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Reflections of the "Belt and Road" Initiative and China-CEEC Cooperation on the Perceptions of China Pervading the Public Discourse in Albania

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Abstract

China is a very significant country which has been attracting more global attention due to its rapid economic development in recent decades. Although trying for years, it has only after the Eurozone crisis managed to open up a European market for Chinese investment. Strengthening cooperation was further benefited by cooperation under the "Belt and Road" Initiative launched by China in 2013, as well as the existing Central and Eastern European Cooperation Mechanism (the so-called "17+1" Mechanism), which since 2011 has been a framework for improving cooperation with Central and Eastern European countries (CEEC), with which China has historically had very good relations. However, in the last few years, since the promotion of the "Made in China 2025" initiative and the beginning of US President Donald Trump's tenure in power, there has been a rising negative attitude towards the Chinese presence in the US. Under the US pressure, Brussels has also begun to introduce protectionist measures against Chinese foreign direct investments, especially in security-sensitive areas, which has a strong impact on the member countries of the "17+1" Mechanism, bearing in mind that 12 of them are members of the European Union. Taking into account that Albania, as well as other four Western Balkan countries, is not EU members, but aspires to be so, the author looks into whether this country will follow the decisions of Brussels and reduce its level of cooperation with Beijing in the future, following the common position of the European Union. In this regard, the author states how public opinion in Albania perceives co-operation with China within the existing co-operation mechanisms, and what factors influence the formation of such perceptions. At the end of the article, the author makes a projection in which direction will go the further cooperation between China and Albania. To be able to prove the basic hypothesis that despite the change of relations between the US-China and EU-China, in the coming period there will be a strengthening of cooperation between China and Albania, the author uses the structural-functionalist analysis, induction and deduction.

Key Words: China, Albania, BRI, China-CEEC Cooperation, "17+1" Mechanism, perception, public discourse, public opinion.

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Introduction

At the beginning of the 21st century, when China reached a high rate of foreign exchange reserves, and especially after the Global Financial Crisis of 2008, when most of the world's economies were facing its effects in the lobby or at the very epicenter of the recession, a growing number of European national and non-state actors began to perceive Beijing as a potential partner for cooperation.² The result was a strengthening of Sino-European relations, which could be seen in a number of high-level visits, a strengthening of trade cooperation, an increased influx of Chinese foreign direct investment, and a number of partnership agreements.

Progress in cooperation has continued following the promotion of "Belt and Road" initiative (*Yidai Yilu*)³ which included sporadic smaller projects implemented in the past by China along the ancient Silk Road route, as well as existing mechanisms for cooperation with countries along the road, including the Mechanism of Cooperation between China and the Central and Eastern European Countries (the so-called "17+1" Mechanism).⁴ This Mechanism is extremely important to China because it is a framework for improving cooperation with the Central and Eastern European (CEE) countries, with which China developed very good relations during the Cold War, given that they belonged to the Eastern Bloc. The cooperation of CEE countries with China, within the "17+1" Mechanism, takes place at bilateral and multilateral level. One of them is Albania, which is not a member of the European Union, but is a candidate for membership who has received a positive decision to open accession negotiations, but is still awaiting the start of the date on membership negotiations.

After the promotion of the "Made in China 2025" initiative (*Zhongguo Zhizao 2025*), the "China threat" theory has begun to spread worldwide, which has especially strengthened since the beginning of the US-China "trade war". Due to pressure from Washington, Brussels is seeking to align its foreign policy with China more closely with US decisions, using the emerging situation to solve longstanding problems that European companies have in the Chinese market. Bearing in mind that Albania is one of the poorest CEE countries trying to attract investment from various parts of the world, and especially from the PR China, proclaiming as a foreign policy its intention to become an EU member state, it can be concluded

² In 2001, China held 210 billion dollars in foreign exchange reserves, after which they began to grow rapidly, reaching 3,057 billion dollars at the end of 2018.

³ "One Belt, One Road" initiative ("Belt and Road" initiative) aims to link the two economically developed parts of Eurasia (Western Europe and the eastern part of China) by land and sea.

⁴ The short name for the Mechanism of Cooperation between China and the Central and Eastern European Countries was "16+1" Mechanism, and included the following countries: Poland, Hungary, Czech, Slovakia, Slovenia, Estonia, Latvia, Lithuania, Bulgaria, Romania, Serbia, Montenegro, Croatia, North Macedonia, Bosnia and Herzegovina and Albania. At the 2019 Dubrovnik Summit, Greece became a member of this mechanism, and since then it has been called the "17+1" Mechanism, which will be used in this text.

that Tirana should follow the recommendations which are coming from Brussels, and will seek to reduce the level of cooperation with Beijing. Nevertheless, the basic hypothesis of this research is that despite the change in relations between the US-China and EU-China, in the coming period there will be a strengthening of cooperation between China and Albania

In the past period, research on the relations between Albania and the PR China has focused mainly on the positive aspects of cooperation. In this research, emphasis is placed on factors that influence the dynamics of their relations, in the context of the global changes that are taking place. During the research, the author answers the following questions: What is the history of China-Albania relations? Which factors affect the dynamics of their relations? How much is their relations affected by major changes in international relations? What is the future of Sino-Albanian relations? The research will use relevant academic and policy documentation, official statements and news from European and international media. Also, for the sake of authenticity, the research was enriched by formal and informal interviews and conversations the author had with the European, Chinese and Albanian officials, analysts, researchers, journalists and businessmen, who were directly involved in various aspects of Sino-European relations.

The article has five parts. In introduction, the author gives the context for the research will, explains the crux of the problem and sets out the hypotheses. In the second part, the author explains the history of China-Albania relations. In the third part, the author outlines the factors that affect the dynamics of their relations. In the fourth part, the author explains the changes that have taken place since the arrival of new US President Donald Trump in power, and the start of the US/China "trade war", and then analyzes the impact these changes have had on Sino-Albanian relations, especially in the context of the process Albania's accession to the European Union. The concluding remarks will summarize the research and the conclusions reached, after which the author draws a conclusion on the PR China's role in the ongoing development of Albania, provides a projection of the direction of future Sino-Albanian relations and makes recommendations for further cooperation.

The History of Sino-Albanian Relations: Between Ideology and Politics

The PR China and Albania established diplomatic relations on 23 November 1949. At the beginning of the 1960s, Tirana accused Moscow of ideological divergence and accepted the PR China as its only ally and friend. Beijing has responded to this with financial assistance in form of loans, the construction of factories and experts exchange. The poor relationship with Moscow culminated in 1968, when Albania withdrew from the Warsaw Pact in response to the invasion of Czechoslovakia. As a result, there was growing cooperation between Tirana and Beijing.

However, as the regime of Enver Hoxha was extremely dogmatic-Marxist, it quickly began to criticize the Chinese leadership for ideological attitudes and attempts to cooperate with "enemies". The split in relations came gradually as a result of the growing Albanian anti-Chinese propaganda, as well as the thawing of relations between Beijing and Washington, Beijing and Belgrade and Chinese greater cooperation with non-aligned countries. However, during that period (in December 1977), the Chinese sent a ship with cannons, ammunition, light weapons and rifles to Albania. The Chinese experts, about 600 of them civil and military, were still in Albania. The Albanian students continued to study at Chinese universities. In general, the attitude of the Chinese government was that they should not pay attention to what the Albanians do and say. The aim was to complete construction projects that were ongoing and where the Chinese experts took part, leaving it to the Albanian authorities to expel them (CK SKJ, 1978).

During April and May 1978, the Albanians sent several diplomatic notes to the PR China in which they alleged that Chinese economic and military assistance damaged the Albanian economy, that the work of Chinese experts was also damaging and that the PR China for all that should bear responsibility. The Chinese side responded with a note dated 7 July which documented that the Albanian claims were not justified and that their convictions were inaccurate. As the Albanians refused to receive the note, the Chinese government was forced to make a decision to cut all assistance to Albania (Ostojić, 1996, p. 21; DASMIP, 1976). Shortly thereafter, on 8 September, the PR China informed the Albanian leadership with a note that, due to hostile behavior, it was forced to cut the assistance and withdraw the experts. At the same time, the note expressed hope that the two nations will continue to develop friendship, and the two countries maintain normal interstate relations (DASMIP, 1978).

In the period from 1954 until the breakdown of relations, Albania was second in the amount of assistance received by the Chinese government, just behind Vietnam (to which the PR China gave ¥20 billion while North Korea was in third place). During that time, Beijing gave over ¥10 billion of assistance (grants or interest-free loans) and loans of ¥7.5 billion (¥3,000 per capita) to Tirana.⁵ The assistance that was provided consisted of over 1.8 million tons of food, 1 million tons of steel, 10,000 tractors, six electric power plants (total capacity 880 MW) and 20 complex facilities were built, while 23 projects remained incomplete (DASMIP, 1976). As military assistance was an important component in the bilateral relations, the PR China built a weapons manufacturing plant and provided arms for 450,000 Albanian soldiers and 200,000 police officers. Nevertheless, the Albanians were dissatisfied and they

⁵ The value of the Yuan at the time was \$0.70.

constantly criticized that the assistance was small and that it did not come in time. Also, for several years, the PR China was building a metallurgical mill in Albania for the processing of the Albanian ore. Ten years and ¥100 million were spent on this project. As the Albanian ore contained a lot of nickel, cobalt and chrome Chinese were not able to carry out on-the-spot expertise. Because of that, they had to transport the ore to the PR China and engage 260 of their own different plants for expertise. The Albanians did not want to wait for the expertise to be ready, but they insisted that the construction of the plant began immediately, and in the end, 20 out of the 29 planned units of this plant were open. The fact that not all the expertise was completed caused various complications and additional costs (Arežina, 2018).

Diplomatic relations between the PR China and Albania were reestablished in 1990, after which they progressed steadily. Beijing was visited by the Albanian presidents, prime ministers and presidents of the national assemblies, while the then Chinese Vice President, state adviser and minister of foreign affairs, were visiting Albania. To show friendship with the Albanian people, the Chinese government has donated a certain amount of grants to Albania without any political conditions. Also, the volume of trade between the two countries has significantly increased, and it can be said that today the PR China is one of Albania's five largest trade partners. In addition, the two countries cooperate in the fields of culture, education, science and technology, agriculture, sports, radio and television, as well as in international forums.

In 2001, Albania and the PR China signed three agreements covering financial, mortgage and technical aspects of the construction of the Bushat Hydropower Station in the northern Albania. Beijing provided support for the \$126 million preferential loan project, and the station was built by China International Water and Electricity Corp in 2008. In 2005, cooperation between the armed forces of the two countries began, which opened up new opportunities for military cooperation (Poulain, 2011). Four years later, in April 2009, the Albanian Prime Minister Sali Berisha visited Beijing. On that occasion, during the talks with the Chinese President Hu Jintao, Prime Minister Wen Jiabao and other Chinese leaders, he expressed the political will to improve relations based on the five principles of peaceful coexistence and raise them to a higher level. The two sides signed a Joint Statement on deepening traditional friendly relations and documents on cultural and health cooperation. As one of the most important documents on Sino-Albanian relations, the Joint Statement elaborates the basic principles of bilateral relations, including the political basis and directions of development and cooperation. The four main points highlighted are: increasing the dialogue at all levels in order to become the basis for stable political relations, greater emphasis on cooperation in the field of information technologies, energy, infrastructure and mining research, expansion of cooperation in the fields of culture, health, agriculture and tourism, and strengthening coordination in the

United Nations and other international organizations on the protection of the interests of developing countries and the unity of the United Nations. The basic principle of cooperation between the two countries is mutual respect, equality and reciprocity, cooperation and mutual benefit (Embassy of the PR China in the Republic of Albania, 2009).

During his stay in Tianjin, where the World Economic Forum (Summer Davos) was held 9–12 September 2014, the Albanian Prime Minister Edi Rama and the Chinese Prime Minister Li Keqiang held a bilateral meeting. On this occasion, the Chinese Prime Minister stressed that the 65th anniversary of diplomatic relations should be used as an opportunity to improve high-level exchanges and promote practical cooperation in all areas. In his view, the two countries have good prospects for cooperation in the fields of energy, agriculture and infrastructure. The PR China was ready to import more agricultural and mining products from Albania, and Chinese companies that wanted to get involved in the development of infrastructure in Albania would have full government support. The forum was also used for the signing of a Memorandum of Cooperation between the representatives of the Albanian Ministry of Energy and Industry and Power China (Invest in Albania, 2014), as well as for the conclusion of the agreement on the construction of highway between Albania and Macedonia. After that, two Prime Ministers agreed, at the Belgrade Summit in December 2014, to build the Arber highway, which should link Albania with Macedonia (The State Council of the PR China, 2011). Subsequently, in December 2014 the two Prime Ministers reached an agreement at the "17+1" Summit in Belgrade to build the Arber Highway, which is supposed to connect Albania with Macedonia (Balkan Insight, 2015). The highway would continue to Bulgaria, connecting the Albanian coast of the Ionian Sea and the Bulgarian Black Sea coast. However, the project did not come to realization due to an investigation by the Chinese authorities into corruption at China State Construction Engineering Company (CSCEC). In the same year at the "17+1" summit in Belgrade, an agreement was reached on the construction of an industrial park and the development of port infrastructure in the coastal city of Durres.

The following year, in November, a Memorandum of Understanding on the realization of the project of building the Adriatic-Ionian Highway from Trieste in Italy, through Croatia, Montenegro and Albania to Greece was signed. This project is marked as of national significance and opens the possibility for the construction of parts of the Thumane road (near Durres)–Peze-Mullet (near Tirana) and Peze (near Tirana–Dushk (near Fjera). In April 2016, the Chinese company Geo-Jade Petroleum Corp. acquired the Canadian oil company Banker's Petroleum, which also operates in Albania, for 575 million dollars, which included the oil fields of Patos–Marinze and Kucova (Oil&Gas Journal, 2016). At the same time, the Chinese company Everbright Limited acquired through concession the airport Mother Teresa in Tirana

until 2027 (Everbright, 2016). In addition, the Chinese company Sinomine Resource Exploration has established a daughter company in Albania, which works on the construction of mines and geological tests in cooperation with the Albanian Geological Institute. In 2017, China granted a relatively modest 1.5 million euros to the Albanian government to modernize the agricultural sector, and 2 million dollars for the reconstruction of the National Theatre of Opera and Ballet and the Popular Ensemble (Qori, 2017).

Cultural cooperation has developed significantly in recent years. In 2013, a Confucius Institute was founded in Tirana where wider public can learn Chinese. Also, Chinese is taught in secondary and elementary schools. In addition, Albania is extremely interested in developing tourism co-operation with China in order to promote country as a tourism destination: kilometers of unspoiled beaches and remarkable Roman-era historical ruins. Because of this, the Albanian government has decided to make a unilateral move as a way to show willingness to improve people-to-people aspect. In 2016, it simplified visa requirements for Chinese citizens, but even more importantly, in 2018 it has decided to introduce a partial visa-free system, which creates a six-month window for incoming tourists to visit Albania, without needing to obtain visa. But, such Albanian move has not been reciprocal, because for now Chinese have expressed their will to follow, but have not yet specified when this could happen. In a meantime, the CCP government has been trying to encourage more Chinese tourists to visit Albania. As a result, in 2018 the number of tourists increased by 60% compared to 2017 (to 17,000 tourists; Invest in Albania, 2019). Nevertheless, Chinese tourism numbers have been slow to expand, due to fears about Albania's poor public security.

Since April 2017, Albania has signed a Memorandum of Understanding on Cooperation with China under the "Belt and Road" initiative. But, despite all the big talk about BRI infrastructure projects Albania could be involved in, according to an assessment in the 2019 Munich Security Report, Albania is the only Western Balkan country which has not received any loans from the BRI project. Although cooperation under the "17+1" Mechanism and the "Belt and Road" initiative helps the two countries' relations go uphill and top officials meet several times a year, progress in relations is slow and symbolic, as evidenced by the lack visits by the Chinese president and prime minister to Albania, as well as a relatively small number of investments that do not exceed \$800 million so far.

Factors Affecting China-Albania Relations

The relations between the PR China and Serbia are influenced by a number of different factors, and above all is the *importance of the PR China in the 21st century as an international actor to solving world problems*. As a permanent member of the UN Security Council, the

nuclear power, the largest holder of foreign exchange reserves and the UN peacekeeping missionary, its voice has a great weight internationally. Also, there is a growing projection of its soft power by promoting the Chinese model of non-conditional investment and assistance, establishing Confucius institutes and cultural centers, through scientific exchange, panda diplomacy, and etc. As a result, most countries in the world show a tendency to establish, preserve and strengthen good relations with Beijing, as well as Albania.

The second important factor is *the traditionally friendly political relations between Albania and the PR China, which existed until the late 1970s*. Namely, during the Cold War, Albania represented a symbol of struggle within the communist bloc, between the PR China and the Soviet Union. Although originally part of the Soviet Union-led Eastern Bloc, since the 1960s, when the Sino-Soviet schism deepened, Albania has come into conflict with the Soviet Union and Yugoslavia. During the conflict, it received economic and military support from the PR China, with which it carried out 70% of its trade. However, with the dissolution of China's relations with the US and Yugoslavia in the early 1970s, differences in attitudes between Beijing and Tirana deepened, as could be seen in Enver Hoxha's open criticisms of the Chinese leadership. The result was the withdrawal of Chinese assistance and experts from Albania in 1978 (Brady, 2019). Although there was a period of stagnation in relations, good cooperation continued in the early 1990s, and in April 2009, during the visit of Albanian Prime Minister Sali Berisha to Beijing, when the Chinese Prime Minister Wen Jiabao emphasized that Albania represents China's "traditional cooperative partner". Although aware that relations will never return to the level of the 1960s, this factor creates positive perceptions of China both among Albanian citizens and political elites, despite the fact that the PR China is a country that is strongly opposed to the independence of Kosovo*, supported by Albania.

The third factor affecting China-Albania relations is *good geographical position, proximity to the EU market, and Albania's wealth in natural resources*. Namely, due to its strong economic expansion over the past few decades, especially after the 2008 Global Financial Crisis and the decline in the capital investment by the leading economic powers of the European Union, the PR China gained the right opportunity to take a more serious approach towards the European market through the "Belt and Road" initiative. In this sense, Albania is a significant link between Central Asia and Europe, as the shortest land route between the Adriatic Sea, and the Aegean Sea. It represents a form of preparation ground for Chinese companies to gain experience in complying with European standards, but without stronger competition from the EU or stronger regulatory pressure. This is especially significant after the failure of COVEC to build a motorway from Berlin to Warsaw. It corresponds to Chinese companies that Albania has direct and privileged access to the EU market, lower taxes, a lower-

income labor force, direct access to the entire European market, and the ability to provide state guarantees for preferential loans, which EU member countries are unable to do. It is also significant for China that Albania is rich in natural resources (chromium, copper, nickel and crude oil), which are very important to the Chinese.

The fourth factor is *Albania's need for fresh capital* to fill the investment "vacuum", resulting from the weakening of the economic and financial capacity of most European countries during the 2008 Global Financial Crisis and the 2009 Eurozone Crisis. Bearing in mind that the PR China is the largest holder of foreign exchange reserves in the world, Albania, which is one of the most underdeveloped states in South Eastern Europe, means a lot that it has good cooperation with Beijing, primarily because Chinese investment and loans come no strings attached, unlike those coming from the EU. However, the Albanian leadership is aware that the basic prerequisite for the arrival of Chinese investors is the security of investments, and that it must address the problems with organized crime, which has arguably become one of Albania's worst problems.

The fifth important factor affecting Sino-Serbian relations is *relations with the European Union in the context of the functioning of the "17+1" Mechanism*. Namely, the PR China wants to have good partnership relations with Brussels, primarily because they share a desire for a more balanced international order based on effective multilateralism, and have significant trade cooperation with around €1.5 billion in daily trading. The European Union market is very important for exporting Chinese products and investing Chinese capital, especially after the beginning of US-China "trade war" in March 2018. However, Brussels's officials do not favor the cooperation of the PR China with the countries of Central and Eastern Europe within the framework of the "17+1" mechanism. Some statements indicated that they perceived the mechanism as a "Trojan horse" and one more Chinese attempt to enter the European Union at the small door and divide it to the East and West. Therefore, CEE countries were advised not to "violate EU regulatory rules" when concluding economic agreements with the PR China, and Serbia and other Western Balkan countries were warned about the use of preferential Chinese loans, because of the possibility of being in a "debt trap" (United States Senate, 2018). Thus, the EU's double-standard policy puts Albania in a subordinate position vis-à-vis member states, which have not received similar warnings when concluding agreements and attracting investment (Arežina, 2018, p. 187).⁶

⁶ The example for this is a warning which the European Commission gave to Poland in 2012 regarding its the intent to unilaterally cooperate on the energy issues with the PR China, while on the same issue Brussels did not react in 2013, when Germany, the United Kingdom, Austria and Italy acted unilaterally.

The sixth significant factor that probably has the greatest impact on Sino-Serbian relations is *relations with the United States*. As the superpower, which guarantee security protection many allies, US are in a position to impose their foreign policy positions on other countries in the world. Wanting to protect American interests, President Donald Trump has taken a complete turn in foreign policy by completely transforming the international environment in which international relations have taken place up until then. The consequence is that the geo-economic relations of coexistence have been replaced by confrontation and rivalry, which has led to increased protectionism and reduced economic and financial flows throughout the world. The beginning of a "trade war" with the PR China caused the perception "China as a partner" has been replaced by a new perception "China as a rival". Albania is aware of changes in US foreign policy that are most reflected in relations of Allies with China. In this regard, the Albanian officials is keen to continue to foster good relations with the US, which has been particularly deepened since it became a full-fledged NATO member in April 2009 and hosted the first NATO air base in the Western Balkans in 2019.

Opportunities for Sino-Albanian Cooperation in the Context of Strengthening Sino-European Rivalry

As relations with the US represent the most significant factor affecting Sino-Albanian relations, it is necessary to consider the new situation in the world that came into the power of new US President Donald Trump in January 2017. Facts say that the US since the promotion of the "Made in China 2025" initiative (*Zhongguo Zhizao 2025*), and especially since the arrival of the new US President Donald Trump in power shift its focus from public-interest to self-interest in order to address internal development ("America first"; Arežina, 2019, p. 297). The result is Washington's withdrawal from a large part of global affairs in which there is no American interest, which has the negative consequences of preserving multilateralism. At the same time, considering that the US has long been the victim of unfair trade agreements and trade relations, Washington has adopted an aggressive trade stance seeking to change existing agreements in order to establish and promote free and "fair" trade with all major US partners. After the NAFTA agreement (with Canada and Mexico) and the KORUS agreement (with South Korea) were amended, US leadership began negotiations with Beijing to address problems stemming from "unfair Chinese trade practices and theft of US intellectual property". However, after several unsuccessful rounds, the negotiations grew into a US-China "trade war" in March 2018 (Smith, 2018).

Shortly thereafter, US officials began pressuring Brussels to tackle the "unfair Chinese trade in order to reduce the takeover of sensitive technologies". The result is that the European

Union starts to block the purchase of certain security-sensitive companies by Chinese companies and seek to accelerate the introduction of protective measures in the European market that would limit the entry of Chinese capital, especially in security-sensitive sectors (US Embassy in Georgia, 2017). In March 2019, the European Union adopted a framework for the screening of foreign direct investments coming to Europe (a mechanism similar to the Committee on Foreign Investment in the United States), especially those concerning investment in strategic sectors (Regulation (EU) 2019/452 establishing a framework for screening of foreign direct investments into the European Union; European Sources Online, 2019). Also, the European Commission has proposed reworking competition rules and launching a reciprocity in public procurement (advocated by France for many years), which would be a "more effective weapon" against large Chinese companies in the European market (Vela, Barigazzi, 2018). In addition, Brussels went one step further by designating the PR China as a "systemic rival and economic competitor". Such Brussels policies and restrictive measures introduced by the Chinese leadership in August 2017 to increase controls on the exit of capital from the PR China have resulted in a reduction of Chinese investments in the European Union market from €37 billion in 2016 to €29.1 billion in 2017, and €17.3 billion in 2018.⁷

Bearing in mind that Brussels expects candidate countries to harmonize their foreign policy with EU decisions, it is expected that Albania reduce its existing level of cooperation with the PR China, and above all the number of Chinese investments and loans. In this regard, on several occasions EU Commissioner Johannes Han has sent messages to officials of the Western Balkans, including Albania, that they should pay attention to the preferential loans they take from the Chinese financial institutions for infrastructure projects because of the possibility of falling into a "debt trap" due to indebtedness and inability to fulfill their financial obligations (Mastilović Jasnić, 2019). Although Albania's foreign policy compliance with EU decisions has been high in the previous period (around 80% when it comes to China), Albanian officials have continued to develop relations with China and are positive about strengthening cooperation under the "17+1" Mechanism, and the "Belt and Road" initiative, primarily because of economic interests, that is, the need for foreign capital inflows to provide jobs and rebuild poor infrastructure. The statements of the Albanian President and the Prime Minister always refer to "traditional historical friendship" and "long-lasting friendship", as well as those which point out the two countries as "good friends" should have "mutually beneficial cooperation" (Belt and Road News, 2019). Most of Albanian politicians are "willing to learn" from the CCP's

⁷ Thilo Hanemann et al., "Chinese FDI in Europe: 2018 trends and impact of new policies", Papers on China, Merics, 6 March 2019, <https://www.merics.org/en/papers-on-china/chinese-fdi-in-europe-2018>, 4 April 2020.

experience in "governing the Party and governing the State" (Brady, 2019). In talks with the Chinese leadership, they mostly insist on mutual visa waiver between the two countries and boosting agricultural imports from Albania. In 2019, after the Second Belt and Road Forum, Albanian diplomat and former Ambassador to Beijing, H.E. Hajdar Muneka stated: "While recalling an old saying of Chairman Mao 'Albania is a lighthouse in the Adriatic' I wonder why our country cannot become a lighthouse of the New Silk Road" (China-CEE Institute, 2019). In the academic world, the most positive statement can be heard about the cooperation between the two countries within the "Belt and Road" initiative, about the common communist history as a representatives of the pure Marxist line, and the Albanian support to the PR China in the United Nations during the 1960s and 1970s. In Albanian media and newspapers, nothing negative can be heard about the PR China, but mainly statements that produce sentiment towards the PR China in the elderly population, and mainly refer to Albanian films shown in the PR China during the 1960s and images with the statements from the Cultural Revolution such as "Long live the eternal and unbreakable friendship in the battle between people of China and Albania!", "Long live the friendship of the parties of China and Albania!", and "We are real friends!" (Qin, 2013).

Accordingly, it can be said that public opinion in Albania is extremely positive oriented towards developing further cooperation with the PR China. Consequently, the Albanian leadership's policy towards the PR China is more moderate than the Brussels one, despite the fact that they are "afraid" of the Dutch parliament's threats to return the visa system to Albanians. It should be kept in mind that Albania is a candidate for EU membership, which get the decision to open the accession talks only on March 25, 2020, after two years of promise by the EU, while the start date for the negotiations has not yet been set, although it is announced in the autumn 2020 (European Commission, 2020). However, it is likely that Brussels will delay with the decision again, citing failure to meet set requirements, such as further reform of the rule of law, the fight against corruption, etc., which will further reduce Euroenthusiasm in Albania, which is one of the poorest countries in South Eastern Europe, with the rate unemployment of 17%. To strengthen cooperation with the PR China, Albania within the European Union has the support of the Visegrad Group, as well as some of the old member states, such as Italy, which develop good relations with the PR China, seeking to attract as much Chinese capital as possible, without regard to the security risks, indicated by Brussels.

In recent years, cooperation has been most promoted and developed within "Belt and Road" initiative, that embraces the "17+1" Mechanism, and the number of Chinese investments has grown to such an extent that the PR China is the largest foreign investor in Albania. There are not many Chinese preferential loans, so EU warnings are unfounded because Albania's debt

to China is around €1.5 million, which is only 0.04% of the country's total external debt. However, trade was developing, and it should be noted that in 2019 China represents the third export partner of Albania, after the Italy, with 32,7% of total exports, and Greece, with 7,2% of total exports, while China accounts for 6,9% of total Albanian exports (China-CEE Institute, 2020). Albania is also making strenuous efforts to boost the influx of Chinese tourists, especially as part of its tours in the Western Balkan region.

Conclusion

The beginning of the research provided information on the history of Albania's relations with the PR China. Special emphasis was placed on the period of relations after the start of the Eurozone crisis in 2009. During this period, there was a marked strengthening of the political, economic and cultural relations between Albania and the PR China, bilaterally and multilaterally, which were primarily reflected in the increased number of high-level political visits, foreign direct investments and preferential loans granted by Chinese financial institutions. Good political and economic cooperation formed the basis for strengthening cultural and scientific cooperation, especially after 2012 when the "17+1" Mechanism was established and deepened after strengthening cooperation under the "Belt and Road" initiative.

During the research, the factors that influence the cooperation between Albania and the PR China were identified. Analyzing these factors, it was concluded that most of them have a positive impact on relations between the two countries. This is primarily about the relationship of both countries with the United States, which in the last three years, after the arrival of US President Donald Trump, have been pursuing a markedly negative foreign policy towards the PR China. Comprehensive confrontation of US with China has spilled over into the EU, which has used this momentum to gain a better negotiating position to reach an agreement with Beijing on resolving outstanding issues that have plagued European companies in the Chinese market for two decades. At the same time, Brussels has been introducing a number of safeguards that should reduce the inflow of foreign investment into the EU market, notably Chinese investment, especially in security-sensitive sectors. Consequently, this attitude towards the PR China should also be reflected on the EU candidate countries, bearing in mind their obligation to harmonize their decisions with European legislation and the EU common position during the accession process. However, analyzing the public opinion in Albania, the activities of the scholars and the Albanian leadership over the last three years, it was concluded that this factor has no particular impact on Albania, given that cooperation with the PR China has been intensified during this period, especially under the "17+1" Mechanism and the "Belt and Road". Although Albania has a high percentage of harmonization foreign policy decisions with EU common

positions, even when it comes to decisions concerning the PR China, the fact is that with a slowdown with the Euro-integration process and a decrease of Euro-enthusiasm in Albania, as well as an increased presence of Chinese investment, Albanian leadership will increasingly deviate from this practice. It is certain that Albania will no longer be "leaning to one side" in its foreign policy because it has learnt a historical lesson in the hard way.

Albania has attracted several investments from the PR China over the past three years, but its leadership is seeking to further enhance existing cooperation. In this respect, one of Tirana's core interests is to increase exports to the Chinese market, especially the mineral products and metals that the Chinese are interested in, but also agricultural products. As individual negotiations on the export of deficient products to the PR China are proceeding very slowly and yielding barely visible results, the Albanian leadership should consider a regional approach under the "17+1" Mechanism. The Chinese government could make a list of products required by the Chinese market, where agricultural and animal products from Albania and the region would find their place. The focus could be on Western China, given that there is already strong competition in the Eastern provinces with the companies from the US and Western Europe. Also, Albania should work together with the Western Balkan countries to attract as much investment as possible, and to negotiate high-profile multilateral projects, preferably with the participation of EU member states, tied to long-term EU strategies and EU-China cooperation plans, such as the EU-China 2020 Strategic Agenda for Cooperation and the Juncker Plan. Therefore, it can be said that the greatest responsibility lies with the heads of state because they need to show that they are aware that only together, they can turn sources of power into successful smart power strategies – and thus achieve the individual interests and goals.

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