

WORKING PAPER

China's Development and "One Belt One Road Initiative" as a Chance for Serbia to Improve its Position of Political and Economical Neutrality

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Abstract

In the multipolar world of the 21st century Serbia has a chance to improve its position of political and economical neutrality, escaping from being involved in every big (and for Serbia unnecessary) international political crisis – and stay open for good relations with all main great powers of our time. Small countries like Serbia do not have the luxury to participate in major world crises and to declare some rigid, radical, attitude on main strategic groupings in the world, and it is best for them, if possible, to remain neutral.

Even the European Union and Europe as a continent can be in the new multipolar world of 21st century "Big Switzerland" – a territory for the meeting of great powers of our time – primarily the China, U.S.A. and Russia as political and geostrategic giants in relation to the European Union, which, however, has great moral credibility as the birthplace of classical diplomatic systems, such as the Westphalian one. Europe could back to "neutral" geostrategic politics of great French president Charles De Gaulle which imply good relations with all main world powers, it means with China as well, whose development can be useful for Europe as continent and especially for its infrastructure.

In this sense China's development in general and in particular especially initiatives such as the Chinese initiative for the "New Silk Road" (One Belt One Road Initiative) could be useful not only for China, but as well for Europe and especially for Serbia and for balancing world politics as such. This new (silk) road between two continents could be an introduction in the multipolar world of 21st century in which continents and great powers need to communicate and balance in every sense – economically, politically and diplomatically. In this case we would live in a balanced multipolar world of 21st century just as was the case in the old traditional Westphalian international system of sovereign states.

Otherwise, we could live in a hell of mutual conflict between great powers that could turn the whole 21st century into a postmodern global hell, which is neither in the interest of the great powers (because a mess in international relations can not be in the interest of great powers) or finally in the interest of humanity as a whole.

In the paper we will research on two topics - first; China's development and "One Belt One Road Initiative" as a chance for Serbia to improve its position of political and economical neutrality and second; position of Europe in new global circumstances which put our continent in position of balance between three great powers of our time – the China, U.S.A and Russia.

Key Words: China's development, One Belt One Road Initiative, Serbia, political and economical neutrality, great powers, balance of power, European Union, New Silk Road, communication between continents, multipolar world of 21st century

Introduction

This paper discusses how Serbia, in accordance with its national interest, perceives China's development and "One Belt One Road Initiative" and, in general, the future of international relations in the 21st century, which for sure will be marked by this great initiative.

A possible pattern for these relations could be found in the multipolar early modern European (Westphalian) diplomatic system of sovereign states, with the balance of power between great powers as the basic principle, what would be in national interest of Serbia more than chaotic international relations in which great powers fight each other, and produce crises in different regions around world. It is in the national interest of Serbia that international relations in the 21st century, instead of crises and conflicts, be more marked by cooperation among countries and by multilateral initiatives such as "One Belt One Road Initiative". Therefore we hope that great powers of our time (the China, U.S.A., Russia, EU, etc.) will sooner or later organize a "new Yalta" (or a series of international conferences such as those in Yalta) for a "new deal" on the configuration of the (balanced) international order in the 21st century.

At singular plane, this paper will explore foreign policy of Serbia, arguing that in dynamic global circumstances is best for Serbia to remain politically and militarily neutral as a small "Balkan Switzerland". Initiatives as "One Belt One Road Initiative" can help Serbia to build the neutral status and for these reasons Serbia as the state is strategically suited to the (global) **China's Development**. In return, this neutral position of Serbia would enable the continuation of good relations between Serbia and China and allow Serbia to be one of the main ports on the Chinese "New Silk Road" on its way to Western Europe. In this sense, this paper will explore the political and economical neutrality of Serbia, trying to consider it by the example of Swiss neutrality, considering the possibility that Serbia will apply a similar model as "small Balkan Switzerland".

Thus, in our work, the general and singular plan will be constantly intertwined; general plan of wider geopolitical relations within which the European Union (and especially CEE countries) is caught, in the need for search of a balance in relations with three world super powers – the China, U.S.A. and Russia – and the singular plan that will consider especially the neutrality of Serbia and individual Serbian search for balance in relationships with three world super powers.

Multipolar world of 21st century, balance of power between great powers and position of European Union

After a cold-war equilibrium between two superpowers (U.S.A. and U.S.S.R.) and the short-term domination of U.S.A. as the only super power after the end of the Cold War - we currently have the appearance of a new multipolar world with several dominant global powers (primarily the China, U.S.A, EU, Russia, UK, India, etc.) that are currently seeking a new balance of power between themselves. Therefore, as we just said in introduction of this paper, basic thesis of our work is that these great powers will sooner or later have to organize a "new Yalta" (or a series of international conferences such as those in Yalta) for a "new deal" on the configuration of the international order in the 21st century. The thesis of our paper is that the ideal model for this configuration can be found in the early modern European Westphalian system of sovereign states, which implies respect for the sovereignty of states and non-involvement in their internal affairs, just as was the case in the aforementioned early modern Westphalian system of international relations.

Perhaps we can say that at the end of the second decade of the 21st century, the circle of Modern Age and its accompanying social processes coming to an end, and that current global social processes are flowing in the opposite direction in relation to the direction initiated by the French Revolution, and that we are attending the restoration of many early modern political-economic figures in a new post-modern context. This is not only confirmed by the return of the British Isles in the form of a self-sustaining kingdom after Brexit and the return of the informal "tsarist" system in Russia as well as the return of the "sultanate" in Turkey after the constitutional changes initiated by Erdogan - but already confirmed by mutual relations among the main world powers (the China, U.S.A., EU, Russia, U.K., India, etc.) which today closely resemble the relations of the great empires of the past - with the difference of greater interdependence today than it was before.

Nevertheless, we must be careful with our thesis of flowing history back to early modern Westphalian international system in its extended version and refrain from harsh judgement, which is certainly not appropriate for a paper of this format.

But at the moment, the fate of European continent and its pan-European political and economic creation - the European Union – in these new global processes is very interesting, because the European Union is precisely between the forces of action and the forces of reaction of our time (between conservative and liberal elements), both from outside and within European

societies, within which the conservative and liberal elements are now explicitly struggling (right populism against liberal institutionalism, while leftist populism is also slowly rising), which is best seen in last year's French presidential election.

If international order will go in the direction of restoring Westphalian order of balance of power among the great powers, the European Union, an economic but not a security giant (especially after Brexit, and not “a great power” at all in the strict meaning of the term), would have to find its equilibrium position in such a new order, which will certainly be easier if the dominant global great powers (the China, U.S.A. and Russia) established a peaceful global coexistence, and if the dominant regional powers on the borders of the European continent, like Turkey, would be interested in a peaceful co-existence with the EU – and finally if relations between the liberal and the conservative elements inside European societies would be in balance (and if even a „new political left” also found a political space) – which would all together allow the whole system to balance and to keep its stability.

But if three dominant global super-powers (the China, U.S.A. and Russia) in the new global circumstances do not establish peaceful coexistence and if regional powers on the borders of Europe, such as Turkey, do not want to be partners with the EU but will insist on a confrontation, and finally if conflicts within European societies between the liberal and conservative (and the growing left-wingers) elements escalate, then the European Union will face a difficult task of redefining its position and its institutions, becoming the center of the struggle of various, broader, geopolitical interests, which European political and intellectual elites will have to synthesize and reconcile if they want to keep the continent peaceful and stable, and the institutional model of United Europe sustainable in the long term.

But this situation would also help to create *new world balance of power* for the 21st century as the equilibrium point that is again (as always) in times of crisis, a principle of stability. We are inclined to believe that peace and stability at global level will occur sooner or later (as always in the past), only at this moment it is not clear whether this will be only after a more noticeable social, political and geopolitical global conflict or things though will not go that far. This will not be possible to judge with scientific credibility at the moment, because it is only possible to speculate about these processes, and all we have at the moment is the mere experience that, according to all the available data (the volume of political, economic and armed crises around the world), we are currently living in a time of crisis in which history is receiving new acceleration - as never before since the end of the Second World War.

A visible crisis of unipolar international order with U.S.A. as one and only super-power (which was dominant from the fall of the Berlin Wall) began just with the global financial crisis in 2007/2008 and culminated with the election of Donald Trump for U.S. president a decade after. If Donald Trump's key cry is to “make America great again”, that means nothing else but that in the meantime America had become “smaller” – in the sense of world power - because some other world powers arose on the horizon, like China with its impressive global development, becoming in fact champion of "new globalization". This is in fact a recognition that we live in a multipolar world in which great powers will need to make new arrangements with each other and find new (in the fact old) balance of power as always in the history of international relations.

Therefore, the general thesis of this paper is that great powers of our time (the China, U.S.A., EU, Russia, UK, India, etc, with no single super-power) would establish a new (old) balance of power in international relations, just as was the case in the old European Westphalian system. Therefore, our thesis is that great powers of our time (the China, U.S.A., EU, Russia, UK, India, etc.) will sooner or later initiate the “New Yalta” as “New Deal” for balanced international relations in the 21st century. At this moment we cannot say whether this will happen after more intense global conflicts between great powers or things will not go so far and a new global stability arrangement will be found without escalating significant global conflicts between great powers, which would certainly be better for entire humanity. This is out of reach of our knowledge and the only thing that we can say at this moment is that the new global stability arrangement will sooner or later be found at some “New Yalta”, as always in the past, but we do not know whether it will be preceded by significant conflicts between great powers (as in the past) or not.

So we think that the continuation of the 21st century will be sooner or later characterized with the return of “diplomacy at the top” between leaders of great powers of our time, just as was the case in the time of the previous Yalta Conference. That means that our century will be characterized by intensive multi-polar diplomacy between great powers as specific return to classic diplomacy and to classic *Realpolitik* of the old Westphalian system.

Neutral position of Serbia in multipolar world of 21st century - Serbia as the place for meeting and synthesis of various geopolitical and economic interests and the port on Chinese “New Silk Road”

In the multipolar world of the 21st century Serbia has a chance to improve its position of *political and economical neutrality*, escaping from being involved in every big (and for Serbia unnecessary) international political crisis – and stay open for good relations with all main great powers of our time. Small countries like Serbia do not have the luxury to participate in major world crises and to declare some rigid, radical, attitude on main strategic groupings in the world, and it is best for them, if possible, to remain neutral.

As we have previously mentioned, even the European Union and Europe as a continent can be in the new multipolar world of 21st century “Big Switzerland” – a territory for the meeting of great powers of our time – primarily the China, U.S.A. and Russia as political and geostrategic giants in relation to the European Union, which, however, has great moral credibility as the birthplace of classical diplomatic systems, such as the Westphalian one.

But the big question is whether Europe can become a "Big Switzerland" - a territory for a meeting of the great powers of our time (the China, U.S.A. and Russia) - or will be divided by these larger particular geostrategic interests into different spheres of influence.

For us in Serbia is even more important question - can Serbia become a “small neutral Balkan Switzerland” in the current global circumstances or will be forced to stand only on the side of one geopolitical bloc against another, which would make the Serbian foreign political position limited and rigid.

In the continuation of our paper, we will consider this topic by trying to think about the neutrality of Serbia by the example of Swiss neutrality. We will consider the possibilities and obstacles for Serbia to define its neutrality as Switzerland becoming “small neutral Balkan Switzerland” - the place for meeting and synthesis of various geopolitical and economic interests and the port on Chinese “New Silk Road”. Finally, we will consider the possibility of specifying and defining a neutral political and economical status of Serbia modeled on Switzerland in the years to come, in the light of possible geostrategic and foreseeable developments at the European and global level towards the multipolar world.

Both nations, Serbia and Switzerland, are neutral in political and security terms, i.e. both have adopted a neutral political and military status, outside of the different systems of collective security, but a significant difference among them is that the Swiss military and security

neutrality has lasted several centuries, whereas the Serbian has only lasted a few years.¹ Therefore we can conclude that the Swiss neutrality has stood the test of time, while the Serbian is yet to be proved. More precisely, the Swiss neutrality is *active*, complete, certified and recognized by the world's leading diplomatic and military forces, while, in this sense, the Serbian neutrality appears *incomplete* and *passive*, because Serbia is still today, as it has been in the past, torn between various diplomatic and military forces which regard its "neutrality" with suspicion. In that sense, this second part of our paper raises the question of whether it is possible to turn Serbian neutrality from passive into active following Switzerland's example, i.e. whether it is possible to take advantage of some of the experiences of Swiss neutrality for further reflection and institutional arrangements of Serbian neutrality. The main thesis with which we will access the aforementioned research of Serbian neutrality is that every neutrality, in order to be stable, efficient and functional, need to be recognized by other countries, which should show confidence in it in the same manner the world's leading diplomatic and military powers have confidence in Swiss neutrality.

In the light of new circumstances in Europe and the world, caused by the conflicts in Ukraine and Syria and new deterioration of the relations between the East and the West, as well as the escalation of international terrorism, Swiss neutrality would again be able to get value and expediency. What is indisputable, regardless of the global context, is that the neutral status gives Switzerland unquestionable reputation in international relations due to which it is very gladly seen as an intermediary between the various warring parties and powers. Moreover, its territory very often serves as a meeting point for various peacekeeping and mediatory diplomatic conferences. Furthermore, the status of a neutral state can be an advantage in the 21st century in the context of increasingly frequent terrorist threats and attacks and possible tensions that may occur in the future due to water resources. All this suggests that Switzerland's neutral status not only provides prestige, but also clear benefits when it comes to representing national interests. i.e. interests of its own citizens. This is why the Swiss model of neutrality can be exemplary for Serbia and for that reason we will investigate which specific lessons Serbia can draw from the Swiss neutrality model, in order to become the place for meeting and synthesis of various geopolitical and economic interests and especially to become the port on

¹Switzerland completed its own neutrality after the Congress of Vienna in 1815, where it created a permanent base, the one that would be upgraded in years and centuries to come, without significantly changing the concept. Serbia, on the other hand, defined its military and security neutrality with the resolution of National Assembly in 2007, after which all other necessary security documents that would further define this concept were not defined, resulting in the fact that Serbian neutrality, aside from being in its infant years, seems unfinished.

Chinese “New Silk Road” - just as Switzerland after last year's Davos forum, where the main star was Chinese President Xi Jinping, became the place in Europe that salutes China as the new global economic star.

If it is not reasonable and realistic to expect explicit, literal and copied application of the Swiss neutrality model in Serbia due to significant differences in the historical development, traditions and mentality, it does not mean that it is impossible to upgrade Serbian, for now merely proclaimed neutrality, using certain segments of the Swiss neutrality model, so that it would make a transition from its *passive* to an *active* phase. But the main question is whether Serbia and the (Western) Balkans in general can, in the distribution of world interests and plans, become an area where the leading world powers would not overpower each other, but gather to communicate, as it is the case with Switzerland, i.e. the "Swiss security buffer zone" which has acted, both in a literal and metaphorical sense, as the place of communication between various influential world powers for centuries.

But there are some obstacles to the Swiss neutrality model application in Serbia, caused by Serbian history, tradition, mentality, geographic and economic position. However, as we have mentioned earlier, this paper does not strive to offer a pretentious formula by simply copying the Swiss neutrality model in Serbia, but rather try to analyze which segments of the Swiss neutrality model Serbia could adopt to further round its, for now, merely proclaimed neutrality, and transition from its *passive* to an *active* phase, in order to make Serbia better positioned as a Balkan neutral port on the Chinese New Silk Road.

Concluding Remarks

The ancient Chinese Taoist philosopher Lao Tzu said in one of his famous maxims that "a journey of a thousand miles begins with a single step". A confirmed and guaranteed neutral political-economic status of Serbia is like a journey of a thousand miles, as Serbia's current neutrality is purely declarative, i.e. it is neither specifically guaranteed, nor recognized by any diplomatic force and a thousand diplomatic miles would need to be crossed in order for its political-economic neutrality to be fully and realistically realized. But if Serbia succeeds in realizing its political neutrality and economic independence, it will in the long run make Serbia sustainable and stable in the multipolar world of the 21st century that is currently being created. Moreover, in this case, Serbia as a “small Balkan Switzerland”, will be able to become one of

the main, though small, ports between the European and Asian continent on the Chinese New Silk Road.

In the second part of this paper, we have emphasized several real aporias in the application of the Swiss neutrality model in Serbia, as we have seen that these societies have different historical traditions. We have also pointed out that it would be not only unrealistic, but also presumptuous to expect the Swiss model of neutrality copied and applied literally in Serbia.

On the other hand, we have pointed out that this does not mean that the possibility of applying certain segments of the Swiss neutrality model to Serbia should be rejected and that Serbia should learn from the experience of Swiss neutrality. The most important lesson Serbia can learn from the Swiss neutrality experiences is that neutrality can be expedient and realistic only if it is recognized and guaranteed, as the Swiss neutrality was guaranteed for the first time in 1815 by world's most important diplomatic powers of the time (Austria, Russia, Great Britain, France and Prussia) at the Congress of Vienna. This finally resulted in the signing of *the Act of Neutrality of Switzerland*, which would be updated in the future and verified by all the subsequent diplomatic documents. Swiss neutrality has remained confirmed and guaranteed to this day by all the relevant world factors, so that no one questions it today.

This leads us to the conclusion that the neutrality of Serbia, in order to be realistic and expedient, needs to be confirmed and guaranteed by the leading forces of our time (especially China, U.S.A., Russia, Germany, UK, France, etc.) by "The Act of Neutrality of Serbia" of some kind. But if this is not possible or if this is not in the interest of main world powers (or some of them), the entire construction of "Serbian neutrality" will be in the long term unsustainable and Serbia will not be the place for meeting and synthesis of various geopolitical and economic interests, but the place of their conflict, which would be dangerous and tragic for Serbia. So the main question is whether in the interests of the world's leading powers is that Serbia becomes the neutral place for meeting and synthesis of various geopolitical and economic interests, in which the great powers will negotiate, make agreements and "finish their jobs", just like in Switzerland? Either Serbia and the entire Balkans will remain a region of serious conflicts of great powers, as often was the case in the past? But considering the fact that history in the 21st century is likely "moving" to the Asia and to the Far East and the fact that at the moment main current global crises, except Ukrainian one, are in Asia (Syrian and Korean crises), it is possible that the Balkans in the 21st century will not be the place of serious conflicts between great powers as it was in the 19th and 20th centuries and that there will be an

opportunity for Serbia to build its neutral political and independent economic status and become one of the main ports between the European and Asian continent on the Chinese New Silk Road.

However, as the current political status of Serbia, no matter how declarative, is still neutral, Serbia could check with the most influential international diplomatic centers whether this current declaratory neutrality status can be turned into a defined and guaranteed neutral status, i.e. whether it can transition from its *passive* into an *active* phase. So Serbia needs to wait for a "new Yalta" on which we wrote in the first part of our paper and to check with the world's main powers the opportunity that explicit neutral status be guaranteed to Serbia as "a small Balkan Switzerland".

In this business, China (and its development) is particularly important for Serbia as one of the great powers that could support the neutral status of Serbia in order to make it a port on the Chinese New Silk Road. In this sense **China's Development and** Chinese initiative for the New Silk Road (One Belt One Road Initiative) could be useful not only for China, but for Serbia and for whole Europe and for balancing world politics at all as such. This new (silk) road between two continents could be an introduction in the multipolar world of 21st century in which continents and great powers need to communicate and balance in every sense – economically, politically and diplomatically. In this case we would live in a balanced multipolar world of 21st century just as was the case in the traditional stabile Westphalian system of sovereign states. Otherwise, we could live in a hell of mutual conflict between great powers that could turn the whole 21st century into a postmodern global hell, which is neither in the interest of the great powers (because a mess in international relations can not be in the interest of great powers) or finally in the interest of humanity as a whole.

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