

# ФОРМАТЪТ „16+1“ И „НОВАТА СКРИТА ВЪЛНА НА СИНОФОБИЯ“ В ЕС

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## THE “16+1” FORMAT AND THE “NEW HIDDEN WAVE OF SINOPHOBIA” IN EU

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**Abstract:** Against the backdrop of the “One Belt, One Road” Initiative, the “16 + 1” format, fostering cooperation between China and the countries of Central and Eastern Europe (CEE countries), has become an important project. The striving and desire to interact on the base of the formula of equal co-operation (win-win development) promise favorable prospects. Unfortunately, however, in recent years there started a phenomenon within the EU, which we can definitely call a “New Wave of “Sinophobia”.

Although so far it is hidden, this phenomenon is undoubtedly beginning to negatively affect the “16 + 1” format. In the report, we are trying to find out what the roots of this “New Wave of “Sinophobia” are? Another key objective is to think about what should be the response of this negative shadow on cooperation under the “16 + 1” format.

**Key words:** The “16 + 1” format, the countries of Central and Eastern Europe (CEE countries), the New Wave of “Sinophobia” in EU, the answer to the wave of “Sinophobia”

### **Introduction**

In a significant period of time for both sides – the PRC and the countries of Central and Eastern Europe (CEE countries), the relations between them were not seen as key priorities in foreign policy. After the collapse of the USSR and Comecon the former socialist countries shifted towards integration with Western institutions. Accordingly, they ignore the links with China. Also for China other areas were much more important and interesting for cooperation than CEE.

But in 2011, China started to revive its cooperation with this group of countries as a whole. Following the initiative of China in the same year was or-

ganized Economic Forum in Budapest, Hungary. A year later in 2012 officially started the formula “16 + 1” in Warsaw, Poland, where was held the first summit at the level of Heads of Government. The latest such event took place in Sofia, Bulgaria in July, 2018.

### The “16+ 1” Format and “One Belt, One Road” Initiative

At the very beginning the format “16 + 1” has not been considered an important initiative from geopolitical and even from economic point of view. However, at the background of several key events and processes it began to acquire different features. The key events and processes are the following:

- The first milestone is undoubtedly the project “One Belt, One Road” raised by the head of the PRC Xi Jinping, which in itself represents initiative with global significance. Such project increases the importance of CEE;
- Another key process is undoubtedly the "European turbulence" in its various manifestations – as "echoes" from the "Global crisis", which started in 2008, the debt problems in the Eurozone, including the "case of Greece," as well as the “hot points”, concerning Ukraine, the sanctions against Russia, the so-called "Refugee crisis" and some others.



OBOR (One Belt, One Road) Initiative projected transport lines<sup>1</sup>

<sup>1</sup> <http://www.geopolitika.hu/en/2018/02/13/five-issues-worth-noticing-on-the-one-belt-one-road-initiative/>

This active cooperation with PRC, especially the interactions concerned with the “One Belt, One Road” project started to be seen from the CEE countries as important instrument, which certainly gives new meaning to this group of countries considered until now as periphery of EU or as a buffer zone between the EU and the Russian Federation. In the light of the abovementioned project the CEE countries, as well as the format “16+1” started to create opportunities for these countries to play much more significant role in several areas, including EU, as well as to introduce a new meaning in the international cooperation at global level.

### **Some shadows on the sky of CEE-China cooperation – Is there a “Hidden wave of Sinophobia” in EU concerning “16+ 1” format?**

China insists that it wants to share “growth, development and connectivity” and “collaborate more closely on concrete projects” with the EU. However, the European Commission’s vice president Jyrki Katainen made some different points. In speech at Beijing, he said that any scheme connecting Europe and Asia should adhere to a number of principles including market rules and international standards, and should complement existing networks and policies.

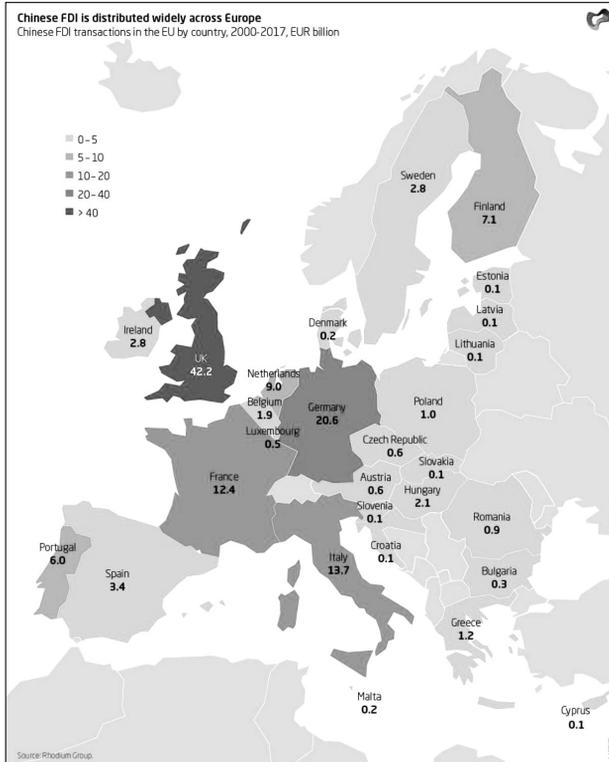
The EU’s reservations about China came to a head last year when EU lawmakers voted against China’s application for “market economy status” under WTO law, which, if granted, would reduce possible penalties in anti-dumping cases. China’s huge production capacity has flooded world markets and threatened the robust industrial base the European Commission considers essential for jobs, growth, and competitiveness.

All these means that Western Europe has a nuanced perception of China, full with several standards. For example, in 2016, Chinese foreign direct investments in the EU reached 35 billion euros, a 77 percent increase over the previous year, mostly in the West. And this situation was welcomed in EU. While some Eastern and Southern European States – non EU members and even EU members – often have little alternative to Chinese capital.

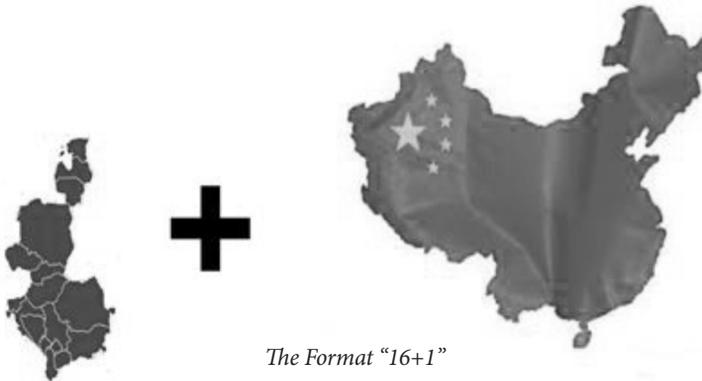
“Belt and Road Initiative” (BRI) represents opportunities for Europe. But it is seen from the position of the main Western European countries as primarily a Chinese project. Project that will help China to expand its influence in the vast Eurasia region in future decades. In these countries dominated the opinion that it is not clear what level of control China’s “partners” will have.

In this situation some China-CEE watchers (and the rest of interested folks) started to be focused on whether and how the platform “16+ 1” is working and how it influences the relationships in EU? The economy has been at the heart of the platform, and most likely it will remain there.

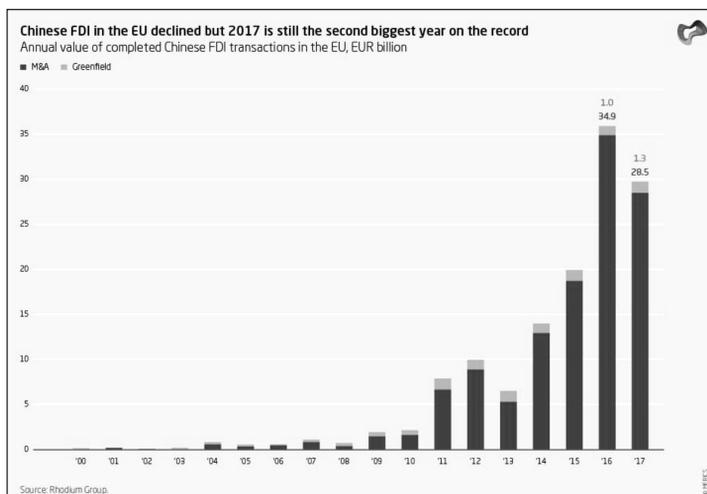
In that connection some authors are commenting that “Half a decade after it was launched, the network of cooperation between China and 16 Central and Eastern European countries has brought uneven economic and political fruits so far. They assert that there is a legitimate doubt whether the platform has produced enough development.” (1. See in: Eric Maurice. China's 16+1 foray into Central and Eastern Europe. In <https://euobserver.com/eu-china/138347>).



*Chinese FDI across Europe<sup>2</sup>*



<sup>2</sup> “Chinese FDI in Europe in 2017. Rapid recovery after initial slowdown” in <https://www.merics.org/en/papers-on-china/chinese-fdi-in-europe>



### *The Dynamic of Chinese FDI in EU<sup>3</sup>*

Agatha Kratz, from the European Council on Foreign Relations, a London-based think-tank, said that: "The success of the 16+1 initiative is to be found on the political side than in the economic side."

According to some authors "Politically speaking, the platform has been accused of affecting the unity of the EU and being a case of China's "divide and rule" approach in Europe. While these voices have been around since the very beginning, they have grown stronger more recently.

According to these voices some CEE countries give enough reasoning for this, with their supportive stances of China going against the EU common position (Hungary in the case of human rights lawyers, for example) or offering controversial flattering (Czech president calling his own country an "unsinkable Chinese aircraft carrier" and wanting to learn from China how to stabilize society)".

Membership of the platform has been also an issue under questioning, according these same circles. The authors belonging to these circles support the idea that "The membership question is important because it sets the direction for the platform. Currently, the platform groups together former communist countries which either are the EU members (11 of 16) or which have membership aspirations.

Any of the new members would shift the balance either toward the EU (Greece, possibly Austria, or another EU country) or another way (Ukraine, Moldova, Belarus)." (2. See in; <https://thediplomat.com/2018/07/what-to-expect-at-the-2018-china-cee-161-summit/>.)

<sup>3</sup> Ibidem.

## Instead of conclusion

Instead of conclusion it is possible to make some generalizations.

The first one is that keeping in mind the quickly changed situation and geopolitical and geo-economics' balance in the world a new but still now hidden tendency is taking place in EU especially concerning the “16+1” format. Frankly speaking it is the tendency of growing Sinophobia;

Secondly, if we try to forecast the future perspectives concerning this tendency it is possible to express the following scenario versions:

- When keeping in mind the already started “Trade War” between US and China and the EU stance toward US, the probability of the above mentioned tendency to increase and to become stronger, is about 50%;
- We evaluate the probability of Sinophobia tendency to be kept relatively on this “hidden level” at about 35%;
- Only 15% is the probability the tendency to decrease.

However, how to deal with the problems, which this Sinophobia tendency bring to us? It is a big question and this question needs much vaster answer, which is not the object of this report.

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