



A Debate at the beginning of Belt and Road Initiative (BRI): Impact on Shaping Responses of European Nations

Sahibzada Muhammad Usman*

Abstract

The purpose of the research article is to examine responses of the European countries on the Chinese project, Belt and Road Initiative (BRI) and its impact on shaping EU policies. The BRI intends to foster trade and financial relations between Europe and the Middle Kingdom¹ by incorporating a network of economic hubs and commerce-friendly infrastructure. It supports setting up of ports, highways, railways, airports, transit zones and energy pipelines to bring interconnection between Asia, Africa Europe and Eurasia. The magnificent Initiative would have financial, security, and geo-political consequences for each one of those nations engaged with it and even beyond. Chinese specialists guarantee that this project will be useful for every interested country, and some anticipated that it would help in thriving European economy in the long term.

This paper highlighted that there is a space for European states to choose better options in this emerging scenario. Moreover, experts on the European Union and its member states' policies are calculating the benefits and challenges carried by the BRI and expected to see the Union to utilize all their bargaining capability to get better agreements with China at the negotiation table.

Keywords: BRI, China, Economic Corridors, European Union, and European Integration.

* Dr. Sahibzada Muhammad Usman is an Assistant Professor at the Department of Aerospace Sciences and Strategic Studies, Air University, Islamabad. Email: usmangull36@gmail.com.

¹ Middle Kingdom or Middle Country refers an ancient China (dated 1000 – 221 BC), when the Chou empire situated on the North China Plain, believing their empire occupied the middle of the earth.

Introduction

Chinese President Xi Jinping declared in 2013 that China would seek in the next decades paranoiac strategy to connect the nation with Western Europe, the two most vital economic poles. Encircled within the climb of China as a financial and political global power and reacting to a few inward and outer challenges and motivations, this activity animated in the old Silk Road that once permitted trade between the middle kingdom (China) and old continent (Eastern Europe and Central Asia). The Belt and Road Initiative proposed to build a scope of a great connectivity framework all through Eurasia. However, it includes 139 nations² from Asia, Africa, Europe, and Latin America that make it a true global entity. It has commonly referred as the new Silk Road, which further separated into two principal projects: the Maritime Silk Route Economic Belt and the Silk Road Economic Belt intends to build ports, railways, roads, airports, and dry ports and encourage financial association. Hence, the potential ramifications got from the advancement of China-drove technique called for research, to examine its outcome, issues and difficulties, opportunities and new openings, in order to devise the most reasonable system or arrangements to handle the reservations or explore the benefits by every BRI participants including China.

The European continent, as a definitive destination of the new Silk Road, has engaged with and influenced by this venture. The EU straightforwardly showed a mix reaction to see a welcoming gesture for the BRI in Europe. Because of the measure of envisioned progress, from the beginning stage, the potential for profiting from financial participation in Chinese scheme need to be evaluated. It is equally important to see how the EU set its beneficial position in Beijing led - projects that will define eventual fate of its supranational structure. Some researchers and specialists have just cautioned European policy-makers that it might have undefined outcomes of the expanding Chinese flow of wealth and assets - making in Europe.

This paper discusses the complex structure of the BRI network and some important ramifications that effect the EU's coordination with its member states and other BRI nations. Thus, the study evaluates the most vital part of the contemporary Sino-EU relations. It explores how they have influenced and relied upon shaping the solidarity of the EU with the improvement of

² Visit at <https://www.cfr.org/blog/countries-chinas-belt-and-road-initiative-whos-and-whos-out>, posted on March 24, 2021.

the BRI dependent on the clarifications that are given by Liberal Intergovernmental (LI), a hypothesis created during the 1990s by Andrew Moravcsik.

Methodology

The paper basically based on qualitative research method, for gathering information through literature, mainly periodicals, scholarly opinion, working papers and books on the subject. Likewise, it has done by a semi-organized meeting from the teachers on Sino- European global associations to have an insight on the issues, just to utilize a primary source and make a contribution to learning.

New Silk Road

In September 2013, Chinese envoys in Kazakhstan, mentioned for the first time the Belt and Road Initiative. As Chinese specialists called it a geopolitical and financial activity motivated by the old Silk Road that once permitted the monetary benefit and social exchange among Europe and China. As referenced previously, the new Silk Road characterized as a vital Chinese vision, and a wide infrastructure arrangement directing to solve challenging interior and outer difficulties. The essential thought of this activity is to build a solid system of frameworks encouraging the exchange of trade, culture, and knowledge among China, Europe and countries across over all continents associated with it. According to d’Hooghe BRI tries to encourage the improvement of merchandise, administrations, and individuals’ interaction between Africa, Asia, and Europe to boost intra-territorial business and investment. For carrying out such projects, China has accepted an absolute financial responsibility of bearing trillions of dollars.³ Chinese leadership preferred its own construction companies and financial instruments like Asia Infrastructure Investment Bank (AIIB) and New Development Bank for BRI projects. For instance, AIIB allocated US \$40 billion in Silk Road Fund, assuming a key job to accomplish BRI tasks in Asia. However, on European side, Beijing agreed to work on EU-China Connectivity Platform in 2015 and investment would be made through European banks meant for spending on development schemes in the continent.⁴ In any case, BRI should not simply be viewed as a system of

³ N. Casarini, “Is Europe to Benefit from China’s Belt and Road Initiative?” *IAI Working Papers*, (October 2015).

⁴ See Chinese agreement for investment plan in Europe, at https://ec.europa.eu/commission/presscorner/detail/it/IP_15_5723.

infrastructure, yet as a stage to advance and reinforce monetary incorporation among the joining nations.

There is no official rundown of which nations are taking an interest in this activity. In 2013-2015, Chinese sources guaranteed that more than 60 nations keenly participated in it. For Casarini, until 2015, the BRI - covered region presented 55 percent of the global GNP, 70 percent of the worldwide populace, and 75 percent of energy assets.⁵ Rather, for Garcia-Herrero in 2016, the alliance between China and the EU represented 64 % of the total populace and 30 % of worldwide GDP.⁶ Moreover, Curran referred Jen's study on Silk Roads that it will assemble 64 nations, 4.4 billion individuals and total 40 % of world's economic growth. she claimed that put money into this venture will be multiple times greater than the Marshall Plan in dollar terms.⁷

Mações⁸ stated that the land component is known as a belt to identify its definite objective and the formation of a coordinated monetary corridor rather than a passage network connecting two outlets. The course of this arrangement does pursue its ancient corridor, as well as connecting different areas. A Chinese expert on BRI indicates the fact that the Silk Road Economic Belt (SREB) have three natural courses in Eurasia – the Eurasian Land-Bridge as its northern passage, the Middle Route with gas and oil pipelines and the Southern Route of interstates' gateways. It's astoundingly pertinent to the significance of railroads in the SREB. For China, this passage offers a quicker and alternative to presently overdependence of oceanic cargo transportation. Since 2013, Chengdu, an exceptionally populated region of Sichuan, get associated with Lodz city in Poland using the railroad. Yet, as Shepard pointed out in Forbes, about twelve Chinese urban areas have coordinately linked up with nine European stations. For example, Suzhou currently connected with rail to Warsaw, Chongqing to Duisburg, and Zhengzhou to Hamburg.⁹ Along these lines, cargo trains, which cost less

⁵ Casarini, "Is Europe to Benefit from China."

⁶ Garcia A, and Xu J, China's Belt and Road Initiative: Can Europe Expect Trade Gains? *Bruegel Working Paper*, Issue 5 (2016).

⁷ Enda Curran, "China's Marshall Plan", *Bloomberg*, 8 August 2016. Visit at <https://www.bloombergquint.com/china/china-s-marshall-plan>

⁸ Bruno Mações, "China's Belt and Road: Destination Europe. Carnegie Europe", (November 2016) at <https://carnegie-europe.eu/2016/11/09/china-s-belt-and-road-destination-europe-pub-65075>

⁹ Shepard 2016.

expensive than freight ships, are progressively functional in the EU-China business.

Economic passages and its impact

The New Silk Road can be assumed as a driving force to further deepening integration in European regions. Since this eco-connectivity venture expects to promote a system of business-to-business frameworks to solidify East-West proximity of Eurasia. It can make new financial and economic instruments and corridors and will further improve the existing ones. Furthermore, it will concentrate on joint cooperation to maximize the benefits of traditional transporting tracks of old silk routes. It also depend on the participation of local urban/rural communities living along the routes to utilize new opportunities that are set to stage.¹⁰ In regards to transport framework development, China would also focused on the main paths, projects and connecting up detached areas, removing transport blocks, and protecting roads' travelling.¹¹ Consequently, the new Silk Road can integrate with distinctive European destined states and areas to grasp benefits of economic market by developing a two-way trade relations. This reality recognized by many subject experts, who relate BRI network enhancement in Europe as a catalyst for the EU-China strategic partnership.¹²

The European Commission has introduced its new arrangements to develop transportation network in 2013 – the Trans-European Transport Network (TEN-T) plan. It guided the regulatory and monitoring standards such as securing bio-diversity in reconstruction of link roads between landlocked and rest of Europe. The EU-China 2020 Strategic Plan, which was set up in 2013 and did not make reference to BRI, stated that both sides should explore models of mutual participation, including venture securities, venture shareholding, co-financing and joint contracting. Also, it aimed to further the talks on the collaboration between the EU and China, to extend participation in interoperability of consistent inventory and digital network cooperation,

¹⁰ Zhou F, "Belt and Road magnificent corridor" Belt and Road Magnificent Corridor: Silk Road blends civilizations. Beijing Special Issue. Issue 19, (2017).

¹¹ Zhao L, "China, Europe and BRI: a bridge between civilizations". EU-China Relations: New Directions, New Priorities. Friends of Europe. Ed. by Islam, S. Discussion Paper, (2016).

¹² Van der Putten, M. Huotari, J. Seaman, A. Ekman and M. Otero, "The Role of BRI in EU-China Relations" in Van der Putten, M. Huotari, et al (eds.), *Europe and China's New Silk Roads*, ETNC Report (2016).

to explore oceanic markets, courses, rail logistics, road services, and energy efficiency.¹³

In this specific circumstance, BRI should not be viewed as a contending activity but rather inverse exercise. The Chinese stage can be adjusted to existing European policies, discovering fitting ways to attain full benefits of their conceivable avenues for cooperation. Financial and investment assets in Europe are a rare asset. In this manner, Chinese capital should be diverted appropriately to satisfy the related weight from national and supranational organizations. It is noteworthy that EU and China announced to create Connectivity Platform in 2015 to explore synergies between the two sides' available activities they decided to work together. Up until now, this body is the most progressive endeavor in Europe to build up a planned reaction to BRI. It also demonstrates EU's constructive management of partnership with Beijing and readiness to attain the potential advantages from its further advancement.

Before identifying further aspects, it is significant to repeat that the advantages from the operation of BRI may be un-even among EU member states. The two most alluring European zones which have keenly expressed support to the BRI's proposals were Central and Eastern Europe (CEE) and the Mediterranean. Beijing with 16 CEE countries drew a cooperation mechanism (16 + 1) in 2012 to conclude Action Plans for joint ventures. Greece, Hungary and Poland – the geostrategic areas, are exceedingly profitable to Beijing, and vice versa have a more noteworthy probability of taking benefit of the joint development project than BRI - peripheral nations. For instance, China's state-owned shipping company has earned 51 percent of stake in the Greece's Port of Piraeus and also invest in energy, tourism and other sectors under BRI framework help boost in Greece economy.¹⁴

Slovakia in the CEE locale appears to profit by the new silk road, as it signed MoU with China in 2015. Slovakia interested to coordinate with Beijing in various development projects to expand its economy and extended support in connection with BRI. However, the Chinese designs in the region, for example, the Belgrade-Budapest and Duisburg- Xiamen railway associations

¹³ EEAS, "EU-China 2020 Strategic Agenda for Cooperation", (2013). Available at: <http://eeas.europa.eu/>.

¹⁴ "Greece Stresses for BRI", *Global Times*, 15 May 2019. Available at <https://www.globaltimes.cn/content/1150049.shtml>

circumvent this nation.¹⁵ In this way, BRI-related combination headway may be topographically unequal also. Poland supposed to be a nation from the CEE that has incredible opportunities to profit by BRI. Warsaw respects the presence of BRI as an apparatus to grow prosperity, to lessen trade deficit and invite foreign investment.¹⁶ Some scholars are wondering whether Poland can turn into a center point of BRI.¹⁷ In 2013, Poland was the first in the region which connected to China by rail, thus opened up new venues for China – European exchange. The freight rail linking Chengdu to Łódź became more beneficial option for China in contrast to its current overdependence on sea course through Malacca Strait and the South China Sea. Furthermore, the Polish government needs to discover collaborations among BRI and the supposed Morawiecki Plan, a broad national activity for reindustrialization and network enhancement.¹⁸ It help in modernizing the Silk Roads to uplift and improve framework of ventures, like, Via Baltica, which joins Finland and Poland, and Via Carpathia, which joins Lithuania, Slovakia, Romania, and Greece. Consequently, Poland and its neighboring nations could turn out to be progressively reliant if BRI somehow managed to set up infrastructural joints that encourage expanding monetary ties and relationships among them.

Political ramifications

The improvement of the new Silk Road not equally welcomed by western powers. Few lobbies and governments are optimistically involved to the initiative to see how much BRI could serve their national interests. Chinese experts claims that the task depends on generosity and presents it as a beneficial to BRI members. Chinese media is building an impression to international community that it is a route for win-win collaboration that could lead the world towards friendship and peace. As it would promote trust-building, shared comprehension of each other national obligations and fortifying all-around trades.¹⁹ The official story claims that this stage

¹⁵ “No Belt No Road- Slovakia on the Margins of China's BRI”, *CEIAS Insight*, (April 2019), at <https://ceias.eu/no-belt-no-road-slovakia-on-the-margins-of-chinas-bri-initiative/>

¹⁶ Justena Szcudlik, “China’s Investment in Influence: The Future of 16+1 Cooperation”, *China Analysis*, European Council on Foreign Relations, (2016).

¹⁷ J. Szcudlik, “Poland on the Silk Road in Central Europe: To become a hub of hubs?”. In F. P. van der Putten; John Seaman et al (eds.), *Europe and China’s New Silk Roads*.

¹⁸ “Poland as a hub of the Silk Road Economic Belt”, *Asia-Europe Journal* 18 (2020), available at <https://link.springer.com/article/10.1007/s10308-020-00571-6>.

¹⁹ F. Zhou, “Belt and Road, Magnificent Corridor”, Beijing Special Issue. 19, (11 May 2017) <https://www.pressreader.com/china/beijing-english/20170511/281492161240162>.

maintains the soul of collaboration, peace, transparency, equality, mutual respect, and mutual benefit. Rather, in the West, numerous voices thought that Chinese has planned this stage wistfully to seek after its monetary and geopolitical interests fundamentally. Also, they depict the BRI as a Trojan horse, playing role to debilitate Europe via entrance into the European market and exploiting the mainland's resources. A standout amongst the most widely recognized contentions is that China would apply centuries old policy of divide and rule to dominate on Europe, a technique officially introduced in ancient China by Sun-Tzu.²⁰ There are doubts that China is pulling national inclinations, as far as Liberal Intergovernmental notion is concerned, from various European nations to spur competitions.

Some critics underpin that the rivalry on national levels for getting foreign investment could cause constraints for the EU.²¹ Montesano think that member countries wanted to expand their involvement in projects launched by China, energetically foreseeing only the beneficial part of the joint operation of BRI in Europe.²² Some doubts, if EU countries fail to consolidate its strategies towards Beijing, the supranational union would faded its bargaining capacity to deal with outside power's entrance into the free market space. A few specialists think that China expected its image-building in Europe as a helpful economic partner with spreading impact on weakened areas by hinting flaws in financial system. In this way tie up with, to some degree, isolated parts of continent to gain influence is Chinese dream.²³ This reality has just been alarmed by different researchers, who clarify that the Polish government is worried about the absence of advantage from BRI because of the competition between nations for Chinese consideration. Some observers underline that the dynamic Chinese leadership incorporates security dimension to interested nations in BRI. They encouraged CEE

²⁰ For further study read "Sun Tzu and the Indirect Strategy", *Rivista di Studi Politici Internazionali* 54, No.3 (1987), available at https://www.jstor.org/stable/42738671?seq=1#metadata_info_tab_contents.

²¹ Thilo Hanemann and M. Huotari, Chinese FDI in Europe and Germany: Preparing for a New Era of Chinese Capital, A Report by Mercator Institute for China Studies and Rhodium Group, (2015). See https://rhg.com/wp-content/uploads/2015/06/ChineseFDI_Europe_Full.pdf.

²² F. Saverio and M. Okano, "Economic Diplomacy in EU-China Relations: Why Europe Needs its Own BRI", *Policy Brief*, Netherlands Institute of International Relations, (2016).

²³ A. Browne, Philippe Le Corre et al, "China's Offensive in Europe; Is there a Master Plan in Beijing?" (June 2016), at <https://www.brookings.edu/on-the-record/chinas-offensive-in-europe-is-there-a-master-plan-in-beijing/>.

nations to relax managerial boundaries for BRI projects and said that the principal nation to manage this issue has an incredible potential to end up the Silk Road logistical center.²⁴

A European ambassador expressed his worries about this activity, expressing that, while it tied in with advancing globalization, which is great, it accompanies Chinese attributes. In this way, it's not by any means the liberal market-arranged, regulation-based globalization that we might want to see. It is by all accounts increasingly about the world order.²⁵

Aside from expanding rivalry while distributing BRI-related ventures, Chinese of holding vested stakes in Europe get alarmed the US, Russia and other powers. A reasonable model is the expanding significance of Port Piraeus in Greece, which, as referenced previously, can turn into a multi-dimension transportation center in Europe. It logistically provides an easy access to Central Europe, leaving behind the long route, via the Gibraltar strait to reach the critical ports in north-west Europe – Rotterdam and Hamburg. The improvement of this framework supposed to bring animation to the crisis-ridden Greek economy. As it appears to be very conceivable that few multinationals' makers of PCs and cell phones will provide service to Central European marketplaces from Piraeus.²⁶

A joined reaction to the New Silk Road for more prominent advantages

A typical, solid, and clear position on BRI is still a long way to go to translate into reality. European nations arrange their two-sided deals with China in many fields. The European states have diverse conditions and procedures to develop policy towards BRI, the new Silk Road would offer support or less benefits to them relying on the explicit setting of every state. Also, big European states still need to take a reasonable position on this initiative to maximize the potential of the project of great connectivity.

All together many nations have shown a commending stake in interactions with BRI projects to strengthen complimentary relations with China. However, the focus of BRI's global partnership isn't necessarily prompting a

²⁴ F. P. van der Putten, John Seaman et al (eds.), *Europe and China's New Silk Roads*.

²⁵ C. Wong, "How a History of Divisive Tactics has made the European Union Suspicious of China" in *South China Morning Post*, (2017). Available at <http://www.scmp.com/>.

²⁶ Putten, Seaman, et al (eds.), *Europe and China's New Silk Roads*.

progressively organized and forward-looking European Strategy.²⁷ Müller-Markus trusts that the national benefits of European nations appeared to be led by the pure rationale of financial aspects and the absence of key vision.²⁸ Many states are not connected in the new Silk Road and not included it in their development plan; and some adopted a careful wait-and-see methodology to evaluate how this activity shape up in the future. This reality depends on a considerable amount on the overall significance of BRI's acceptability showing by the international community. The states who are expecting benefits and otherwise are probably may be decisive in setting national positions on the matter. This giant connectivity scheme is, as per Chinese authorities, not selective to any nation, and it should respect every state willing to take part.

It can provoke distinctive mentalities within the EU concerning BRI. Benefit-looking European countries are probably going to have supported opinions towards this initiative, particularly if it viewed as that the monetary emergency has strikingly hit numerous EU member nations in the region. Those states that are less associated with BRI and have fewer interests in it are bound to be increasingly raised their suspicions to the advancement of Chinese reach in Europe. It is important to note that it doesn't imply that the national governments need to collaborate with their neighboring states and a new scenario of geo-economic differences can be perceived at the EU level. A rationale of the fierce challenge is among member states and can gain attention EU's policy-makers.

It is assumed that the Liberal Intergovernmental approach are probably promoting a Pareto-productive principle that encourage organizing a reaction in favour of BRI by highlighting more prominent advantages to participant European states, or if nothing else, no greater expenses, than acting reciprocally with China.²⁹

²⁷ François Godement, Moritz Rudolf, et al, The United Nations of China: A Vision of the World Order, *ECFR* (April 2018).

²⁸ C. Müller-Markus, "One Belt, One Road: The Chinese Dream and its Impact on Europe", *Notes Internationals* 148 (CIDOB, May 2016). Visit https://www.cidob.org/en/publications/publication_series/notes_internacionals/n1_148_one_belt_one_road_el_sueno_chino_y_su_impacto_sobre_europa/one_belt_one_road_the_chinese_dream_and_its_impact_on_europe

²⁹ C. Müller-Markus, "One Belt, One Road: The Chinese Dream and its Impact on Europe," *Notes Internacionals*, (2016).

A comparable investigation on EU and China cooperation is a continuous feature of study at global level. In May 2017, a huge gathering of 1000 delegates from hundred countries and international bodies invited in Beijing to hear Chinese narrative on BRI. It accumulates those nations that trusted in a proportional trading connection with China yet had debilitated to enter the Chinese market. These states are careful in holding correspondence with Beijing. It is particularly the situation of Germany and France, which are most influential EU states and staunch supporter of norms and value-based policies. Their negotiating position with China to formulize strategic partnership getting tougher³⁰ by the CEE countries, seeking for cash deals. These nations, though, hesitantly but gradually consider China to be better option in contrast to IMF or European loans. According to Meunier, economically sound states of the EU are export oriented and stress limited imports and investments in Europe. They have the observation on opening to Chinese investments with the guarantee from Beijing administration to not take protective measures to get in European businesses into to China.³¹

Likewise, it was noted that weak nations particularly from Eastern Europe expressed less competitive to explore and contend in Chinese market and opening of Chinese market would not reciprocally beneficial. However, Southern European for being possessed sea ports have much more dynamics in trade with China to gain advantages of mutual monetary benefit.³² Rather, other member nations have been creating solid relations with China regardless of whether they were not the ones that undergo the crisis.

The Czech Republic is surely fascinating to Beijing, which has not applied numerous activities in the nation. Until now, the main BRI-related task is a channel within its region that would associate the Danube and the Elbe. Consequently, while breaking down the circumstances of the new Silk Road in this nation, it is conceivable to see the local inclinations, as indicated by LI, are unmistakably supporting an open position of the administration towards Chinese investment. Making welcome situations for Chinese

³⁰ Visit https://ecfr.eu/article/commentary_chinas_belt_and_road_new_name_same_doubts/.

³¹ S. Meunier, "Divide and Conquer? China and the cacophony of foreign investment rules in the EU", *Journal of European Public Policy* 21, No. 7 (2014).

³² Weidong Wang, S. Picciau, How to Strengthen EU-China Cooperation based on Belt and Road, (2018), available at <https://www.redalyc.org/journal/927/92754537002/html/>.

interests in BRI nations is most assuredly an imperative objective for Beijing's tact.³³

On account of the Czech Republic, Chinese negotiators and different performers constantly advance the subject of BRI by welcoming Czech officials for meetings and conferences with think tanks, investment, and business forums in China. In contrast, Czech government officials, media, lobbies, and researchers acknowledge this rhetoric on an extremely broad dimension. In the year 2015, a reasonable case of this dynamic strategy set a new Silk Road Institute, which is a non-administrative association that points to advance Euro-Asian collaboration and to spread attention to the BRI activity. In any case, an expert clarifies that the help of the elites may react to different components. The investments of a Chinese budgetary holding called CEFC have expanded the impact of Czech and Slovakian oligarchs in media, aviation, and financial areas and reinforce Czech political groups that may, additionally, back the Czech Republic's new genius China's political alignment. Given the strong state of impact of the elites in this nation, almost certainly, they will probably shape national inclination development, which is the conglomeration of residential interests.³⁴ Consequently, the situation of the Czech government towards collaborating with the European Union on BRI will depend on a critical degree of how these gatherings see it. This case demonstrates that China may have the power in a few nations to purchase domestic inclinations by fulfilling the interests of the most persuasive groups.

Since EU and China has already made an instrument to advance collaborations through Connectivity Platform as indicated by Montesano and Okano-Heijmans, it has rapidly developed to end up a procedural focal point of EU-China ties³⁵. The authors opined that it has concentrated the gatherings on foundation arranging, endeavoring to make and take benefit from the collaborations for joint programs, while keeping that the Chinese activities undermine the achievement of the current availability designs, in particular the TEN-T. Furthermore, the Platform endeavors to influence

³³ Früst R, "The Czech Republic: New Strategic Partnership with China, yet little BRI Touch", in Van der Putten, et al (eds.), *Europe and China's New Silk Roads*.

³⁴ John Seaman, Mikko Huotari, Miguel Otero-Iglesias, Chinese Investment in Europe: A Country-Level Approach, Report, (December 2017). See https://www.dokumenty-iir.cz/Ruzne/ETNC_Report_2017_complete_FINAL.PDF.

³⁵ Francesco Saverio and M. Okano Heijmans, Economic Diplomacy in EU- China Relations: Why Europe Needs its Own 'BRI', *Clingendael Policy Brief*, (2016).

China to comprehend the wide EU administrative system and the significance to pursue the European principles and measures with regards to public acquirement, rivalry, or environment³⁶. Yet, this body isn't settled and sufficiently able to organize a combined European reaction to BRI.

The CP has a basic issue that may impede its prospects of achievement from the viewpoint of LI. It is essential to note that it is a Brussels-based activity that comes up short on the nearby contribution of member nations. As it were, the CP needs to improve in a progressively comprehensive sense, especially intend to deal with the concerns of the EU national governments. LI viewed the EU as an institutional system to manage the economic and monetary relations among its stake holders through negotiation and coordination. In this way, the CP, can turn into a fruitful device to monitor the impacts of BRI inroads into European markets and to become preventive measure against disturbing influence of China's pursuing power in the European environ. The administration of the Directorate-General for Transport and the European External Action Service (EEAS) can be identified as of unified nature that could positively added as cognizance and productivity required.³⁷ The lack of participation of the member nations would be vital for compelling output and eventual accomplishment of any EU scheme.

This point flawlessly fits within Moravcsik's hypothesis, which sees states act in realistic manner that utilize European organizations as a stage to facilitate their interests and underscores the business visionary job of the supranational substances. Through the focal points of LI, the EC should advance the interests of national governments at the dealing table, to assemble a joint position, better organized transnational network activities, and search for collaborations with BRI.

Conclusion

It is an attempt to inquire about the ramifications of the advancement of China's Initiatives in Europe for the European coordination. For doing so, theoretical frame of Andrew Moravcsik's Liberal Intergovernmental hypothesis was used. Although it has demonstrated a few confinements, the author has given a reasonable structure to comprehend the prevailed hopes and fears in Europe and discussed internal elements that caused extensive

³⁶ Ibid.

³⁷ Ibid.

debate that shape conceivable responses towards the BRI. European countries, which are compelled by local inclinations and national interests, have expressed hesitation to come up with the joint reaction towards BRI. There were reservations for China's venture remain existing. It is equally beneficial for China and Europe not only in financial terms but also by improving network to join all through the mainland, it would become a source of culture and knowledge sharing mechanism.

It is assumed that Beijing will continue highlighting a competitive condition since it enables its investors to achieve better deals. Another element for the EU to worry about China's expanding ability to impact on shaping the political choices of European nations, as appeared in the instances of Greece and Hungary. Which could, in the long run, lead to Chinese potential capacity to influence European legislative issues, particularly when disagreements would be foreseen among EU states as well as between Europeans with Beijing on regulatory matters of BRI. For example, Greece, Poland and Hungary dismissed the EU-proposed mechanism of joint screening of FDI from China, for they are in dire need of fund and consider it an alternative support.³⁸

Furthermore, the possible spread of anti-Sino populism, which appeared during the US presidential campaign of 2016, required to be surveyed in Europe to shift policy preferences in the broader interests of people. EU major states don't want to become protectionist even after visualize an immense and genuine effect of the Chinese trade and investment through Belt and Road programs on the European economy. To achieve a typical and powerful reaction to the Initiative, the EU find some difficulties to manage its member nations cooperation to ensure its position safeguarding the interests of its community.

The Chinese debt trap isn't going away anytime soon since a French bank just agreed to lend the Balkan state 1 billion dollars to pay off the Chinese loan. Many nations, not only non-EU states and those who are already weak, may be attracted by BRI loans to overcome the economic losses caused by the pandemic and encourage development.³⁹ A BRI loan may seem attractive in the near term because of the substantial, quick, and low interest. However,

³⁸ Sophie Meunie, "Liberal Intergovernmentalism, Illiberalism and the Potential Superpower of the European Union", *JCMS* 56, No.7 (September 2018).

³⁹ "Montenegro Hedges to Reduce Chinese Debt Burden." *Reuters*, 9 July 2021.

the long-term implications might be disastrous and harm the EU's reputation and the common interests and security of the EU. When it comes to dealing with China, Europe and America are increasingly realizing that working together more often and effectively is critical. As time befall, however, the ties between Europe and China will grow on more tightly knit platforms, making it more difficult for America and the EU to organize a coordinated response to the threats presented by the BRI.⁴⁰

⁴⁰ Gabriele Ghio, "Belt and Road Initiative in Europe: Between Shapes of Cooperation and Shades of Pressure", (European Army Interoperability Centre, July 2021), available at <https://finabel.org/belt-and-road-initiative-in-europe-between-shapes-of-cooperation-and-sades-of-pressure/>.