includes roads, railways, harbours and (to some extent) airports. However, the NELB also includes pipelines (gas and oil), trade agreements, tourism infrastructures, and academic and municipal relationships.

### **The BRI and neo-colonial literature**

Scholars and economists positive of the BRI believe in the economic development resulting from a well-functioning BRI (Maliszewska & Van Der Mensbrugge, 2019, p.19). Regarding the negative impact of the neo-colonial characteristics defined earlier, they believe these are (temporary) results of development opportunities.

Researchers like Ho (2017) argue, “Many Western critics have viewed this initiative as a grandiose foreign policy to expand Beijing’s influence on poor nations hungry for economic and infrastructure development.” (Ho, 2017). A too pessimistic view in the eyes of Mazumdar (2017), who argues that all these beliefs stem from the fear for the shift in the current power balance in the world. As the BRI is “breaking the domination of the American-

led transatlantic regime (Chaubey, 2017)” this is said to cause pessimism concerning the BRI. Because of China’s economic emergence, challenging the US’s pre-existing dominance, the world and its academic scholars focus on how China is attesting this long-ranging dominance. Gu (2015) believes Western analysts use a (too) geopolitical approach in this research, where China is ungrounded seen as a rival to Western interests.

However, since the Chinese government is not transparent in the communication on the BRI, there is a high level of distrust and suspicion, especially regarding the contracts signed, which are not published and open to the public eye but will be elaborated on later in this research. The lack of transparency also concerning the political agenda of the BRI creates the question of whether the BRI is a promotion of political control and exacerbation and thus a resemblance of neo-colonialism, or whether it is *just* an economic project whose primary aim is to turn the CEEC into an economic and trading arena using development aid and foreign policy (Gu, 2015).

Some scholars believe the BRI has already overstepped its well-mannered boundaries in specific cases. One of the main streams of critique of the BRI is the belief that not all projects seem economically viable. Menon (2017) researched the viability of the China-Pakistan Economic Corridor (CPEC) and concluded that it lacks economic justification. In the rural area of Pakistan through which the CPEC travels, the CPEC economically benefits Pakistan nihil. Menon (2017), therefore, believes "the real economic benefits accrue only to China". They are arguing in favour of showing backwardness, which was described earlier by Nkrumah (1965) and Sarte (1965) and ultimately Valesco (2002), as characteristic of neo-colonial behaviour.

Another case in which current academic literature on neo-colonialism is particularly interested is that of the Hambantota Port in Sri Lanka. Per a contract with the China Harbour Engineering Company, the Sri-Lankan government took up a loan of hundreds of millions of

dollars (estimated to be 1-5 billion US\$). Struggling to pay the development loan debt back to the China Harbour Engineering Company, the Sri-Lankan government was forced to hand over the Hambantota Port authority to the Chinese government on a 99-year lease, including 15,000 acres of land around the port to build an industrial zone (Abi-Habib, 2018; Schultz, 2017). This is not only an example of economic dependence but also the loss of state sovereignty, a direct indicator of the BRI being used as a neo-colonial instrument. However, this instrument is new in the conceptualisation of classical neo-colonialism.

In the same vein as the first example of the CPEC in Pakistan, the third case involves infrastructure developments in Namibia. Larmer (2017) states: “Namibians in Africa also believe the flood of Chinese loans and investments do not look so much like freedom as it does a new form of neo-colonialism (Larmer, 2017). In his article Larmer (2017) goes into the positive and negative aspects of the development loans in Namibia. Larmer (2017) finds that, on the one hand, the loans are welcomed, but on the other hand, the loans have not created many jobs but increased the debt rate enormously.

Contradictory to what the previously mentioned cases foreshadow, some scholars do believe these cases are not the wrongdoings of a hostile Chinese government ideology or neo-colonialist tendencies. Instead, they argue that these cases provide examples of malfunctioning policymaking in the home country. These “state-coordinated investment partnerships,” as Gonzalez-Vicente (2019) refers to the BRI incentivised trade deals, “bring together state and business actors to export overcapacity and address infrastructural demands in underdeveloped markets.” (Gonzalez-Vicente, 2019, p.487). These state-coordinated investment partnerships use value, assets, and power to “create profitable investment opportunities for Chinese businesses” (Gonzalez-Vicente, 2019, p.490). That is not a neo-colonial instrument; it is a way of utilising economic opportunities. However, as Gonzalez-Vicente states, “To do so, they require accumulation and sovereignty regimes that

mirror, in contingent ways, similar social arrangements within China.” (Gonzalez-Vicente, 2019, p.487). China cherry-picks countries like Pakistan, Sri Lanka, and Namibia, which mirror similar social arrangements within China, which is beneficial for the potential successful result of an investment opportunity. The case study analysis, which will be performed later, argues China has picked the CEEC as a target for its new form of neo-colonialism.

The research on whether the BRI shows forms of colonial or neo-colonial characteristics has been commented on variously. However, there is no general agreement or harmony on whether the BRI’s primary goal is to connect China to the rest of the world or serve neo-colonialism (Tat et al., 2018). Nevertheless, this section has shown that there are BRI cases that show general characteristics of neo-colonialism being used as an instrument in the cases of Pakistan, Sri Lanka, and Namibia. In these cases, neo-colonial characteristics were used to gain an economic advantage over the peripheric economy and keep exploiting this advantage.

As three neo-colonial characteristics are defined, one additional characteristic unique to the Chinese foreign affairs policy is the alleged use of debt traps. The alleged use of debt traps to create debt obligations is debatably a unprecedented form of neo-colonialism in the 21<sup>st</sup> century exploited by the Chinese government. Debt obligations are not part of the academic debate on neo-colonialism yet since there are not many occasions where debt obligations have had such a significant impact on the geopolitics of a region. Debt obligations characterise foreign affairs policy which result in some of the neo-colonial characteristics mentioned before. This research will, from now on, focus on whether the BRI in the CEEC should be considered neo-colonial by using a self-identified operationalisation framework.

### Methodology

This research will establish the framework by analysing and interpreting the existing literature on colonialism and neo-colonialism and its interpretations. The operationalisation framework consists of two main characteristics and four sub-categories which will define neo-colonialism (Figure 4). The first one is the state's *Economic Dependence (ED)* on the BRI and the CCP. The second characteristic is the *Political Dependence (PD)* on the BRI and the CCP's foreign policy.

Economic Dependence will subsequently be subdivided into two sub-categories: *import and export dominance (1.1)* and *dominance in crucial industries, fields, and companies (1.2)*. These categories were deducted from Junbo and Frasher's (2014) conceptualisation of neo-colonialism and based on Nkrumah (1965), Sarte (1965) and Hirschman's (1945) contributions. In the latter case, the focus will lay on the original goal of the BRI. As a connectivity and infrastructural project, the focus will lay on the transport, energy and telecommunication sectors.

Political Dependence (PD) will subsequently be subdivided in terms of *backwardness (2.1)* and *debt obligations (2.2)* which have an impact on the political control of the country. The definition of the subcategories was based upon the contributions of Baran (1957), Frank (1966), Amin (1979) and Valesco's (2002) contributions on backwardness and the modern stream of critique focussing on debt traps and their consequences.

#### Figure 4.

*The operationalisation framework table depicts Economic and Political Dependence.*

Variables	Indicators	Sources	Scale
<i>Economic Dependence (1.0)</i>	Import and export dominance (1.1)	Junbo and Frasher's (2014), Nkrumah (1965), Sarte (1965), Hirschman (1945)	Low – medium - high

	Dominance in crucial industries, fields and companies (1.2)	McKelvey (2013), Junbo and Frasheri's (2014), Nkrumah (1965), Sarte (1965), Hischman (1945)	Low – medium - high
<i>Political Dependence</i> (2.0)	Backwardness (2.1)	Baran (1957), Frank (1966), Amin (1979), Velasco (2002), Hischman (1945)	Low – medium - high
	Debt-obligations (2.2)	N/A	Low – medium - high

These characteristics will define neo-colonialism and generate a debate on the use of neo-colonialism as an instrument in the CEEC in the 21<sup>st</sup> century. The main objective of this research is to examine the nature of the relationship between China and the CEEC in the 21<sup>st</sup> century. The research will focus on identifying and describing characteristics and trends of the relationship using power politics theories and historical structural perspectives.

The sources used in developing the operationalisation framework are a combination of primary and secondary sources. The most significant number of sources focus on historical neo-colonialism to define the neo-colonial characteristics. However, the limits of these sources are that they mainly focus on the African region. In that sense, it is difficult to assume whether the framework can be attributed to the CEEC. However, due to a lack of sources on neo-colonialism in the CEEC, this foundation is the closest one can come to a useful operationalisation framework. The combination of regional sources and the difficulty of finding the Chinese government's public sources regarding the BRI form a limitation of this research. Awareness and scepticism of the validity of sources have caused a high understanding of the credibility of this research and positively contributed to the study.

The qualitative approach favoured in this research is an in-depth within-case study method using three cases. The use of cases is most suitable for this research based on several factors identified by George and Bennett (2005). Firstly, case studies allow there to be proven

high levels of conceptual validity. Secondly, case studies help identify new variables and hypotheses for existing theories and this particular research. Thirdly, case studies examine the operation of causal mechanisms in individual case studies. Lastly, George and Bennett (2005) believe case studies can provide complex causal relations such as equifinality, complex interaction effects, and path dependency. In the case of this research, the case study approach provides room to test multiple countries in the light of several of the characteristics.

### **Case studies**

Countries in the CEE region with whom China formalised unilateral declarations are Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Czechia, Estonia, Hungary, Latvia, Lithuania, Macedonia, Montenegro, Poland, Romania, Serbia, Slovakia and Slovenia. The case study examples will be selected from this list of countries. The geographical location of the countries and the therefore geopolitical strategic influence of the country on the BRI were two of the main factors influencing the decision-making process.

This research will focus on the following three case countries: Hungary, Serbia and Poland. The specific individual reasons why these three countries were chosen are as follows.

### ***Hungary***

Hungary plays a vital role in the potential success of the BRI. In the aim of developing the western regions of China, the rail cargo connection through the CEEC is necessary, preferably through Hungary (Wnukowski, 2020). The geographical location of Hungary poses a chance to be a potential beneficiary of this connection and the corresponding BRI-labelled development. The Hungarian government, led by premier Orbán, became the first European country that signed an MoU with the Chinese government in 2015 (Matura, 2018). At this moment, there are many BRI projects in the country, and the total Chinese sum of investments in Hungary adds up to more than €3.1 billion (Venne, 2022). One of the most significant BRI development projects in the CEEC is the *Belgrade-Budapest*



*high-speed railway link* between Budapest in Hungary and Belgrade in Serbia (Pepermans, 2018). Hungary's geopolitical and geostrategic importance to the BRI is very high; therefore, Hungary is the ideal case study for this research.

### ***Serbia***

Just like Hungary, the significance of Serbia is due to the geopolitical and geostrategic influence of Serbia on the BRI. Serbia is located in the Balkans, it cuts through Europe and Central Asia and is incredibly important for the landbound and rail cargo connection (Ivankovich, 2021). Serbia signed the MoU on the BRI with the Chinese government in 2016. Ever since, Serbia has facilitated one of the highest numbers of BRI projects in the region. Serbia is one of the few countries in the region which emphasises developing political and economic relations with China (Wnukowski, 2020).

Additionally, Serbia's investment policies make it easy for foreign investors, such as China, to bring initiatives that benefit each other (Ivankovich, 2021). Serbia is counting on increased market access and investments from the BRI funds in the future. The looming project of the connection to the Greek port of Piraeus is an example of this (Matura, 2018). For now, the Pupin Bridge over the Danube was opened in 2014 and is sometimes described as China's first significant infrastructure investment in Europe (CMS, 2020).

### ***Poland***

The geographic location of Poland is critical to the BRI as Poland is the natural gateway to the EU. Geopolitically speaking, Poland's location is also crucial. Poland is namely situated at the boundary of two geopolitical regions and lies on the route of the previously mentioned NELB corridor (Jakubowski et al., 2020). Like many other countries, Poland signed the MoU with the PRC on the BRI in Suzhou during the fourth summit meeting held in Suzhou. Currently, Poland has attracted €1.2 billion in BRI projects (Matura, 2018). Warsaw's primary goal is to turn the country into a Central European hub along the

BRI. To do so, the Chinese-Polish ties were upgraded to Comprehensive Strategic Partnerships (Matura, 2018). CMS research also showed that Warsaw is willing to attract Chinese industrial investments (CMS, 2020). Poland thus is a strategic partner of China, and its geographic and geopolitical location make it a relevant case study country.

### **Neo-colonialism in the CEEC**

The following chapter will analyse the relationship between the Chinese BRI and the three countries selected to be part of the case study analysis.

#### **Case Study Hungary**

Hungary does not have an official China Strategy, a BRI Strategy, or even coordination on BRI between different governmental actors (Matura, 2018). Still, Hungary was the first EU country to sign an MoU with China on the BRI in June 2015. Since then, Hungarian ties with the Chinese government and its foreign policy flagship have steadily increased up to the point where Orbán elevated the Hungarian political relations with Beijing to a comprehensive strategic partnership (Matura, 2018). As such, “Hungary has the highest level of cumulative Chinese Foreign Direct Investment (FDI) from 2000 to 2020 of all the EU’s CEEC, (\$3.1 bn), 23% more than second-place Poland” (Venne, p. 9, 2022). This is an adequate representation of the amount of BRI involvement in the country.

Hungary plays an important regional role in building the BRI. There are at least two significant BRI projects in Hungary. However, many believe more projects in Hungary could qualify as BRI projects. The reason why this is not the case lies in the communication on those projects and the non-public contracts signed by China and Hungary. “The underlying reason is that Budapest and Beijing cooperate mostly bilaterally or under the framework of the 16 + 1 network of the CEEC and China. BRI would mean a third layer or label. Therefore political actors rarely mention it, while media sources tend to forget about it totally” (Matura,

p. 183, 2018). There thus might be a higher level of influence of the BRI in the country, however, there is a lack of transparency in this regard.

From what is known to the public, the first and significant BRI project is the *Belgrade-Budapest high-speed railway link*. The railway link runs between Hungary and Serbia, and China agreed to modernise the existing connection. The estimated budget covers around €1.5 billion. In 2015, a consortium led by China Railway Group was awarded a €1.4 billion contract to build the 160 km Hungarian section of the railway (Pepermans, 2018; BBJ, 2015). Of the €1.5 billion infrastructure project, 85% of the budget would be provided by the Export-Import Bank of China, however, the financing terms have not been made public (CMS, 2020). Three construction companies won the consortium. Two Chinese state-owned companies (China Tiejiju Engineering & Construction and China Railway Electrification Engineering Group) and one Hungarian state-owned company controlled by a state-supported billionaire and childhood friend of Prime Minister Orbán (Karásková et al., 2020). The latter had a minority stake of around 15% in the project. This means that Chinese state-owned companies will execute 85% of the infrastructure project. The realisation of the project is still ongoing, still according to Ghiretti (2021), “there are serious and solid grounds for doubts over a) Hungary’s ability to repay the debt, b) the actual profitability of the railway, and c) corruption.” (Ghiretti, p. 5, 2021; Káncz, 2020). With such a critical infrastructure project in the transport sector in “Chinese hands,” this reflects the level of involvement of China in one of Hungarian’s crucial sectors.

Additionally, some other projects within Hungary can be classified as BRI projects. In the energy sector, the China National Machinery Import and Export (CMC) began the construction of a photovoltaic power station just outside of Kaposvár for around €100 million. The CMC aims to expand its operations to other CEEC. However, Hungary is the

only country that has accepted proposals. This is another example of Chinese involvement in nationally crucial sectors.

There has been a wide debate regarding another (possible) BRI project in the telecom sector. The Hungarian adoption of Huawei 5G networks and the development of the R&D headquarters of Huawei in Budapest. As Huawei is a Chinese state-owned telecommunication company, the fact that Huawei has been receiving major state contracts, for example, the emergency services call operation system, is at least to say remarkable. Currently, Huawei is one of the biggest Chinese enterprises in the country, with BorsodChem, Yanfeng, Bank of China, and Webcast-Bohong (Karásková et al., 2020). The relevance of the presence of Huawei in Hungary is debatable, however, it can be an indicator of the soft power politics that China has been utilising. Also, the presence in the telecommunication sector, again a crucial industry, is noteworthy.

These examples of BRI projects in Hungary are just the tip of the iceberg regarding plans and promises for future projects. Despite the high expectations, plenty of BRI projects have failed to materialise in the past (Karásková et al., 2020). Examples of this are the failure to buy the MALÉV Hungarian Airlines by the Hainan Group, the proposed building of factories which would produce citric acid, which has not started yet, the failure to build a cargo airport by the Shanghai Construction Group in the Southwest of Hungary, and many more.

### ***Economic dependence***

The BRI projects give the impression that Hungary has seen considerable gains and has strengthened its ties with China, thereby decreasing its dependence on the EU (Venne, 2022). The reality, however, is a different story.

According to the EU, the most critical sectors of the Hungarian economy in 2020 were industry (23.5%), wholesale and retail trade, transport, accommodation and food

services (17.7%), and public administration, defence, education, human health, and social work activities (17.5%) (EU, 2020). Using several BRI projects in these sectors and the claim that China is now Hungary's most significant trade partner outside of the EU, with annual trade worth approximately \$9 billion, the perception was created that the dependency on the EU and the US was decreased due to an increase in Chinese influence. However, contrary to the perception created, the Chinese BRI and its related projects offer limited economic benefits for Hungary. The reason for this perceptible disbalance can be found in the five pillars elaborated upon by Venne (2022).

Venne (2022) found that Orbán's "Opening to the East policy" failed to deliver. The goal was to step away from the EU trade dependence by increasing trade dependence on China. However, Hungary's trade dependence on China developed only by less than 0.5% between 2009 and 2014. Hungary kept its trade dependence on the EU at over 75% (Venne, 2022).

Secondly, Venne (2022) argues, "Hungary's \$3.2 billion cumulative completed Chinese FDI is minimal compared with the rest of Europe; Germany and the UK have received more than nine times that amount, reflecting China's priorities and preference forties with Western Europe over Hungary." (Venne, 2022). It is thus not that impressive where \$3.2 billion seems astronomical but is relatively not much compared to other BRI countries.

Thirdly, Venne (2022) argues that the communication on received FDI is not what it seems. Research shows Hungary received only \$4.07 billion in Chinese investment in 2021 — not \$5.95 billion or \$5.36 billion, as the Hungarian and Chinese governments claimed. The reason behind this significant difference between received and claimed received funding is not transparent. Some argue it was communicated as such to increase the geopolitical influence of China in the CEEC and for Orbán to claim more wins to keep control of his political power.

Fourthly, Venne (2022) argues that the Belgrade-to-Budapest railway, the BRI CEEC's most prominent project, offers little economic benefit to Hungary. Venne (2022) states, "some estimates suggest it could take between 130 and 2,400 years before Hungary makes a profit from it."

Lastly, regarding economic dependence most remarkably, from 2010 to 2019, Hungary-China export and import levels decreased. All assumptions suggested it would have increased, but it decreased by 14% to 16% (WITS, 2021). There thus is no import-export dominance in favour of China.

Still, although Hungary does not benefit from the BRI projects enormously, the debt to China created to realise the BRI projects remain. According to Ghiretti (2021), all the worries concerning the possible negative developments of the BRI are materialising in Hungary (Ghiretti, 2021). China did announce the suspension of debt repayment for 77 developing countries and regions due to the COVID-19 crisis, but these debt repayment obligations are expected to continue soon. As Hungary's economy was hit hard due to the crisis (with an export-dependent automotive industry's share of over 28% of the total manufacturing output), Venne (2022), referring to the debt obligation, states: "The last thing the country's economy needs right now is to finance a Chinese white elephant."

Research thus shows that Hungary is not (yet) economically dependent upon the BRI and China in terms of import and export dominance. However, the accumulated debt to afford specific projects will have a possible negative impact on the ownership of the project outcomes.

### ***Political dependence***

The analysis of the previous chapter sheds light on the economic dependency of Hungary. Without question, the possibility of economic dependence of Hungary on the BRI and the Chinese government is a result of the current political landscape. Since Prime

Minister Viktor Orbán rose to power in 2010, many of the developments previously mentioned have been established. In 2012 Hungary joined the 16+1 Initiative, and a year later, in 2013, Hungary joined the BRI.

Venne (2022) argues that Orbán himself is the main driving force behind Hungary's political pro-China diplomacy. Some even say that Orbán's personal cost-benefit analysis of maintaining pro-China diplomacy comes before Hungary's cost-benefit of being pro-China. Karásková and her fellow researchers (2020) analysed the relationship between China and Orbán and came to the following conclusion: "First, despite all the disappointments over the past nine years, PM Orbán still believes in the potential of Chinese investment, especially against the impending decrease of EU structural funds. Second, Orbán enjoys close relations with Beijing as it offers him leverage at the EU level and potential political support from another illiberal state. Third, cooperation with Chinese companies creates business opportunities for Hungarian interest groups close to the government, as the examples of the reconstruction of the Budapest-Belgrade railway and the golden visa program show.

Either way, the political proximity of Orbán's government to Beijing will likely remain the reality for the years to come." Tamás Matura, when interviewed by Venne (2022), was quoted saying, "Ultimately, Hungary's China policy is not a national strategy, but a one-man show".

Internationally, other politicians working in, for example, Brussels have also taken steps to strengthen Hungary's position in this regard. However, developments have been established mainly after the rise to power of Orbán. Research indicates that Hungary, as a country, gains little from the current relationship with China. As such, diverging from an EU- and US-dependent culture is not in Hungary's economic or political interest.

Consequently, China possesses indirect influence over the Hungarian political landscape through Orbán. Even without Chinese pressure, "Orbán seeks to cultivate ties and

reap his benefits from Chinese BRI investments in Hungary” (Venne, 2022). Economic developments and BRI projects do not have any direct, measurable political influence on Hungarian politics. The Chinese government arguably does not invest in Hungarian infrastructure developments to gain political favours such as pro-China political decisions. Karásková and her fellow researchers in 2020 elaborated upon this stance further, which will be discussed in the discussion chapter of this research. For now, China seems to be less of a string-puller in Hungary than is portrayed (Venne, 2022). A summary of the operationalization table for Hungary is shown in Figure 5.

**Figure 5.**

*The table depicts Hungarian Economic and Political Dependence on the BRI.*

<b>Variables</b>	<b>Indicators</b>	<b>Result (low, medium, high)</b>
<i>Economic Dependence (1.0)</i>	Import and export dominance (1.1)	Low
	Dominance in crucial industries, fields and companies (1.2)	Medium
<i>Political Dependence (2.0)</i>	Backwardness (2.1)	Medium
	Debt-obligations (2.2)	Medium

**Case study Serbia**

At the beginning of the 21st century, Serbia faces many social, political, and economic challenges (Stojadinović & Talović, 2018). As a result of the Yugoslav wars, Serbia’s sovereign independence was restored only relatively recently. This development might be the reason for Serbia’s current stance on Chinese foreign policy. As one of the most critical challenges for Serbia is its positioning in international integration, the most important stance of Serbia’s foreign policy is that of neutrality (Stojadinović & Talović, 2018). As Serbia is located between two mutually conflicted geopolitical and geostrategic concepts –



Euro-Atlantic and Eurasian – neutrality is of high importance for a strong positioning in international integration. For Serbia, agreements with China thus have a deeper perspective than, for example, Hungary and Poland. If the positioning of Serbia is successful over the upcoming years, it can lead to a balance between the great powers in a very delicate geopolitical region.

As Serbia and the Balkans are strategically located in the middle of the silk road, it can result in creating a long-lasting internal regional stability, and Serbia, as a “small Balkan Switzerland”, might be able to become one of the main ports between the European and Asian continent (Stojadinović & Talović, 2018). Thus, delicate political and economic relations with China can establish and maintain a strong position in international relations for Serbia.

Serbia as a nation has always been accepting of Chinese BRI projects. Chinese BRI projects were easier to establish as Serbia’s investment policies are suitable for foreign investments that benefit Serbia and foreign investors (Ivankovich, 2021). The Serbian government believed Chinese investments in Serbia helped to promote the country’s economic development and create job opportunities (Pepermans, 2018). This helped to ease the problem of unemployment in the nation. As such, there are many BRI projects in Serbia.

One of the first BRI projects in Europe was the Pupin Bridge over the Danube in Belgrade. The bridge was one of the first Chinese foreign investments in the region and was opened in 2014. The construction costs of the Pupin Bridge were estimated to be around \$170 million and were 85% funded by the Chinese Exim bank (CMS, 2020). The remaining 15% was funded by the City of Belgrade and the Government of Serbia as subcontractors. Later, this project was rebranded as one of the first BRI projects. The building of the Pupin Bridge can be seen as a symbolic start of BRI presence in Serbia.

In the same year, the Chinese and Serbian governments agreed to launch a second project. This time not the transport but the energy sector was chosen. The project involved the renovation of the Kostolac power plant (Pepermans, 2018). Again, the Chinese Eximbank granted Serbia a loan. The total loans provided by the Eximbank for the renovation of the thermal power plant facility and the preparation project to decrease sulphur emissions totalled €871 million. This fund was again 85% of the needed funding for the projects, and the remaining 15% again was funded by the Serbian government (Pepermans, 2018). As the Serbian energy sector has seen more Chinese BRI projects, the presence of the BRI in a crucial industry should be taken into consideration later.

In November 2016, Serbia formally signed the MoU with the Chinese government on the cooperation on BRI projects. Immediately this meant the beginning of a new project to construct the Serbian part of the previously mentioned high-speed railway renovation between Belgrade and Budapest (Pepermans, 2018). As this is one of the most significant BRI projects for China in the CEEC, and it involves an international crucial transport infrastructure for Hungary and Serbia, the relevance of this BRI project in light of this research is high.

The MoU and the corresponding contracts for the renovation of the railway link, just like in Hungary, include two state-owned Chinese companies. However, in the Serbian part of the railway connection contracts, it is mentioned that Serbian companies can perform up to 46% of the construction work (Pepermans, 2018; World News, 2016). This is a big part of the construction work, however, local companies are too small to potentially join construction projects in third countries, and the majority of the project is still in Chinese hands (Matura, 2018). Apart from the fact that local companies cannot handle such work, the knowledge of the BRI is very limited or nonexistent in these third-world countries (Matura, 2018).

### ***Economic dependence***

Serbia is the uncontested leader in the Western Balkans in terms of the amount and diversity of Chinese development received (Krstinovska, 2022). Apart from BRI projects related to FDI, Serbia has also received various donations from other Chinese companies or government entities as part of their Corporate Social Responsibility or city ties. It isn't easy to measure the exact amount of foreign investment as Serbian authorities consider information on China's assistance to be classified. This, in turn, provokes a significant discrepancy between the value of the signed contracts and the seen implemented projects with publicly available data.

We know that Serbia has the highest number of loans in the region, with a total of €7.76 billion for contracted projects (Krstinovska, 2022). Most of the loans can be found in the transport and energy sector. Worryingly, regarding economic dependence, an analysis of ten of those loans revealed obligations for Serbia that go against the EU acquis and best practices related to development assistance (Krstinovska, 2022). The conditions on the loans vary, but some worrying conditions return frequently. Some of these conditions include: 1) Whenever Serbia wants to return unused funds, or when the funds need refinancing or restructuring in case of other bilateral or multilateral donors or lenders, Serbia needs Chinese approval, 2) Agreements from 2014 onwards include confidentiality clauses which are subject to national legislation and thus create a lack of transparency. 3) A non-comparability clause provides China with a privileged position over other creditors. 4) The creditor has the right to cancel or ask for the immediate return of a loan whenever a domestic law or policy changes affect the contract. 5) Whenever there is a dispute, the contract states that Chinese legislation applies to the dispute and dispute resolution is entrusted to the China International Economic and Trade Arbitration Commission. 6) A sovereign immunity waiver.

In the past decades, Serbia has shown a problematic inability to repay debts to China (Rilak, 2020). Up until today, China has been very lenient in handling the Serbian inability to

repay contractual obligations. Examples in 2004 (Sinochem - \$70 million) and 2009 (Exim Bank - \$75 million & \$18.4 million) showed Chinese entities forgiving debts and restructuring over \$296 million in projects for Serbia to repay those debts. These examples are in size nothing compared to the recent loans provided. What is worrying for Serbia is that most of the loans are invested in crucial Serbian economic markets, the energy sector and the transport sector.

While the loans contribute to an increase in public debt in Serbia, China's history of debt forgiveness and the difficulty of seizing foreign assets could contradict debt trap claims. However, the loan contracts reveal an option for China to suspend grant projects or cancel the loans and ask for immediate repayment, which could lead Serbia to default on its dominant economic sectors (Krstinowska, 2022). For example, in other aspects, import and export dominance, Serbia is not dependent on China. China has gained its influence in Serbia using investments rather than trade (Jovičić, Stevanović & Beraha, 2020). This is mainly because Serbia does not have enough capacity to meet Chinese market demand. However, China and Serbia are on the verge of signing a Free Trade Agreement. All in all, due to the dominance in crucial industries, Serbia is economically already quite dependent on China.

### ***Political dependence***

In general, China primarily displays economic interest in the Balkan countries rather than geopolitical interests. These interests are not mutually exclusive, and the BRI also has geopolitical dimensions (Stojadinović & Talović, 2018). The geopolitical importance is highly relevant to specific BRI corridors, and China is successfully demonstrating a soft-power strategy, trying to establish good economic relations with Serbia (Stojadinović & Talović, 2018). The loan analysis mentioned earlier reveals a strategic option for China to influence national policies by threatening to suspend grant projects. In other words, China's infrastructure development can be seen as an essential instrument in China's foreign soft

power policy. Serbia is a primary example of this. Essentially, China aims to reward countries that maintain friendly ties with China (Krstinovska, 2022).

There is €7.76 billion worth of contracted BRI projects in Serbia, of which the contracts signed include the previous clauses. This amount alone increased the public debt level at the end of 2020 to 57% of GDP. This percentage is far above the upper threshold set in the national legislation at 45% (Rilak, 2020; Krstinovska, 2022). Recent developments showed that the last budget amendments and new BRI projects signed in February 2021 are worth over €3 billion. This means the total amount of contracted projects is currently more than €10 billion. This leads to a public debt of around 70 % of GDP (Krstinovska, 2022).

Contradictory to what one would expect in the West, there seems to be a consensus in Serbia that the projects funded with Chinese development assistance are needed and justified (Krstinovska, 2022). The procedure and impact remain a point of concern to some. Still, the importance of strengthening its position as one of the major transit countries of the BRI is seen as an opportunity to gain a better political situation in the region. This could boost cooperation between other Balkan countries enormously and be the key to lowering the century-old tensions in the region (Stojadinović & Talović, 2018).

However, Serbia aims to become part of the EU by 2025. Insights into the loans provided us with details that violate the principles of good governance put forward by the EU and that the Serbian government as a candidate country should respect (Krstinovska, 2022). Krstinovska (2022) believes this is because “China’s development assistance is guided by the principle of non-interference, does not acknowledge the existence of beneficiary country issues related to democratic governance, and does not envisage any coping mechanisms.”. A summary of the operationalization table for Serbia is shown in Figure 6.

**Figure 6.**

*The table depicts Serbian Economic and Political Dependence on the BRI.*

<b>Variables</b>	<b>Indicators</b>	<b>Result (low, medium, high)</b>
<i>Economic Dependence (1.0)</i>	Import and export dominance (1.1)	Low
	Dominance in crucial industries, fields and companies (1.2)	High
<i>Political Dependence (2.0)</i>	Backwardness (2.1)	High
	Debt-obligations (2.2)	High

### **Case study Poland**

Like many other countries, Poland and the PRC signed an MoU on the Belt and Road Initiative in Suzhou in November 2015 (Matura, 2018). The main goal for Poland in signing the MoU was to ensure the development of Poland into the Central European hub along the BRI. In geographical terms, this is not surprising as Poland is a “natural gateway to European Union for the New Eurasian Land Bridge Economic Corridor” (Jakubowski et al., 2020). It is the first EU country on the earlier discussed NELB corridor. The route, running through Kazakhstan, Russia and Belarus, is currently the shortest and safest land connection to China (Jakubowski et al., 2020). It is the fastest and safest due to the unstable situation between Russia and Ukraine and unregulated relations with Iran.

The geographical location poses a chance for Poland to be a potential beneficiary of BRI development (Wnukowski, 2020). These rail cargo connections would create business opportunities for Chinese companies, increase the chance to export Chinese overproduction to Europe, and help develop the most western regions of China (Wnukowski, 2020). Poland’s competition for this development and the locations of BRI hubs is focused on the southern corridor running through the Balkans. However, both corridors can function simultaneously

and complement each other, creating a development opportunity for Poland (Jakubowski et al., 2020).

The Polish government has been eager to sign agreements and MoU's on the BRI. Ultimately, the BRI initiative was included in the declaration that upgraded Sino–Polish bilateral ties to “Comprehensive Strategic Partners” (Matura, 2018). Given the strategic land connections within the BRI NELB corridor, the most logical BRI projects would include infrastructural investments in rail cargo routes (Wnukowski, 2020). The Chinese Power Construction Corporation and Interior have signed a contract to repair and reconstruct the Chizhev-Bialystok railway (CMS, 2020). This appears to be one of the first Chinese involvement in railway infrastructure development in Poland. The Central Multimodal Terminal is a long-awaited investment from China. However, it is unknown whether or when it will be built (Bartosiewicz & Szterlik, 2022).

Chinese construction companies such as Pinggao Group have always been eager to participate in public tenders for infrastructure projects in the transport and energy sector. The Piaggio Group is responsible for at least five major projects necessary to maintain energy security in Poland. Additionally, the Shanghai Electric Power Construction company and the Sinohydro Corporation Ltd. have been entrusted with energy infrastructure projects in Poland (the expansion of the transformer station located in the village of Widełka and the building of the 400 kV Chełm–Lublin power line, respectively). As these are public tenders and not Chinese development investments in the form of loans, these projects do not necessarily make Poland subject to Chinese intentions in this regard.

Furthermore, Poland has always favoured greenfield investments (these are investments where a parent company creates a subsidiary in a different country to build operations from the ground up). There are many examples of Chinese greenfield investments in Poland, such as the Nuctech screening systems, the TCL plant near Warsaw, and the

Guotai Huarong electrolytes factory in Lower Silesia (CMS, 2020). These ‘healthy’ investments are a good representation of the willingness but carefulness of the Polish government in terms of Chinese investments.

Compared to other CEECs, there has been little Chinese BRI investment on the ground in Poland, especially since the end of 2019. No more significant Chinese investments under the BRI have been reported (Bartosiewicz & Szterlik, 2022).

The reason for this can be found in the set-up of Chinese FDI’s. The Polish government does not favour China's assertive approach (Szczudlik, 2021). The fear of increased public debt and providing China with strategic access to Polish assets have made Poland rethink its policy toward China (Szczudlik, 2021). The Chinese approach in the form of M&A of high-tech companies and loan-based investments has altered the eagerness of the Polish government to become part of the BRI. Currently, a 'wait-and-see' strategy temporarily guides Poland as it is discontent over its expectations of the comprehensive strategic partnership status. Its trade deficit and minimal economic results have highlighted the BRI as a global challenge.

### ***Economic dependence***

China is Poland’s most prominent Asian trading partner and second overall trade partner, following Germany. Subsequently, Poland is China’s largest trading partner in the CEEC (Choroś-Mrozowska, 2019). However, these statements do not insinuate the right level of dependence. The trade between China and Poland is an extreme form of import and export imbalance. Polish exports to China make up as little as 10% of Chinese exports to Poland. In 2020, the import and export of Poland with China consisted of €36 billion, of which more than €33 billion could be counted in Chinese export to Poland. Many parties regard this phenomenon as an obstacle to further developing the economic corridors, as it seems that the



only beneficiary of the development of imports and exports via the BRI will be China (Choroś-Mrozowska, 2019).

The development of the BRI corridors will focus on using Poland as a leading central European hub. Still, the added value for Poland is minimal as the routes travel further into Europe, where the import and export will enter, for example, the German economy. Some of these routes in this corridor are already well established. The rail connection that was opened in 2013 between Łódź and Chengdu halved the time that some Chinese goods had to spend in transit to Europe. Nonetheless, to increase the demand for shipping over this corridor, investment in the development of this corridor in Poland is needed. However, the question remains whether Poland will invest in developing these routes by itself as the deficit to the Chinese trade is increasing, and the fear of FDI by China is increasing. As mentioned before, the current fear of public debt to China and the possibility of providing China with strategic access to Polish assets have made Poland reluctant to develop investments (Szczudlik, 2021)

Additionally, higher demand for shipping along the NELB corridor does not automatically mean that Poland will become the leading European hub. A study by Jakubowski and his fellow researchers (2020) revealed the existence of other dimensions of competition beyond the route itself. These dimensions of the competition included: the increased competition of marine transportation instead of railway transportation (in the context of emerging container ports on the Baltic Sea), the modal dimension in the context of “the Belt” between rail transport and road transport, where road transport is overtaking cargo in Eastern Europe, and the geographic location on the east-west axis where Poland needs to compete with terminals in Russia, Belarus, Baltic states and Germany, who in turn favour Chinese development investments into their infrastructure (Jakubowski et al., 2020).

Poland has all the cards to be a BRI hub without having received Chinese investments or loans for the hub itself yet (Ghiretti, 2021). However, in the end, it seems that Poland is

guided by the view of BRI as a global challenge rather than establishing an inclusive, participatory program for the BRI as an initiative (Pendrakowska, 2018). This indecisiveness limits the potential benefits of being the BRI hub in central Europe but does not decrease dependence on the Chinese export economy.

### *Political dependence*

The political dependency of Poland on the BRI has seen some development over the last two decades. It started in 2009. Poland had planned to build a highway which was expected to be finished before a significant event in 2012. The Chinese Overseas Engineering Group won this tender by offering the lowest price. However, during the highway development, the expected costs were exceeded, and there was a need to increase contract value. Because this increase in contract value did not develop, the engineering group abandoned the highway project. The repayment of the contract guarantees was a sore political topic in Poland, and the discussions on the project continued until 2015 (Szczudlik, 2021).

The trust in the Chinese infrastructure investments was altered, and in the following years, Poland's rising caution concerning infrastructure investments did not promote Chinese BRI investments. The relationship worsened when the Polish government cancelled a tender for land in Łódź, where a BRI transshipment hub was to be built. A Polish Chinese construction company was interested in this property but was not allowed to buy the property as "Polish capital would probably be involved", and a minimal tender on the property was announced a short time later (Szczudlik, 2021).

Then, when two Polish government representatives went to Beijing to discuss the development of a Central Communication Hub, a communication misunderstanding again worsened the bilateral ties. Mikołaj Wild stated, "We did not go to China for money for the Hub. We are not looking for financing, in return for control over the investment.". Another government representative said, "We want investments to be under Polish control – obviously

in cooperation with China. We want to avoid the situation in which projects, such as the Hub, are entirely financed by China [...]. We believe that capital has a nationality. It would be unreasonable to ‘let’ investors enter the infrastructure projects, giving them all the funding possibilities.” (Szczudlik, p. 154, 2021). These remarks gave Chinese government officials and Chinese company owners an unwanted feeling and did not positively influence the already deteriorated ties.

Next to these developments, the team of government officials responsible for developing proposals for infrastructural projects that might be implemented with Chinese counterparts or investments does not work well either (Szczudlik, 2021).

Currently, neither the Polish government nor the Polish society has a clear standpoint on the BRI. Some political groups in Poland understand BRI as a soft-power tool. Others see it as a promising win-win business relationship with China.

However, the result of Poland’s vocal disappointment with the trade deficit as a political issue, the rethought positioning of the Polish government regarding Chinese infrastructure development investment, the belief that capital has a nationality and the corresponding shift towards the EU resulting from these factors have put Poland in a challenging international position (Kostecka-Tomaszewska & Czerewacz-Filipowicz, 2019; Pendrakowska, 2018). A summary of the operationalization table for Poland is shown in Figure 7.

**Figure 7.**

*The table depicts Polish Economic and Political Dependence on the BRI.*

<b>Variables</b>	<b>Indicators</b>	<b>Result (low, medium, high)</b>
<i>Economic Dependence (1.0)</i>	Import and export dominance (1.1)	High
	Dominance in crucial industries, fields and companies (1.2)	low

<i>Political Dependence (2.0)</i>	Backwardness (2.1)	High
	Debt-obligations (2.2)	Low

## **Discussion**

### **Case summaries**

At first, colonialism was mainly understood as economic, political, and military power domination. Currently, neo-colonialism can be discussed in terms varying from geopolitics to psychology (Uzoigwe, 2019). Scholars believe the influence of neo-colonialism in these forms has made a full circle to the way historic colonialism was perceived. Some scholars argue that “neo-colonialism is just all of the colonialism, only except for the political control by force.” (Junbo and Frasher, 2014, p. 186). Therefore, researching neo-colonialism asks us to investigate many aspects. The case studies examined those aspects to answer the research question. A summary of the analysis per country is as follows.

### ***Hungary***

There is a high level of BRI involvement concerning Chinese FDI investment. The presence of the BRI in crucial sectors such as transport, energy and telecom creates a certain amount of economic dependency of Hungary on BRI projects in these sectors. The planned and failed future BRI projects are limitless and portray the unchanging favor of the Chinese presence in Hungary. The political dependency of Hungary on China is medium concerning debt obligations and backwardness. All in all, Hungary is, to some extent, economically dependent on BRI projects and politically dependent on China, all due to Orbán (Venne, 2020). The fact that the political landscape has such an essential mark on the perception of neo-colonialism suggests that political landscape could be added to one of the indicative characteristics in future research.

### ***Serbia***

Although Serbia is claiming neutrality, Chinese BRI projects are widely accepted. These have developed into a high presence of Chinese investments in crucial sectors such as transport and energy. Furthermore, the amount of diverse Chinese development investments is noteworthy. These investments based on loans have created a very high debt obligation to China. With more than €10 billion in debt, accounting for 70% of Serbia's GDP, consisting of worrying loan conditions, the debt obligations make Serbia highly dependent on China economically and politically. As these loans also violate the principles of good governance put forward by the EU, Serbia is in a challenging position.

### ***Poland***

Poland used to be a big supporter of Chinese development investments. This is represented by the 'Comprehensive Strategic Partner' alliance. However, developments have altered the Chinese stance on Chinese investments in the country. Presence in the construction of major projects in the energy sector is found. However, awareness of Chinese intentions has made Poland not a direct subject of Chinese intentions in the future. There is a high level of 'healthy' Chinese investments in Poland. However, there is also a high economic dependence due to an import and export deficit to China. This dependence created political dependence due to its backwardness when Poland becomes more hostile to Chinese investments.

By analysing the outcome of this operationalisation for each case individually, conclusions on the presence of neo-colonialism can be drawn. The concluding table used for the three case studies of Hungary, Serbia and Poland is shown in figure 8.

**Figure 8.**

*The table depicts Economic and Political Dependence on the BRI in Hungary, Serbia and Poland.*

<b>Variables</b>	<b>Indicators</b>	<b>Hungary</b>	<b>Serbia</b>	<b>Poland</b>
<i>Economic Dependence (1.0)</i>	Import and export dominance (1.1)	Low	Low	High
	Dominance in crucial industries, fields and companies (1.2)	Medium	High	low
<i>Political Dependence (2.0)</i>	Backwardness (2.1)	Medium	High	High
	Debt-obligations (2.2)	Medium	High	Low

***Discussion of the findings***

This analysis has created insight into the current status of BRI dependence in the CEEC. The question that remains is to what extent did China use the BRI as a neo-colonial instrument to achieve economic and political dependence?

Regarding Hungary, the political field has created the image of a nation's politics being controlled in service of the Chinese government. However, there is no evidence that the Chinese government invests in employing the BRI to gain political services such as pro-China EU voting. Interestingly, Matura (2022) found that sometimes China would rather have Hungary not block EU votes or statements. However, the political landscape of Hungary has affected other characteristics which are part of the operationalisation (1.2, 2.1, 2.2). The presence of these characteristics defines neo-colonialism in Hungary, not in a causal relationship, however. Therefore, one could state that China is not using the BRI as a neo-colonial instrument in Hungary. China's relationship with Orbán is likely to be used as a neo-colonial instrument. However, further research should be conducted into the political landscapes being used as a neo-colonial instrument to prove this standpoint.

Regarding Serbia, the discussion is focused on the foreign control of their economy. When looking at the debt obligations to China, Serbia is entirely dependent on China. However, in terms of neo-colonial characteristics defined earlier, scholars like Maliszewska and Van Der Mensbrugge (2019) believe the economic dependency through import and export dominance and dominance in an economy's industries are (temporary) results of development opportunities. Until this point, there is no direct proof that China is using the BRI in Serbia as an instrument to achieve economic and political dependence. However, as a result of the BRI, the operationalisation showed characteristics of neo-colonialism (1.2, 2.1, 2.2). In Serbia, debt obligations (2.2) are so high that this characterised a new form of neo-colonialism being used by the BRI in the CEEC.

Regarding Poland, the import and export relation between the neo-colonised and the neo-colonist is challenging to describe. When looking at import and export dominance characteristics, it states that the combination of neo-colonialist importing cheap commodities and exporting high-quality but expensive necessities defines import and export domination (1.1). Poland's trade deficit, where Poland exports mainly copper and import ten times its export worth of commodities to China, is proof of such domination.

In theory, these previously mentioned examples of political and economic dependence are needed for the neo-colonist to maintain its superiority in the economic market of the neo-colonised nation. Junbo and Frasher (2014), Nkrumah (1965) and Sarte (1965) theorise that the economic dominance of the neo-colonised country establishes total control of the neo-colonised county. Hirschman (1945) went into the power discrepancy resulting from trade relations and states that "a state can exploit an asymmetric trade relationship to force its counterpart to make a certain decision or the act in a certain way that benefits the first state" (Hirschman 1945).

In the eyes of neo-colonialism, the dependence of the subordinated economy on foreign capital is crucial. In the case of Poland (and Serbia), foreign capital is invested explicitly in (new) industries and infrastructure, which specifically increases dependence on the neo-colonial power. These arguments have all concluded in favor of neo-colonialism in the CEEC, some even defining it as a new form of neo-colonialism.

This research argues that import and export dominance (1.1) caused political dependence due to possible backwardness (2.1). The combination of these factors with the unprecedented use of debt obligations (2.2) establishes a broader conceptualisation of a new form of neo-colonialism. Not entirely new, as the concepts of import and export dominance and resulting backwardness have existed for decades, but new in the sense that the new BRI is the first instrument to utilise neo-colonialism in this form in the 21<sup>st</sup> century.

With other examples of debt-trap policy in mind in different regions in the world, such as the Sri-Lankan port, this research argues the BRI, in general, can be viewed as a neo-colonial instrument. China has a long tradition of using development assistance as a foreign policy instrument to achieve its goals (Krstinovska, 2022). Traditionally, in the case of the BRI, these goals are sometimes diplomatic and geopolitical, such as gaining allies and influencing policies globally. At other times, in the case of the CEEC, they are economic, such as securing market opportunities for its companies and building infrastructure in corridors of importance to China (Krstinovska, 2022). In other instances around the world, the region's power politics have been affected by the presence of BRI projects in the area. Especially in Africa, where neo-colonialism was born, some BRI projects show neo-colonial characteristics (Lumumba-Kasongo, 2011; Rich & Recker, 2013; Tat et al., 2018). The behavioural characteristics of China in the CEEC do not constitute the same foreign affairs policy but it has shown peculiar characteristics of the new form of neo-colonialism.



So, when the evidence is that clear, why is there still a question of whether the BRI should be considered a neo-colonial instrument. The answer to that question lies in the use of the concept of neo-colonialism. In International Relations, the classic theorisation of neo-colonialism, as described by Nkrumah and Sarte, evolves around the relational circumstance of two states. This research defined a significant contribution of researching neo-colonialism outside the historical scope of neo-colonial powers. It contributed to the illustration of modern-day power relations and has widened the scope of neo-colonialism, where the relational circumstances formed the basis of the research.

However, the conceptualisation has shown limitations. Due to the regionalism in the resources and the general context of neo-colonialism, the projection of neo-colonialism on a different region was complex. As China has never been a colonial power and is also not a developed country, arguably, China cannot be referred to as neo-colonial power in the classical definition of historic neo-colonialism. However, this research showed that China can be referred to as a neo-colonial power in the modern International Relations power dynamics as an economic capitalist world power. Still, the use of the term *neo-colonialism* is debatable, as a reference for the relational circumstances that China forces upon developing nations by means of the BRI it can be used figuratively. Nevertheless, in the colonial context, the conceptualisation of neo-colonialism in combination with China can cause wrong interpretations. Therefore, future research could focus on the renewed conceptualisation of neo-colonialism or a broader definition of neo-colonialism where China can be included.

### **Conclusion**

The BRI in the CEEC has created Economic and Political Dependence in the 21<sup>st</sup> century. The three case studies of Hungary, Serbia and Poland showed the same profile of dependence with respect to Chinese investment resulting from the BRI which is in line with

the operationalization framework of neo-colonialism used in this research and shown in figure 8.

It became evident that the research of neo-colonialism in this specific region in the world is of high importance. Against the belief that neo-colonialism cannot be allocated to non-former colonies of European powers (Uzoigwe, 2019, p. 1), this research provided evidence that it is not a bad comparative predisposition (like comparing apples to oranges). On the contrary, this research has shown that neo-colonialism can be contextualised by paying attention to internal contradictions of the context in the CEEC and China. Neo-colonialism discusses power relations and external control of a nation's economy. While the CEEC aims to improve their economic and political conditions, China is trying to achieve economic growth and power politics on behalf of the CEEC. A region which was not colonised like Africa during the colonial era is now being neo-colonised by the BRI in the 21<sup>st</sup> century.

Still, it has been difficult to provide evidence of China using the BRI actively to establish economic and political dependence, as the Chinese government's strategy is unknown. In the chaos of power politics in the world, there is an endless number of influences of mutuality and dependence. This makes it even more difficult to characterize behavioural traits of neo-colonialism. As neo-colonial consequences cannot be concealed, visible or underhand confirmation of the characteristics of neo-colonialism can define neo-colonialism. Therefore, one can state that the smooth and steady increase of economic and political dependence this research has shed light on, in many countries shows characteristics of neo-colonialism. This new form of neo-colonialism by debt obligations involves modern interpretations of a historic set of beliefs, put into a new context with different actors. In that sense, this research confirms the H1 hypothesis and cannot reject the H0 hypothesis.

This research shows limitations future research should take into consideration. Firstly, the case studies performed provide limited evidence for the CEEC region as a whole. There is a high level of differentiation regarding cultures, development and other factors that might influence neo-colonial characteristics in this region. Researching, for example Montenegro, Bosnia and Herzegovina and Croatia will most likely show additional exciting aspects of the BRI in the CEEC. China cherry-picked countries like Hungary, Serbia, and Poland to develop relationships with, because they offer social arrangements that are beneficial for the potential successful result of an investment opportunity as stated by Gonzalez-Vicente (2019). We saw this in the other cases of Pakistan, Sri Lanka, and Namibia. Therefore, researching other countries in the CEEC is necessary.

Secondly, there is a limitation in the mutual exclusiveness and collective exhaustiveness of the variables which can be optimized. The case study of Hungary showed there are more conditions and variables which affect neo-colonial characteristics. In this specific case, the political landscape of Hungary had a significant and interesting effect on the perception of neo-colonial characteristics. The inclusion of more variables should be considered in future research.

Lastly, the operationalisation framework used in this research can be improved by utilizing the Straw-in-the-wind and Smoking-gun process tracing techniques (Collier, 2011). Limitations of this research enabled these to be used, but they provide more detailed insight into variables and neo-colonial characteristics.

All in all, this research has shown the CEEC are affected by the BRI to a large extent. Whilst China insists that its policy does not interfere in politics, by means of development opportunities China does operate in the politics of the CEEC. This research has provided evidence of the neo-colonial characteristics of this behaviour including the potential use of

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the BRI as a neo-colonial instrument in the CEEC. Therefore, this research argues China can be seen using a new form of neo-colonialism in the CEEC in the 21<sup>st</sup> century.

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## Figures

Figure 1: China's Belt and Road Initiative. Source, The Sankei Shimbun / JAPAN Forward.

"China's BRI, Saudi Arabia, and the Confusing Game Inside Pakistan" (2018). Japan Forward.

Figure 2: Lobyrev, V., Tikhomirov, A., Tsukarev, T., & Vinokurov, E. (2018). Belt and Road transport corridors: Barriers and investments.

Figure 3: Jakubowski, A., Komornicki, T., Kowalczyk, K., & Miszczuk, A. (2020). Poland as a hub of the Silk Road Economic Belt: is the narrative of opportunity supported by developments on the ground?. *Asia Europe Journal*, 18(3), 367-396.