

Beyond the EU as the ‘Only Game in Town’: the Europeanisation of the Western Balkans and the role of China

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Abstract

The prospect of accession of the Western Balkans into the EU has been declining, with Brussels unwilling to accept new members, and the Western Balkan region becoming indifferent towards adopting EU-imposed norms. Although this process has been extensively studied, the academic literature has largely omitted the roles of external actors. This article fills the gap by focusing on China and its role vis-à-vis the ongoing Europeanisation of Serbia and Montenegro, both of which host significant Chinese investments and are regional frontrunners in the EU enlargement process. We begin by addressing theoretical aspects of Europeanisation and then apply this framework to our case studies. Our position is that the two states’ turn to the policy of alternatives is the result of failing Europeanisation, allowing them to deepen their engagement with China - an action that has become synonymous with the policy of alternatives to EU enlargement.

Keywords: China, Western Balkans, Europeanisation, Serbia, Montenegro

Introduction

Francis Fukuyama’s assertion of the ‘end of history’ is perhaps best merited when the recent experiences of the Central and Eastern Europe (CEE) former communist countries are taken into consideration (Fukuyama, 1992). The European

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and North Atlantic Treaty Organisation (NATO) integration, democratisation, and market liberalisation have become the singular strategic goal of the countries in the region although with varying degrees of success. The West, with its ideas, concepts – and capital – faced little competition in the CEE region throughout the 1990s and the early-to-mid 2000s, resulting in the 2004 ‘Eastern enlargement’ of the EU. Following the 2008 economic crisis and ‘enlargement fatigue’, which deeply influenced EU institutions, impacted structural and cohesion funds, and had vast consequences for employment policy and labour migration, fractures in this otherwise clearly envisioned road for the region became visible. Since then, Europeanisation of the Western Balkans has stalled, with Croatia being the last state to enter the Union. Serbia and Montenegro, as the regional frontrunners for EU membership, have started negotiations though chances of them entering the EU in 2025 seem slim at best.

Using the definition of Europeanisation as a politically driven process in which EU policy-making processes, institutions, and legal systems impact domestic rules, laws, policies, institutional mechanisms, and actor behaviour in non-EU member states, it is evident that the EU externally driven pressure imposed within the conditional policy has resulted overall in a limited impact on domestic changes in the Western Balkans (Kmezić, 2017, p. 5). By using external incentive models as a tool of transformative power to persuade prospective members to comply with EU norms and rules, Brussels has poorly affected the process of democratisation in the region and its institutional capacities. The Western Balkans domestic political elites have often used various EU initiatives to ensure the survival of governing elites aiming to consolidate their power (Interview with project coordinator¹). The extent to which the European Union and domestic initiatives affect each other depends on the prominence of various EU policies (judicial reform, rule of law, corruption, and organised crime, etc.) in the domestic politics of candidate countries. In the absence of public interest for certain EU policies, Brussels is faced with a limited impact on domestic changes in the region (Börzel and Risse, 2012, p. 200; Keil and Zeynep, 2015, p. 9).

In recent years, the Western Balkans has witnessed the rise of authoritarianism, with corrupt individuals in leadership roles preventing reform processes towards transforming domestic politics into accountable, rule-of-law systems (Bieber, 2020). While rhetorically accepting the need to change, these leaders have relied on power maximisation and refrained from any substantive EU-induced changes domestically (Radeljić, 2016). This has partly been the result of the EU’s attitude towards the region, with Brussels prioritising, in effect, stability over actual reforms (Vučković and Đorđević, 2019). The beginning of 2020, however, signalled a possible modification in this approach, with the EU aiming to “focus on

¹ Interview with project coordinator, Prague Security Studies Institute, May 2021, Prague, Czech Republic.

fundamental reforms, starting with the rule of law, particularly the reform of judiciary sector and merit-based results in investigation, prosecution and final conviction of high-level corruption cases, developing independent democratic institutions and strong administrative sector respecting the merits-based approach” (European Commission, 2020).

China got out of the 2008 financial crisis seemingly unharmed and strengthened its global appeal and its foreign policy ‘assertiveness’ (Johnston, 2013). As a result, Beijing has continued its ‘going out’ process which has seen an increasing presence of various Chinese actors worldwide (Shambaugh, 2013). The trend has been well visible in the CEE since 2011, when China initiated a regional platform for relations with 16 countries, the so-called 16+1 platform (Turcsányi, 2020). The announcement of the ambitious Belt and Road Initiative (BRI) in 2013, which was to include the CEE region, has further emphasised Beijing’s aim towards increasing its role in this part of the world. China’s influence has become a hot topic beyond academia, attracting significant attention worldwide (Brady, 2017; Walker and Ludwig, 2017; Diamond and Schell, 2019).

In this paper we tackle the link between the failing Europeanisation of Serbia and Montenegro with respect to the growing role of China. We do this by addressing the nature of the Europeanisation process and proceed with this theoretical framework to elaborate on China’s growing economic presence. We also rely on the analysis of the media discourse regarding the Chinese economic presence to support our claims regarding the arguments of state capture, the nature of Chinese economic ventures, and the views of elite actors. The media analysis of the online news content in both states in the period of 2017 to 2019 provides insight into the Serbian and Montenegrin elites’ views, whereby we pay specific attention to the use of language in their public appearances when framing or characterising China’s presence, activities, and roles in both countries. We opted for analysing the content that appeared in the major online media outlets such as, 24 sata, ALO!, Blic², Dnevni list, Danas, Informer, Kurir, Novosti, N1, Politika, RTS, and Radio Slobodna Evropa in the case of Serbia and Vijesti, Aktuelno, Pobjeda, CDM, and Dan in the case of Montenegro.

Methodologically, we are guided by studies in the field of content and discourse analyses, as these methods represent relevant analytical tools applied in both area studies and international relations (IR) studies alike (Van Dijk, 1988; Fairclough, 2001, 2005; Kjær and Larsen, 2015). Our intention herein is to use the media analysis to show that the elites of both states engaged in rhetorical defence of China, referring to its role in the Balkans in extremely positive terms by providing rationale of the said role and by picturing Beijing as the lead international power

² Blic (2019), Vučić na svečanosti u Sava centru: Kina nema pouzdanijeg partnera i iskrenijeg prijatelja od Srbije, 21 September (retrieved from <https://www.blic.rs/vesti/politika/vucic-na-svecanosti-u-sava-centru-kina-nema-pouzdanijeg-partnera-i-iskrenijeg-x8llnbv>).

assisting the region. After gathering the articles published in the selected media in the given period, we removed those that were not directly related to our topic. The articles we were left with were then stripped of their html. content and subjected to analysis using AntConc, a freely available tool allowing researchers to identify both clusters (target words and/or expressions and the frequency of their use) as well as the context in which these were used. This method provided us with a clear picture of the context of the elites' treatment of and views on China's role, allowing us to rely on these insights as a major argument supporting our claims herein.

1. Structure of the article and research considerations

This paper proceeds in the following manner. The introduction is followed by a section on the state of the art regarding our topic, where we present the major studies relevant to our discussion. We then introduce theoretical considerations, indicating the main issues with Europeanisation of the region and point to problems that we then deliberate on in the subsequent two sections on Serbia and Montenegro. These two sections are complemented by a short discussion that reflects on the major insights we have arrived at with respect to the given case studies. The main points raised throughout the article are briefly reiterated in the concluding section.

With respect to our research considerations, this article aims to answer the following research question: Is there a link between the failing Europeanisation of Serbia and Montenegro and the growing role of China in this part of Europe? To answer this question, we first apply theoretical considerations on the Europeanisation of the Western Balkans to the empirical analysis of the current situation in the region, showing how the theory of the process significantly differs from its results in practice. We point to our main findings, such as state capture by the elites, rampant corruption, informal networks of private interest, clientelism, etc., as the warning signals and indicators of the failing Europeanisation process. Second, we analyse China's role in both states and the elites' public discourse on it, showing how both Serbian and Montenegrin elites have chosen to strengthen their relations with China while portraying it as the great alternative to the EU. To establish the link between the first and the second, we show how the said issues in the failing Europeanisation have opened the space for China to move into the region, with the political elites from Serbia and Montenegro welcoming Beijing as an alternative to the EU. Hence, the elites have been able to play the China card and thrive on often non-transparent deals at the time when the EU is still not sure what to do with the region. This situation further disincentivizes the elites in both states to engage in EU-induced reforms, leaving the process of Europeanisation void of meaning and the region effectively in danger of becoming both increasingly undemocratic and increasingly under a growing Chinese influence.

2. State of the art

The Western Balkans regularly appears in discussions as one of the regions affected by the growing influence of China. The International Republican Institute published a report entitled ‘Chinese Maligned Influence and the Corrosion of Democracy,’ which included Serbia among other 11 ‘vulnerable democracies’ where the alleged Chinese influence may undermine the American-led liberal democratic order (Shullman, 2019). In a similar way, two German institutes, GPPi and MERICS, have published a joint report on the Chinese authoritarian advance, arguing that the CEE region, especially the Western Balkans, is at the forefront of China’s rising influence (Benner et al, 2018). The Western Balkans is additionally included in the group of countries characterised as being at the receiving end of China’s ‘chequebook’ diplomacy – hosting large amounts of Chinese loans potentially unable to be repaid, thus creating a dependency situation that Beijing may abuse as leverage in future dealings (Hurley *et al.*, 2019).

Kavalski argues that China has, in essence, already become a European power by means of its activities in the CEE region (Kavalski, 2019), while Vangeli shows how the attractiveness of ‘Global China’ has strengthened its ‘symbolic power’ (Vangeli, 2018). Both authors frame their ideas on the Western Balkans’ situation to a significant extent. Indeed, the Western Balkans holds a special place within the broader CEE region due to its different approach to communism and the peculiarity of the post-1989 transformation, among other factors. This and the fact that the region is still outside the EU has generally created more welcoming circumstances for China than the rest of the economically more advanced CEE region (Turcsányi and Qiaoan, 2019). However, “meeting membership conditions (for the candidate countries) and achieving speedy economic development may clash if the latter is based on extensive cooperation with China that is at odds with the EU technical standards and political requirements” (Khaze and Wang 2020, p. 13). On the other hand, authors, such as Pavličević, caution against exaggerating the role of China by arguing that the EU has reasserted itself in the region by being a major ‘structural power’ (Pavličević, 2019).

This article contributes to the understanding of China’s relations with the Western Balkans by combining the studies on Chinese foreign policy and, specifically, the China-CEE relations, with the scholarship on Europeanisation. It focuses on an issue largely left outside academic interest – the role of external (non-EU) actors in the process of Europeanisation of the Western Balkans. China has become a crucial external player in the region in the last decade³, steadily replacing

³ Munich Security Conference (2019), Munich Security Report 2019 - The Great Puzzle: Who Will Pick Up the Pieces? (retrieved from https://securityconference.org/assets/02_Dokumente/01_Publikationen/MunichSecurityReport2019.pdf).

Russia in this role.⁴ We argue that the Western Balkans' turn to the policy of alternatives is, at least partially, the result of the failing Europeanisation, due to the lack of a credible EU membership perspective and the vagueness of enlargement. We do not argue that China is intentionally preventing the region from joining the EU, nor that China is the prime reason behind the failing Europeanisation. Weak institutional systems, entrenched corruption, and authoritarian tendencies have influenced such a scenario (Bieber and Tzifakis, 2019), making cooperation with China highly interesting and profitable for the Western Balkan elites who are unwilling to undergo EU-induced reforms, leaving the future of EU integration uncertain.

Recognising significant differences among individual Western Balkan countries vis-à-vis China and the EU, respectively, our focus lies with Serbia and Montenegro. The two countries have started EU membership negotiations while witnessing considerable Chinese economic involvement: Serbia with several projects, and Montenegro with one major project that may well decide the future of this country⁵. We have flexibly approached the two case studies: in the case of Serbia, we mention Belgrade's national interests and rhetoric related to China's support over the Kosovo issue, and we examine the complex economic interests of the elites willing to enter into deals with Chinese actors as a means of balancing the EU. With respect to Montenegro, we tackle the highway project, which is not only dominating its relations with China but represents the most crucial infrastructural project in its history, by showing the project was pushed forward by the specific interests of the then Montenegrin elite who engaged the Chinese side contrary to EU recommendations.

We do not provide a comprehensive analysis of either the EU's or China's perspectives, which are both diverse and should not be simplified as a single perspective (Rogelja and Tsimonis, 2020). It would be wrong to interpret our analysis as suggesting that all Chinese investments are problematic with no benefits for the Western Balkans. Clearly, establishing pros and cons of economic cooperation with China is beyond the scope of this article (see Tsimonis *et al.*, 2019). Neither do we want to contribute towards a stereotypical image of the region as a playground for great powers without any agency of its own. Quite the opposite, we want to highlight the importance of whatever choices the said countries and their individual politicians make in balancing (even if only symbolically) between the EU and other external actors with the intention to maximise their own personal benefits, irrespective of how non-beneficial these engagements might be for their national societies.

⁴ REACTION (2020), Belgrade is embracing China as it ditches its Russian alliance, 10 July (retrieved from <https://reaction.life/belgrade-is-embracing-china-as-it-ditches-its-russian-alliance>).

⁵ Interview with program manager, Prague Security Studies Institute, May 2021, Prague, Czech Republic.

3. Theoretical considerations

Schimmelfennig and Sedelmeier argued that the rationalist bargaining model uses the logic of consequences to explain how and why EU standards and rules are adopted in the process of Europeanisation (Schimmelfennig and Sedelmeier 2005, pp. 10-18). These authors highlighted the rational actors’ roles aimed at their prosperity and power maximised in the process, while the model was based on the EU having formulated rules, standards, and norms that the target accession states must adopt in the process of transformation towards joining the Union. This process is based on receiving rewards (or denial of rewards in cases of non-compliance) with respect to states advancing (or receding) in the accession process. The rewards may be institutional, financial, or technical in nature, as the Instrument for Pre-accession Assistance (IPA) and various cooperation, trade, and association agreements indicate. This policy of conditionality is based on the principle of the reward-threat balance, which means that compliance is rewarded by Brussels (the target country advances), while non-compliance results in the lack of reward, which essentially leaves the country somewhat ‘on its own’ in the integration process, with the European Union influencing the state towards striving to perform better in this respect.

The same goes for foreign policy, with its Europeanisation happening in “three ways: projection of national policies to the EU level; national adaptation and convergence of policies; and the reconstruction of identities or internalisation of the European identity in national structures” (Demirtas, 2015, p. 127; Wong, 2017). In this respect, there is the so-called “uploading” that “represents the impact of states on EU foreign policy formulation. On the other hand, national adaptation, that may be called downloading, refers to the convergence of foreign policy behaviour and norms of states with those of the EU. The third way corresponds to the social constructivist approach according to which elites might be socialised via EU rules through time and come to behave according to the European norms and values simply because of their belief that it is right and legitimate to follow the European path” (Demirtas, 2015, p. 127; Wong, 2017).

Europeanisation, therefore, depends on the factors of credibility and misfit. Credibility “refers to the reliability and persuasiveness of the EU’s conditions”; misfit “represents any kind of misfit between the Union and the target states that might lead to diffusion of the impact of the Union” (Demirtas, 2015, p. 127). Hence, “domestic change becomes more likely if the misfit is coupled with EU incentives”, leading to greater domestic internalisation of the EU rules and norms without pressure by domestic actors to veto the adoption process (Soyaltin, 2017, p. 6; Börzel and Risse, 2009). It is, therefore, important to note that, “the accession process tends to strengthen the position of the executive branches of the applicant country since they control the accession process and direct the pace of transformation” (Dereci, 2019, p. 96). The high credibility of the conditionality equation matters (and it is low

in the Western Balkans), whereby permissiveness towards the negotiating states is excluded, with the speed and size of rewards being central in this respect. This is because an opportunity for EU membership that is credible is the most powerful tool influencing the target states towards domestic transformation, with Brussels benefitting both from the respective power asymmetry in relation to the accession states, and from the consistency of the measures applied. This asymmetry assumes withholding rewards with relatively little or no cost to Brussels' interests, thus demonstrating that the accession states, as the 2004 accession indicated, needed the EU more than vice versa (Gateva, 2016).

As both Serbia and Montenegro are frontrunners in the EU negotiations, one would assume that they would act in the described manner if the EU rewards outweighed domestic adoption costs (Schimmelfennig and Sedelmeier, 2004, pp. 663-667; Börzel and Risse, 2012, p. 195; Sedelmeier, 2011, pp. 12-14). The effectiveness of conditionality is dependent on several internal and external factors relevant for our case study: the cost-benefit calculations of domestic political actors are linked to a number of factors stemming from the credibility of the EU threats and promises, the roles of domestic veto players, the adoption costs for domestic political actors, the determinacy of numerous EU conditions, as well as the speed and size of the EU rewards.

In their research on negative aspects of the conditionality, Richter and Wunsch have mentioned issues related to "state capture as a key explanatory factor for the observed decoupling between formal compliance and democratic performance in the Western Balkans" (Richter and Wunsch, 2020, p. 42). This growing body of literature indicates that political elites in the Western Balkans have engaged in state capture, with elites abusing the media, creating a clientelist system with informal power structures by weakening the rule of law that nevertheless exists in formal terms (Kmezić, 2020; Keil, 2018; Kmezić and Bieber, 2017). Kmezić additionally claimed that "the structural weaknesses of democratic institutions are purposefully exploited by domestic competitive authoritarian regimes, which are able to misuse these fragile institutions to their advantage" (Kmezić, 2020, p. 184). To complement these claims, Ottaway argued that the connection "between economic liberalisation and democratisation is complex" (Ottaway, 2003, p. 18), whereby "economic institutions and policies are an outgrowth of the political process" (Rode and Gwartney, 2012, p. 617).

Speaking of the complexity and related problems, it is necessary to mention the domestic adoption costs that, in the enlargement process, are equated with power and privilege losses on behalf of the domestic elites, and which are viewed almost exclusively negatively by the so-called "veto players" resisting such changes. Tsebelis (2002) defined the veto players as all public and private actors with influence on domestic (political, economic, and social) changes, such as tycoons, crime networks, current and former state security officials, etc. These players effectively sanction the domestic status quo and influence its change by establishing

and influencing formal and informal patronage networks resisting changes they see as harmful to their interests. They may wield considerable influence on the domestic political elites, meaning that those states with strong civil society organisations, independent institutions, as well as pro-EU governments represented by pro-EU (usually liberal democratic) political parties, are less likely to be influenced as such (Elbasani, 2018, p. 9; Sedelmeier, 2011, pp. 14-15). This is, however, not the case with Serbia and Montenegro, as the strength of the veto players and their influence on the political elites, coupled with issues related to stateness and statehood, strong clientelist and informal networks created by ruling political and economic elites, high levels of corruption, and the increasingly strong roles of authoritarian leaders have resulted in the failing Europeanisation of the region, while also personally benefiting the elites (Radeljić 2019; Elbasani, 2018, pp. 11-12; Börzel, 2011, pp. 8-9). These benefits revolve around advancing one's political interests and enjoying economic advantages in having relied on the policy of bargaining by opting for non-EU actors who provide greater and more timely benefits.

We therefore contend that Serbia and Montenegro chose to strengthen their relations with China as the alternative to Brussels, with this process allowing political elites to take personal advantage of this course. This means that these states have simply not played along with China's initiatives, but rather decided for the given alternative that has brought numerous opportunities to the elites and also sent a warning signal to the EU (interview with program manager), with the elites leading and influencing both the speed and form of the state transformation process. Serbia and Montenegro have witnessed "competing networks of clients, further entrenching state capture, practices of clientelism, patronage, corruption and abuse of office" (Kmezić, 2020, p. 186), which has allowed the ruling elites to have control over "weak institutions and unrestrained access to public funds and rents. They used this opportunity to abuse public funds for their private gain but, to be able to do this, they had to block access to the opposition (former incumbents) and prevent their return to office" (Pavlović, 2020, p. 20). We are aware that, in the globalised age, Brussels is not the only international actor in the region, but it is the only one offering a wholesome vision of the regional transformation within its integration agenda, regardless of the issues that exist in this respect. Beijing, which has become considerably active in the Western Balkans is, however, characterised as an alternative to the EU by the elites of Serbia and Montenegro, as evidenced by the skilful exploitation of the China opportunity and the way this is framed in the public discourse.

We do not claim that Serbia and Montenegro have altogether decided to quit the EU enlargement path due to seeking alternatives but rather that their political elites have been sending a message to Brussels that the EU is not 'the only game in town,' and that alternatives to the EU are available. We do not contend that these alternatives are viable substitutes for Western Balkan states' EU membership, yet, they are presented as such by the elites. We maintain that, in the enlargement process,

the region has witnessed an interesting twist due to the EU having approached it by subordinating its enlargement policy to its geopolitical and geostrategic interests in the last decade. Since, for both Serbia and Montenegro, the EU membership credibility remains vague at best, with an additional misfit of EU relations with Serbia over the issue of Kosovo, the Europeanisation of both countries has stalled. The stability of the region seems to be more important than democratic transformation, highlighting the “stabilitocracy” approach of the EU in accepting formal rather than substantive progress in the enlargement negotiations⁶. Without addressing the EU political accession conditions, particularly those within the rule-of-law agenda, both states have advanced in the EU enlargement negotiations (Stojarová, 2020; Vučković, 2019), and our critical assessment of the Europeanisation process goes hand-in-hand with the respective body of scholarship (Richter and Wunsch, 2020; Stojarová, 2020; Elbasani, 2018).

4. The ‘Iron friendship’ of Serbia and China

Serbia builds on its legacy of relations with Beijing dating back to the socialist era and 1955 when Tito’s Yugoslavia and the People’s Republic of China entered into diplomatic relations, followed by the Beijing liberalisation and opening up to the world after 1976 and continuing in the post-Cold War period, “when politically motivated relations were superseded by economic interests” (Simić, 2015, p. 41) that extended well beyond the Milošević era (Bjeloš, 2019). The two countries refer to their mutual relationship as the “iron friendship”⁷ and have signed several dozens of mutual agreements (Bieber and Tzifakis, 2019). Beijing has given its geopolitical support to Belgrade, such as over the 1999 NATO bombing⁸, and Kosovo’s proclamation of independence in 2008. Serbia remains a staunch supporter of China in international political discussions and disputes, ranging from the South China Sea, to human rights, to the currently disputed role of Huawei in the construction of 5G networks. Serbian relations with Beijing go well beyond economic cooperation, indicating an independent foreign policy and strategic culture of non-alignment⁹, largely stemming from the 2009 ‘four pillar foreign policy’ agenda of Belgrade that

⁶ BiEPAG (2017), What is a stabilitocracy?, 5 May (retrieved from <https://biepag.eu/what-is-a-stabilitocracy/>).

⁷ RTS (2019), Čelično prijateljstvo Srbije i Kine, 20 September (retrieved from <http://www.rts.rs/page/stories/sr/story/9/politika/3697053/celicno-prijateljstvo-srbije-i-kine.html>).

⁸ BBC (2019), The night the US bombed a Chinese embassy, 6 May (retrieved from <https://www.bbc.com/news/world-europe-48134881>).

⁹ The Diplomat (2019), Serbia: China’s Open Door to the Balkans, 1 January (retrieved from <https://thediplomat.com/2019/01/serbia-chinas-open-door-to-the-balkans/>).

reflected its wish to act independently by diversifying its foreign policy framework¹⁰. Hence, there are authors who argue that “the Serbian-Chinese relations on a bilateral and multilateral level (especially within the UN, regional international organisations and political forums, such as the 16 + 1 mechanism between China and the countries of Central and Eastern Europe), contributed to better strategic positioning of Serbia in modern international relations” (Dimitrijević, 2018, p. 67). Apart from these largely positive views, there are also those expressing concern regarding the “highly dispersive and unfocused foreign policy concept of four pillars” (Žarin and Đukanović, 2015, p. 11), making it a point of contention in academic debates (Interview with project coordinator).

Serbia hosts most Chinese investments and infrastructure projects within the Western Balkans, with estimates varying due to different statistical approaches and transparency issues. According to the American Enterprise Institute’s China Investment Tracker (2020), Chinese economic investments and infrastructure projects are estimated at 10.3 billion USD¹¹. At the same time, the Chinese Ministry of Commerce (2018) Foreign Direct Investment (FDI) statistics show 170 million USD of Chinese FDI stock in Serbia as of 2017. The Chinese presence has been centred on infrastructure projects, transport connections, and energy. Most of these fall under the state-to-state Chinese flagship lending, with Chinese financial institutions providing finance as loans (usually 85% of the overall cost), requiring in turn that Chinese construction companies get selected to work on such projects, often using high shares of Chinese material and labour¹². The most important Chinese projects in Serbia include the bridge over the Danube River in Belgrade, the former U.S. Steel enterprise in Smederevo acquired by China’s Hegang Group, the Mining and Smelting Basin Bor purchased by Zijin Mining Group Limited, and the planned upgrade of the Belgrade-Budapest railway link to be done by the China Road and Bridge Corporation (CRBC). Other deals include the energy sector, an industrial park in Belgrade, as well as a tyre factory in Zrenjanin (Liu, 2019). As of mid-2019, China moved closer to building Serbian 5G mobile networks, with Huawei having the leading role¹³. However, with the September 2020 Washington Agreement between Serbia and Kosovo that prohibited the use of 5G network equipment from “untrusted vendors” and ordered the removal of such equipment if already in place, the White House seems to have, at least partially, strengthened its influence in

¹⁰ B92 (2009), Tadić on Serbia’s “four pillars of diplomacy”, 30 August (retrieved from https://www.b92.net/eng/news/politics.php?dd=30&mm=08&nav_id=61454&yyyy=2009).

¹¹ SEEBiz (2019), Kineske investicije u Srbiji čak 10 milijardi dolara, 5 January (retrieved from <http://rs.seebiz.eu/kineske-investicije-u-srbiji-cak-10-milijardi-dolara/ar-187331/>).

¹² Emerging Europe (2019), Serbia’s increasing importance for China’s BRI, 25 June (retrieved from <https://emerging-europe.com/voices/serbias-increasing-importance-for-chinas-bri/>).

¹³ BFPE (2019), Kako su saradivale država Srbija i kompanija Huawei: hronologija, 29 July (retrieved from <https://bfpe.org/kako-su-saradivale-drzava-srbija-i-kompanija-huawei-hronologija/>).

Serbia¹⁴, putting the 5G networks issue temporarily on hold¹⁵. There are, nevertheless, other forms of cooperation tying Serbia to China, such as the Chinese police patrolling the streets of Serbian cities to allegedly safeguard Chinese tourists, and Serbia purchasing Chinese surface-to-air missiles in August 2020¹⁶.

The aforementioned (stabilitocratic) approach by Brussels in the enlargement process has resulted in the stalling of Europeanisation and the discrediting of the enlargement process, opening the space for domestic political elites to play a power maximisation game in regard to the policy of alternatives. The turn to China has come as a result of failing Europeanisation, with the Western Balkans indicating that being officially pro-democracy in becoming part of the EU may be, in fact, combined with “informal authoritarian practices” (Bieber, 2020, p. 139). With the European Commission being largely unwilling to criticise the Serbian regime¹⁷, Brussels has legitimised the lack of domestic reforms in the enlargement process¹⁸. This is witnessed in the growing informal power politics, systemic corruption and clientelism, and in weak state institutions¹⁹. Pešić argued that systemic corruption and merging of the political and business elites endangered the transition of Serbia, reflecting party appointments to government posts, weakening parliament, nepotism in employing those trusted by the elites, pressure on the judiciary, almost nonexistent separation of business and political ties, and major state enterprises run essentially as privately-owned establishments (2007). Hence, the informal power politics played by the political elites, tycoons and businessmen, many already established in the Milošević era, continues to this very day²⁰. The Chinese economic ventures are, therefore, welcomed for not bringing the legitimacy of the elites into question,

¹⁴ N1 (2019), Đukanović: Zašto Evropa region Zapadnog Balkana prepušta Rusiji i Kini?, 5 April (retrieved from <http://rs.n1info.com/Region/a473905/Djukanovic-Zasto-Evropa-region-Zapadnog-Balkana-prepusta-Rusiji-i-Kini.html>).

¹⁵ Radio Slobodna Evropa (2020a), Šta odlaže uvođenje 5G u Srbiji?, 29 December (retrieved from <https://www.slobodnaevropa.org/a/srbija-5g-mreza-sta-odlaze-uvodjenje/3102490.html>).

¹⁶ Reuters (2020), Serbian purchase of missile defence system shows ties deepening with China, 3 August (retrieved from <https://www.reuters.com/article/us-serbia-arms-china/serbian-purchase-of-missile-defence-system-shows-ties-deepening-with-china-idUSKBN24Z171>).

¹⁷ European Western Balkans (2020), Cvijić: Unless the EPP joins the criticism of Serbia, there will be no shift in Commission's position 28 July (retrieved from <https://europeanwesternbalkans.com/2020/07/28/cvijic-unless-the-epp-joins-the-criticism-of-serbia-there-will-be-no-shift-in-commissions-position/>).

¹⁸ Foreign Policy (2018), How Aleksandar Vučić Became Europe's Favourite Autocrat, 9 March (retrieved from <https://foreignpolicy.com/2018/03/09/how-aleksandar-vucic-became-europes-favorite-autocrat/>).

¹⁹ Transparency International (2019), Corruption Perceptions Index 2019 (retrieved from <https://www.transparency.org/cpi2019>).

²⁰ Radio Slobodna Evropa (2019), Most: Da li su afere 'Krušik' i 'Jovanjica' uzdrmale Vučićev režim?, 29 December (retrieved from <https://www.slobodnaevropa.org/a/most-da-li-su-afere-krusik-i-jovanjica-uzdrmale-vucicev-rezim-/30349201.html>).

allowing them to manipulate information of public interest and present themselves as reformists (Radeljić, 2017).

By making non-transparent investments, credits, and loans attractive for the elites to exploit, Chinese actors in Serbia do not raise requirements, rules, and norms towards the establishment of the rule of law (European Parliament, 2017). A 2019 report indicated that a private deal between the Serbian President and his Chinese counterpart made cooperation in certain areas of interest plausible, echoing non-transparency and the preference of both sides for privately arranged agreements²¹. The European Parliament warned against such deals, claiming that projects are successful only if “procurement rules are followed, and public subsidies are avoided” (European Parliament, 2017, p. 42). A typical example of this is the construction of the Kostolac Power Plant. Serbia failed to consult Romania regarding this construction although legally required to do so because the power plant is located just 19 km from the common border (Vít and Lagazzi, 2017). The Serbian Ministry of Agriculture and Environmental Protection approved this project despite environmental concerns and despite the decision by the Serbian Administrative Court²², reflecting problems in the relations between the elites and the judiciary (European Parliament, 2017).

The development of ties with China is rhetorically defended by the elites as based on two arguments: territorial integrity and economic benefits. China is supportive of the Serbian claim over Kosovo while providing economic incentives that the elites find attractive. Though Brussels has been significantly active in Serbia from an economic point of view, the elites tend to publicly omit this fact, playing Brussels “in order to get more” in the enlargement process while thriving on the Chinese investments²³. Vučić refers to China as Serbia’s “most honest and trustworthy friend” in “the friendship as strong as steel”²⁴ (EU Observer²⁵), and he hosted the Chinese PM Li Keqiang at the 16+1 summit in 2014, and received the Chinese President Xi Jinping in 2016. Vučić regularly goes to China for bilateral visits and multilateral events such as the Belt and Road Forums, while his predecessor, Tomislav Nikolić, serves as the head of the National Council for

²¹ Radio Slobodna Evropa (2019), Da li Kina spasava Vučića?, 28 April (retrieved from <https://www.slobodnaevropa.org/a/most-vucic-kina/29907664.html>).

²² CINS (2016), Kostolac: Kineski kredit, srpsko kršenje pravila, 21 July (retrieved from <https://www.cins.rs/kostolac-kineski-kredit-srpsko-kršenje-pravila/>).

²³ Radio Slobodna Evropa (2020b), Bečev: Vučić igra na kinesku kartu da bi dobio više od Zapada, 6 April (retrieved from <https://www.slobodnaevropa.org/a/bečev-srbija-kina-intervju/30529016.html>).

²⁴ RTS (2017), Vučić: Prijateljstvo Srbije i Kine čvrsto kao čelik, 12 May (retrieved from <https://www.rts.rs/page/stories/sr/story/9/politika/2732838/vucic-prijateljstvo-srbije-i-kine-čvrsto-kao-čelik-.html>).

²⁵ Eu Observer (2019), Serbian-Chinese ties- a potential threat for EU?, 19 December (retrieved from <https://euobserver.com/opinion/146953>).

Coordination of Cooperation with Russia and China. The COVID-19 pandemic saw Vučić personally welcoming a plane from China bringing medical supplies and carrying Chinese doctors, declaring that, the “only country that can help us is China” and personally appealing to “his brother Xi” while kissing the Chinese flag²⁶.

A look at the public appearances by members of the Serbian Progressive Party, dominant since 2012 and led by President Vučić, is telling. Not only does Vučić, in his capacity as president, hail China’s role in Serbia²⁷, the Serbian Progressive Party accentuates ‘China’s investments’ and ‘projects of grand design’ to bolster their reformist image, both domestically and internationally (Radeljić, 2017). The Chinese economic presence is almost exclusively depicted in highly favourable terms by the elites in using positive descriptive adjectives, such as ‘major, vital, significant, and strategic,’ to indicate the benefits for the Serbian economy. The ‘cooperation’ is depicted as nothing short of ‘favourable’ in being the ‘new silk road,’ thus additionally highlighting the prominence of the Chinese economic presence in Central and Eastern Europe within the Belt and Road Initiative (BRI)²⁸. The relationship is equated with a ‘strategic partnership’ whereby Chinese investments allow for greater industrial production, growth, and are always accompanied by mentions of the important roles played by the political elites²⁹. The elites, chiefly Vučić, whose name appears in unusually high numbers in the articles analysed, stress their own relevance, as if establishing a causal link between themselves and China’s presence. It is worth mentioning, however, that one of the main opposition figures and former Minister of Foreign Affairs, Vuk Jeremić, is also close to China, with his think tank partly funded by Chinese capital and active in promoting China-Serbia cooperation.³⁰

²⁶ Euractiv (2020), Serbia sets the stage for Beijing’s mask diplomacy, 1 April (retrieved from <https://www.euractiv.com/section/china/news/serbia-sets-the-stage-for-beijings-mask-diplomacy/>).

²⁷ RTS (2019), Čelično prijateljstvo Srbije i Kine, 20 September (retrieved from <http://www.rts.rs/page/stories/sr/story/9/politika/3697053/celicno-prijateljstvo-srbije-i-kine.html>).

²⁸ Politika (2019), Kinesko čudo u Srbiji, investicije od blizu 10 milijardi dolara, 5 January (retrieved from <http://www.politika.rs/sr/clanak/419657/Kinesko-cudo-u-Srbiji-investicije-od-blizu-10-milijardi-dolara>) and Informer (2018), NOVI "PUT SVILE": Srbija Najznačajniji Kineski Partner, investicije vredne milijarde evra!, 13 July (retrieved from <https://informer.rs/vesti/politika/389216/novi-put-svile-srbija-najznacajniji-kineski-partner-investicije-vredne-milijarde-evra>).

²⁹ RTS (2018), Potpisan sporazum sa Kinom vredan gotovo milijardu dolara, 17 September (retrieved from <https://www.rts.rs/page/stories/sr/story/13/ekonomija/3260200/drugi-dan-posete-kini-potpisan-prvi-ugovor.html>).

³⁰ WarOnTheRocks (2019), Light touch, tight grip: China’s influence and the corrosion of Serbian democracy, 24 September (retrieved from <https://warontherocks.com/2019/09/light-touch-tight-grip-chinas-influence-and-the-corrosion-of-serbian-democracy/>).

Overall, China's economic role in Serbia is presented as promising and valuable, with only very little mention of the benefits it brings to the Chinese side. The major benefit for Serbia is framed as contributing to the Serbian economy because Belgrade is a 'bridge between Europe and China', with the two being connected not only by the 'mutual friendship of two presidents' but also by the friendship of the respective peoples³¹. These depictions are never followed by any meaningful discussion on the part of the elites regarding problems related to Chinese investments internationally. Corruption, non-transparency, and espionage are avoided while an image of Serbia benefitting from Chinese deals is emphasised throughout, thus highlighting the political significance for Belgrade in geopolitical terms, with Serbia positioning itself internationally³² (Dimitrijević, 2018). The elites have continuously used numerous opportunities to send a message that Serbia's economic development is not necessarily tied to the EU and that non-EU alternatives exist in this respect³³.

The traditionally good and friendly bilateral relations between China and Serbia since the time of Tito's Yugoslavia have largely shaped the geopolitical context of the two countries, influencing a significant improvement in the economic relations between the two. Serbia received a substantial amount of medical equipment and vaccines from China to deal with the Covid-19 pandemic; President Vučić skilfully used to present himself as a philanthropist in the region, exploiting the so-called "diplomacy vaccine." The benefits of Sino-Serbian economic cooperation are mutual. It is the geostrategic position of Serbia, with cheap labour and the possibility of opening industrial facilities in a highly non-transparent and probably corrupt procedure, circumventing environmental standards, that attracts China to invest in Serbia. With such investments, Beijing ensures its transfer of goods quickly and without obstacles to the Serbian market that may, one day, become part of the EU market. On the other hand, Chinese credits and investments have been greeted with enthusiasm by the domestic political elites, given the fact that Serbia is a country in the process of economic transition and poised to improve its living standards. The Chinese message is clear: the economic growth of Serbia is possible despite the existence of endemic corruption and clientelism. Hence, Serbia's opportunistic political elites have effectively changed the country's four-pillar

³¹ N1 (2018), Zorana Mihajlović očekuje nove investicije iz Kine, 27 August (retrieved from <http://rs.n1info.com/Biznis/a415151/Zorana-Mihajlovic-ocekuje-nove-investicije-iz-Kine.html>).

³² Blic (2019), Vučić na svečanosti u Sava centru: Kina nema pouzdanijeg partnera i iskrenijeg prijatelja od Srbije, 21 September (retrieved from <https://www.blic.rs/vesti/politika/vucic-na-svecanosti-u-sava-centru-kina-nema-pouzdanijeg-partnera-i-iskrenijeg/x8llnbv>).

³³ N1 (2019), Đukanović: Zašto Evropa region Zapadnog Balkana prepušta Rusiji i Kini?, 5 April (retrieved from <http://rs.n1info.com/Region/a473905/Djukanovic-Zasto-Evropa-region-Zapadnog-Balkana-prepusta-Rusiji-i-Kini.html>).

foreign policy towards having just one pillar, this being the strategic cooperation with Beijing. Serbia has realised that playing the card of strategic cooperation with China (and not Russia) has boosted its bargaining power in relations with the West, especially concerning those issues that are highly prioritised on Vučić's agenda, such as the Kosovo status or EU membership. On the other hand, the EU has allowed China to easily penetrate its European backyard due to Brussels' reluctance to provide a credible membership perspective to Serbia. As a result, the inconsistent and insufficient EU enlargement policy has been misused by the Serbian semi-authoritarian regime in order to present itself as progressive and reformist on the domestic front, indicating that Serbia's economic growth no longer depends on the EU, but rather on China exclusively.

5. Montenegro and China: beyond the highway project

When compared to Serbia, where geopolitical factors play a role, Montenegro seems to be the case of 'pragmatic' cooperation, best reflected in the highway project which is eventually envisioned to connect the seacoast with the Serbian border and provide a major North-South lifeline of the country. According to the Amendments to the Agreement on Improvement of Cooperation in Infrastructure Construction in 2014, China Communications Construction Company (CCCC) and its daughter company, the China Road and Bridge Cooperation (CRBS), were chosen to deliver the works, creating conditions for intensified economic cooperation³⁴. Based on the loan agreement with the Chinese CHEXIM Bank, the repayment period is set at 20 years, with an interest rate of 2%, a 6-year grace period, with the contractor obliged to employ 30% of domestic sub-contractors.³⁵

The highway project, contrary to the elites dubbing it as a project bearing great significance³⁶, remains dubious when it comes to its economic potential as independent estimates do not show potential revenues meeting the construction costs (Grgić, 2017). Furthermore, the defined credit conditions satisfy the financial needs of the CHEXIM Bank and the CRBS by providing them with full financial protection of debt payments through Montenegrin state guarantees. The arbitration process also remains problematic, with the arbitration proceedings to be held in China and based on the Chinese legal system. If the China International Economic and Trade Arbitration Commission (CIETAC) were to make a binding decision not favouring

³⁴ Vijesti (2014), Potpisan Sporazum koji će dovesti do "konačnog početka radova" na autoputu, 14 February (retrieved from <https://www.vijesti.me/vijesti/ekonomija/potpisan-sporazum-koji-ce-dovesti-do-konacnog-pocetka-radova-na-autoputu>).

³⁵ Vlada Crne Gore 1a (retrieved from <https://www.youtube.com/watch?v=X0i-4wvEDQ0>) and Vlada Crne Gore 2a (retrieved from <https://www.youtube.com/watch?v=odQaBdYa9jY>).

³⁶ FOS (2017), Nakon zajedničkog obilaska ocijenjeno: Autoput simbol prijateljstva CG i Kine (FOTO), 24 September (retrieved from <https://fosmedia.me/infos/ekonomija/nakon-zajednickog-obilaska-ocijenjeno-autoput-simbol-prijateljstva-cg-i-kine-foto>).

the borrower, Montenegro would ‘abandon’ its sovereignty over the highway. There are concerns over the project feasibility, heightened due to the CRBS being exempt from taxation and customs duties. Montenegro has already lost about 27 million EUR in tax exemptions, payroll contributions, customs duties on imports of goods, and refunds of a part of the excise duty paid³⁷.

International financial experts have warned against potential problems over China inducing underdeveloped countries to become dependent on credit loans and drawing them into debt (Bastian, 2019), with Montenegro being the prime example of such a state in Europe (Hurley *et al.*, 2018, p. 17). Hurley, Morris, and Portelance (2018) argued that CHEXIM Bank was a common creditor to the countries possibly facing a serious risk of debt distress, indicating that Montenegro may face similar issues in confiscation of its property if Podgorica is unable to pay its debts. The cases of Kenya, Uganda, and Sri Lanka, among others, reflect possible risks in this regard (Dollar, 2019, pp. 2-3).

In the view of the country’s elites, Chinese economic involvement provided Podgorica with an infrastructure loan despite Western European disapproval, allowing Podgorica an alternative to exploit. These political elites accepted China due to its non-interference in Montenegro’s domestic politics. China does not question the legitimacy of Montenegro’s elites while Montenegro respects the ‘One-China Policy’ and the legitimacy of the Chinese Communist Party. The Democratic Party of Socialists (DPS) that ruled for more than three decades was steeped in corruption and accused of connections to organised crime³⁸, and of creating patronage and clientelist networks (Džankić and Keil, 2019) that weaken state legitimacy (Vučković, 2019). The former ruling party used Chinese economic investments to present itself as the factor of prosperity, reforms, and pragmatism.

The party, chameleonic in its nature, used populist mechanisms to strengthen its political dominance (Džankić and Keil, 2019), whereby the party’s ability to misuse Chinese investments to conceal nepotism, systemic corruption, and corruption scandals (such as the ‘Telecom,’ ‘Audio-recording,’ ‘Envelope’ scandals) loomed large (Vučković, 2019). The domestic elites criticised the European Union for failing to provide favourable economic opportunities and welcomed Chinese economic opportunities. The case of the Croatian company Skladgradnja, contracted by the CRBC to build the most problematic section of the highway, even while facing fraud accusations back home, approved by the then Montenegrin government, and which eventually paid 42 million EUR without completing the work and without

³⁷ Vijesti (2018), Kineze i domaće država častila 29 miliona eura, 21 May (retrieved from <https://www.vijesti.me/vijesti/ekonomija/kineze-i-domace-drzava-castila-29-miliona-eura>).

³⁸ Freedom House (2019), Nations in Transit, Washington, D.C. (retrieved from <https://freedomhouse.org/report/freedom-world/2019/montenegro>).

paying their employees, bears witness to the non-transparency issues³⁹. It also reveals the systemic corruption and impunity of the domestic elites, as there have been no indictments over this issue. It remains to be seen how the new government will act in this regard, hopefully setting a tone of discontinuity with the previous regime⁴⁰.

While publicly framing the ties with China as ‘good, traditional, and brotherly,’ the elites framed the highway construction as the ‘friendship symbol’⁴¹, with President Đukanović expressing the then government’s willingness to accept Chinese investments while stressing the EU’s inability or reluctance to step up similarly⁴². For Đukanović, Brussels would have to provide its own economic package and be more consistent, as the idea of a united Europe could not be completed without the Western Balkans entering the block⁴³. Delivered in welcoming overtones, such as ‘friendly, qualitative, extraordinary, special,’ the elites emphasised the ‘friendship’ between Montenegro and China, highlighting the benefits of improving travel and transport infrastructure, environmental protection, and valorisation of water and forestry resources.⁴⁴ There was even a mention of benefits to Montenegro because of a role for China in the development of Montenegrin technology of renewable energy sources, healthy food production, and tourism⁴⁵. Additionally, GDP growth, public revenues, increasing employment, and contribution to the fiscal consolidation of public finances were also professed while highlighting China’s role and loans as being the best that Montenegro could receive from a foreign partner⁴⁶. This particular image framed by the elites remains in stark

³⁹ Dan (2018), Optuženima za malverzacije Vlada dala posao od 42 miliona, 27 November (retrieved from <https://www.dan.co.me/?nivo=3&rubrika=Vijest%20dana&clanak=672881&datum=2018-11-27>).

⁴⁰ Vijesti (2020), Abazović: Potreban nam je diskontinuitet, strukturne reforme i jačanje institucija, 1 October (retrieved from <https://www.vijesti.me/vijesti/politika/473939/abazovic-hrvatska-ostaje-pouzdan-i-kredibilan-partner-crnoj-gori>).

⁴¹ FOS (2019), Za prvu fazu petlje Smokovac 30,5 miliona eura, 25 April (retrieved from <https://fosmedia.me/infos/ekonomija/za-prvu-fazu-petlje-smokovac-305-miliona-eura>).

⁴² RTCG (2014), Rakčević: Ovakav autoput poguban, 13 November (retrieved from <http://www.rtcg.me/vijesti/ekonomija/73048/rakcevic-ovakav-autoput-poguban.html>).

⁴³ RTCG (2018), Crna Gora spremna za nova ulaganja, 23 October (retrieved from <http://www.rtcg.me/vijesti/ekonomija/218424/crna-gora-spremna-za-nova-ulaganja.html>).

⁴⁴ Pobjeda (2019), Odnosi Kine i Crne Gore nikad bolji, 20 January (retrieved from <https://www.cdm.me/ekonomija/odnosi-crne-gore-i-kine-nikad-bolji/>).

⁴⁵ Vijesti (2017), Marković sa delegacijom iz Pekinga: Crnogorsko-kineski odnosi kvalitetni i prijateljski, 14 September (retrieved from <https://www.vijesti.me/vijesti/politika/64838/markovic-sa-delegacijom-iz-pekinga-crnogorsko-kineski-odnosi-kvalitetni-i-prijateljski>).

⁴⁶ Vijesti (2015), Brajović o autoputu: Bolje finansijske uslove nijesmo mogli obezbijediti. 26 February (retrieved from <https://www.vijesti.me/vijesti/ekonomija/brajovic-o-autoputu-bolje-finansijske-uslove-nijesmo-mogli-obezbijediti>).

contrast to the 'local' problems related to China's investment, environmental destruction being the most looming and coming at a cost of non-transparency⁴⁷.

Since the establishment of diplomatic relations in 2006, China and Montenegro have maintained a high level of political trust on the issues of national interest. As a result of strong political relations, the two countries have further developed their economic cooperation, as Beijing cares about its partners who support the 'One-China policy.' Therefore, it is unrealistic to expect China to confiscate state property if the Montenegrin government does not repay its debt. As an opportunistic player, Beijing is more likely to opt for a much wiser and more pragmatic approach reflected in debt restructuring. In return, Beijing would ask for Podgorica's unconditional political support on issues of Chinese national interests. Beijing is aware that, as a leader in the EU integration process, Montenegro may join the EU and that, one day, it will be able to lobby therein for Chinese political and economic interests. Chinese investments are highly welcomed by the domestic political elites because they have brought Chinese infrastructure credits despite opposition from the West. These credits primarily lead to economic growth but, perhaps far more importantly, they do not question the political legitimacy of the semi-authoritarian leadership, nor do they interfere with Montenegrin internal political developments. The European Union's lack of interest in the continuation of the reform processes in the area of the rule of law has resulted in the failure to Europeanise Montenegro, with the domestic political elites acting pragmatically and advocating for the policy of alternatives instead of opportunities, as it currently brings more benefit for the survival of the corrupted and populist regime.

Conclusions

Our claim that the EU has failed to Europeanise both Serbia and Montenegro in the integration phase is based on the fact that the EU conditions, size and speed of a credible membership reward perspective, are not clearly defined. Furthermore, there are doubts within both states that rewards would, in fact, come once the conditions are met. Finally, there is substantial inconstancy within the EU conditional policy. The credibility of the EU enlargement policy towards the Western Balkans remains controversial as the two countries have perceived Brussels as an actor subordinating its conditionality to other geopolitical and geostrategic interests of its own. Consequently, the semi-authoritarian elites in Serbia and Montenegro have supported the Chinese economic presence and welcomed its investments and loans in the region although they are identified by the EU as highly problematic and in conflict with EU rules and norms. Vučić and Đukanović's opportunistic policies towards China in recent years indicate that these leaders are

⁴⁷ Financial Times (2019), Montenegro fears China-backed highway will put it on road to ruin (retrieved from <https://www.ft.com/content/d3d56d20-5a8d-11e9-9dde-7aedca0a081a>).

not interested in the process of effective domestic implementation of the EU rules and norms. Instead, they have relied on establishing tight political and economic cooperation with Beijing that is used by these elites as a bargaining chip in their relationship with Brussels. As a consequence, strengthening cooperation with China, a power that supports economic growth and is indifferent towards the erosion of democratic institutions in Serbia and Montenegro, has significantly suffocated the Balkan states political elites' enthusiasm for the advancement in the EU accession negotiations. Moreover, these political elites have exploited the Chinese economic presence in the region by abusing investments to raise their political rating and to consolidate their grab on power domestically.

The Sino-Balkan relations show that a sort of 'win-win' approach is indeed possible. The Serbian-Chinese strategic partnership has resulted in strengthening the political legitimacy of Vučić's regime at both domestic and international levels while China has, in return, gained a regional ally, whose territory can be used to efficiently transport its products to the EU market and, more importantly, who is publicly willing to take positions preferred by China. On the other hand, Montenegro's pragmatic partnership with Beijing is a product of reckless government policies, whereby the possibility of dealing with a serious debt crisis is viewed more in an opportunistic manner and less in a rational one. As a result, Montenegro has positioned itself as a strong advocate for Chinese political interests if and when Podgorica joins the EU.

Therefore, the possibility to choose the policy of alternatives, instead of opportunities, together with the inconsistency of the EU enlargement policy are the main explanatory factors as to why the semi-authoritarian regimes in Serbia and Montenegro have demonstrated little willingness to effectively tackle the EU membership requirements, resulting in the failed Europeanisation of these states. Hence, we have examined the failing Europeanisation vis-à-vis the increasing presence of China in Serbia and Montenegro, and claim that, by engaging China, the domestic elites have been playing the game of seeking symbolic alternatives to the EU integration. This move benefits the elites by not questioning the legitimacy of their position; in fact, at times, it even helps them to win political credit among their electorates. Beijing does not set a EU-like rule-of-law requirement to be fulfilled, allowing the elites to abuse investments and thrive on their non-transparent nature while engaging in projects which may well turn out to be 'white elephants' in the future. China's presence in the two countries will likely increase, with the logic of alternatives playing an overwhelming role in both Vučić's and Đukanović's defective democracies, whereby China will bring financial means without challenging – in fact, further strengthening – the uncontested role of the elites and the internal political processes of the two countries. By refusing to probe into controversial agreements with Beijing, and by embracing them, both Serbia and Montenegro remain dubious EU candidates whose reluctance to act accordingly and

to solve the major rule-of-law issues sends a clear message to Brussels that it is ‘not the only game in town.’

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