



SERBIA: CHINA'S FOOTPRINT IN THE BALKANS

The turbulent global geopolitical realignment, which started with Russia's aggression against Ukraine (February 2022), was given a new impetus at the beginning of 2025. After his return to the White House, Donald Trump brutally destroyed the foundations of US foreign policy and diplomacy in less than 100 days of his second term. As a result, he opened up an unimaginable number of questions and dilemmas concerning the model of the international order whose future characteristics can only be glimpsed.

Amidst the current global turmoil, it can be noticed that Washington began to appreciate the multipolarity of the world that was constituted during the last decade. As Secretary of State Marco Rubio has recently stated, the world has been an "anomaly" since the end of the Cold War during which the United States was the "unilateral power". After emphasizing that the United States will no longer act as the "global government", Rubio added that it would align its national interests with the interests of other world powers and, in that context, he explicitly





singled out Russia and China.¹ This certainly hints at the potential division of the spheres of influence among the three hegemon.

In the imperial triangle, Washington's most serious competitor for a global prestige is Beijing. This is why Trump is determined to suppress China both (geo) politically and economically; in the first case with a diplomatic and economic opening towards Russia, which many of them find confusing, and in the second case with the trade war he started against the whole world, singling out China as the main target by imposing absurdly high tariffs.

Although being partly in the function of his pre-election promise to stop the war on European soil, while at the same time ignoring the Europeans who stood up firmly for Ukraine during the past three years, Trump announced the comprehensive resetting of the relations with Moscow through direct communication with his Russian counterpart Vladimir Putin. In addition to the negotiations on establishing a ceasefire and then a lasting peace between Russia and Ukraine, Trump and Putin also discussed a number of other topics related to the revitalization of their mutual relations.

After the ninety-minute telephone conversation between the two Presidents on 18 March, the White House welcomed the possibility of "massive trade agreements" and added that the two leaders agreed that the "improvement of bilateral relations between the United States and Russia will be of great advantage in the future".²

1 Politika, 18 February 2025.

2 Danas, 20 March 2025.

Commenting on this conversation, the Kremlin emphasized that the mutual interest in the normalization of bilateral relations "is expressed in the light of the special responsibility of Russia and the United States for ensuring security and stability in the world".³

Being left aside, China seems reserved, but this does not mean that Beijing is not closely analyzing the development of events.⁴ The vanity of the Chinese head of state and party, Xi Jinping, who offered his "peace paper" during the first year of the war in Ukraine and later on, is certainly hurt by the possibility that the war ends without Beijing's participation. And he will do everything to prevent this from happening.

Zhongnanhai (the seat of the Chinese party and state leadership) cannot be satisfied with the rapprochement of the United States and Russia. When, after its violent incursion in Ukraine, Russia found itself in deep isolation, especially from the Western Hemisphere, China extended a helping hand to Moscow and largely rendered its isolation and, in particular, the impact of the economic sanctions imposed by the unified, so-called collective West against Russia meaningless.

Naturally, for its great benefit. In addition to making an economic profit by supplying its big neighbour with necessary products (under constant suspicion that it also exports dual-purpose products, thus providing Putin with weapons) and putting Russia in the position of a

3 Ibid.

4 Xi Jinping sent one of his closest associates, Foreign Minister Wang Li, to Moscow, probably for a reliable reconnaissance mission, while at the same time preparing Xi's arrival scheduled for Victory Day on 9 May, Radio Sputnik, 2 April 2025.



“younger brother”, China also imposed itself as the leader of the large belt of the Asian, African and South American countries, the so-called “global South”, which is significantly more numerous and stronger than the BRICS platform (China, Russia, India, Brazil, South Africa), where it also plays the leading role.

Suppressing China from the main geopolitical scene is on the trail of Kissinger’s diplomatic doctrine: driving a “wedge” into the potential coalition and alliance of the Far East competitors and rivals.⁵

The next calculated move was to economically weaken the “Chinese dragon” which holds the key position in the global supply chain (“the world’s number one factory”). Thus, China is most affected in the current trade war: tariffs on imported Chinese goods increased from 54 percent to an absurd 245 percent within a few days at the beginning of April! Beijing retaliated by raising its duties on US goods to 124 percent and the end of the “game” is not yet in sight.⁶

As stated by Nick Marro, Principal Economist for Asia at *Economist Intelligence Unit*, this has so far been the “hardest decoupling” of the two deeply interconnected economies (the value of trade between the US and China has so far been about \$700 billion a year of which Chinese exports to the US have amounted to about \$500 billion and US exports to China have amounted to \$200 billion). He added that it would be

5 Henry Kissinger explained the US opening towards China in the early 1970s by the danger of a potential coalition between Mao’s China and the Soviet Union in the Cold War against America.

6 Along with North Korea, Russia is one of the few countries exempted from the customs strike.

difficult to estimate the expected shocks not only to the Chinese economy, but also to the entire global trade landscape.⁷

Although Trump considers China the most serious and most dangerous global challenger, there is a kind of ambivalence in the first gesture of his administration. For example, he invited Chinese leader Xi Jinping (whom he still calls “my friend”) to the presidential inauguration, the first in the history of Sino-US relations, and Xi returned the invitation by sending a high-profile diplomatic delegation headed by the Vice-President of the People’s Republic of China.

As for the potentially most dangerous point of contention – Taiwan, which had the most explosive charge during the previous Democratic administration, it is not yet on the agenda. As political scientist Dejan Jović notes, if a new order is forged (the division of spheres of interest among the global powers), “it is possible that the United States will become much more passive in supporting Taiwan...”⁸

When it comes to Serbia and its confused foreign policy – officially with a strategic commitment to EU membership, but practically relying on three other pillars, Moscow, Washington and Beijing – it is certain that its relations with China are given high priority.

Traditionally good relations with the East Asian partner, which was cherished by SFR Yugoslavia, then by the SRY, including the period after the overthrow of Slobodan Milošević, as well as by Serbia (reliance on “four pillars” was formulated by Boris Tadić when he was the

7 Danas, 11 April 2025.

8 Nedeljnik, 13.March 2025.



President of the Republic), have been brought by the Aleksandar Vučić regime to the level of a “community of shared future” (whatever this means).⁹ Namely, when Chinese President Xi Jinping visited Belgrade in May 2024, the two Presidents signed the Joint Statement marking “a transition from strategic bilateral relations to the Community of Shared Future in the New Era” which represents “the highest form of cooperation between the two countries”.¹⁰

Over the last decade, China has become the investor who is deeply involved in the construction of important infrastructure and energy projects, and the ownership of strategic mining and industrial facilities, thus becoming Serbia’s second largest foreign trade partner. All this is tied together by the frequently used phrase about a “steel friendship”.

However, branched business deals with China are “covered” by interstate agreements that are subject to absolute secrecy, which is also admitted by President Vučić.¹¹ Almost boundless corruption is often hidden behind secrecy. Due to the non-transparency of the signed agreements, it is difficult to prove it, but its “trace” can be followed by enormous price increases from the beginning to the end of the work on some projects and their non-solid execution.

9 The mutual relations, characterized by a number of strategic partnership agreements, were raised to a higher level during the visit of Chinese leader Xi Jinping to Belgrade in May 2024. As President Xi stated in the author’s text, “I am ready to make real efforts together with the Serbian side to dedicatedly promote Sino-Serbian steel friendship, contribute to the well-being of both peoples, advance world peace and development, and promote the building of a society with a shared future for mankind”, *Politika*, 7 May 2024.

10 *Politika*, 9. maj 2024.

11 Aleksandar Vučić’s statement for *Insajder*, 20 February 2025...

This is how it happened that the canopy of the reconstructed railway station in Novi Sad collapsed a few months after it was officially opened, killing 16 people. This tragedy has triggered the most massive student and citizen protests in Serbia so far (one of their key slogans is “Corruption kills”). The contractors for the renovation of the railway station and the entire railway section from Belgrade to the Hungarian border are two Chinese companies: China Railway International Co., Ltd. and China Communication Company, Ltd.

In the indictments filed so far (13), there are no names associated with the Chinese contractors. The silence with which the Chinese side has reacted to the Novi Sad tragedy also “echoes” in the public: there are no noticeable signs of compassion and empathy towards the relatives of the victims, towards the city and, finally, towards the country in which it enjoys more than friendly hospitality.

CHINA AND THE UNITED STATES

The competition for global prestige between the world’s major powers will certainly continue. However, it will also be accompanied by some contradictions that did not exist during the previous Washington administration: some can be associated with the business interests of Trump’s closest associate Elon Musk (Tesla electric cars), while some can be associated with Taiwan.



The flare-up of the trade war – the US raising tariffs, first to 35 percent and then to 245 percent – has been called “self-destructive violence” by the official Chinese news agency Xinhua.¹²

Beijing implemented the countermeasures – it raised its tariffs on American products to 125 percent. The Ministry of Foreign Trade also called on the United States to immediately abolish these unilateral measures and resolve trade disputes through... “dialogue on an equal footing!”.¹³

Beijing also vetoed the export of rare minerals that are necessary for the production of chips, announcing that it is ready “to go all the way, wherever the US wants it to be”.¹⁴

According to some of those who are well-versed in international relations, the United States exposed itself to great risk. Namely, they predict that the tariffs will take a lot of money out of the average American’s pocket and increase businesses’ costs. According to Ian Bremmer, President of Euroasia Group and GZERO Media, Trump’s embrace of autarky is an unprecedented act of deliberate self-harm, akin to Brexit, but on a global scale.¹⁵

Other observers remind us that Chinese President Xi Jinping, China’s most powerful leader in decades, has long been aware that China will have a long battle with the United States. According to Jakob Gunter,

¹² Politika, 4 April 2025.

¹³ Ibid.

¹⁴ Danas, 9 April 2025.

¹⁵ Nedeljnik, 10 April 2025.

Lead Analyst Economy at the Berlin-based Mercator Institute for China Studies (MERICS), “China needed to prepare itself for this and it did quite extensively.”¹⁶ Journalist Zorana Baković, one of the leading experts on China and the Asian countries, also reminds us of this. As she says, President Xi prepared himself during Trump’s first term and during his successor’s four-year stay in the White House. Namely, by keeping sanctions, Biden also pursued the policy of containing China.¹⁷

In the context of mutual trade relations and imposition of enormous tariffs, the American President presented tariffs as a tool in the fight against “the scourge of fentanyl”. It is about a drug which, in recent years, has flooded the drug black market in the United States and has a serious impact on the lives and health of its users. The previous administration also claimed that Mexican cartels were processing fentanyl using the materials procured by Chinese chemical suppliers and that Canada was a transit point on the route. The important sphere in which China and the United States compete is that of new technologies. China’s rapid progress on this front worries Washington, thus resulting in its imposition of restrictive measures. They specifically include banning the export of the latest Nvidia chips, while at the same time having American technology giants restricting China’s access to the latest technologies.

However, as it seems, restrictions are no longer an option. Namely, China is already able to cope with American competition with the development of its own high technologies and artificial intelligence.

¹⁶ Danas, 11 April 2025. “As Gunter says, Xi picked up the gauntlet and they (Chinese) were ready to fight.”

¹⁷ Interview for HRT Podcast, 9 April 2025.



For example, in January, the Chinese artificial intelligence (AI) development company Deepseek presented the new AI large language that can recognize and produce text According to journalist Borislav Korkodelović, an expert on China and Asian countries, China's innovation "changes the global technological and investment landscape".¹⁸ Korkodelović reminds us that this is precisely the reason why Donald Trump "launched the wake-up call"¹⁹ for the "brain" of American technological development – Silicon Valley.

SINO-AMERICAN CONFRONTATION OVER TAIWAN

The Taiwan policy under the new Washington administration can only be guessed at, because this topic has not yet come up on the agenda.

The island, which China considers an inalienable part of its territory and is also recognized by the United States (formulated by the position on "one China")²⁰ was high on the agenda of Biden's diplomatic team and the reason for the frequent exchange of high tones and gestures (military exercises in that part of the South Chinese Sea) by both sides. However, Russia's aggression against Ukraine prompted speculation among commentators and analysts that Chinese leader Xi Jinping would try to do the same with Taiwan.

18 Politika, 10 March 2025.

19 Politika, 9 April 2025.

20 A euphemism excepted by both parties when establishing diplomatic relations in the 1970s and nothing has changed in the meantime..

Xi Jinping "let them down" in that sense, which does not mean that Taiwan's accession to China is not part of his statesmanship dreams and ambitions (the Chinese Constitution does not exclude military intervention for that purpose).

As a historical reminder, the "one country, two systems" formula was devised by Chinese statesman Deng Xiaoping in the 1980s. He primarily had Taiwan in his mind, but it would also apply to Hong Kong (then under British rule) and Macau (then under Portuguese rule). According to this concept, the territories, which would revert to Chinese sovereignty, will enjoy a special status for 50 years, retaining the previous social and political system, and complete autonomy. In the late 1990s, accepting the given promises, the United Kingdom returned Hong Kong to China (which was otherwise only "on lease" for 99 years), while Portugal returned Macau, the Far East "gambling paradise".

As is known, the current head of the Chinese party and state did not have the patience to wait five decades. Thus, several years ago, he abolished the significant elements of Hong Kong's autonomy despite numerous protests by its residents and the Western countries.

As for Taiwan, China has so far been patient, but is constantly reminding us that the island is its "inalienable territory".²¹ Is its patience nearing the end?

21 Wise Deng Xiaoping said that not all controversial issues had to be resolved by one generation or, in other words, that some could be left as a legacy to future generations. Even if this takes a hundred years..



Objectively speaking, the passage of time is taking its toll and Taiwan, as an independent entity, is increasingly moving away from China. Although many Taiwanese, especially those who oppose the current government, still say that they are all Chinese, there are more and more of them who insist on their indigenous identity. In addition, Taiwan's political system (multi-party, parliamentary and democratic) is completely different, as is the way of life of ordinary people. Taiwan and the mainland are not so geographically distant from each other that the Taiwanese people do not notice the difference.

These are the arguments that test patience, one of the Chinese "national traits". In general, the unification of China as its strategic goal is scheduled for the centennial of the founding of the People's Republic of China (2049). Does the current Chinese leadership, supported by growing nationalism in all strata of society (much of which was induced by party and state leaders), think that this date is too far away?

One of China's leading intellectuals Zhang Weiwei, professor of international relations at Fudan University in Shanghai and the director of its China Institute, claims that "China has been patient enough on the Taiwan issue".²²

In an interview for Politika, Profesor Zhang said that "the unification of Taiwan with China is a historical task that we must achieve". As he puts it, "The People's Republic of China was founded in 1949. More than 70 years have passed. The conditions are ripe".²³

22 Politika, 9 February 2025.

23 Ibid. In the same interview, Professor Zhang also said: "The return of Taiwan is a historic mission. ... and it is the job that needs to be done, regardless of whether

Maybe President Xi, who believes in his historic mission, also thinks so. In this context, as he "heard" Donald Trump's aggressive claims to the territories of other countries, especially Greenland. Greenland is a "foreign territory" in every sense, while Taiwan, with its specific international position, "both is and is not".

Taiwan's delicate position also stems from the fact that over the decades it has become one of the most important US security strategy points in that part of the world ("the largest US aircraft carrier in the Pacific"). In this sense, its importance can only grow, given the US tendency to increasingly shift geostrategically and politically to Asia, the Pacific and the Far East.

CHINA, THE UNITED STATES AND SERBIA

The geopolitical and geostrategic realignment imposed by Trump's arbitrary moves also poses a challenge for Serbia's "wandering" foreign policy. Due to, among other things, "positioning" itself between two columns (out of four) with both sides having to lean towards only one of them.

In recent years, the growing rivalry between China and America has put many countries in the position to choose – "either China or the United States". About one hundred countries have refused to do that. However, due to new circumstances, this will be increasingly difficult.

the United States agrees with it or intervenes militarily. We are building our strategy and our plan. This can be very peaceful, this can be less peaceful, but this will be done."



In 2024, according to Bloomberg, Serbia was designated “as the only European country among hundred or so countries in the informal group of ‘new neutrals’”.²⁴

Serbia’s alignment on the American-Chinese seesaw is more difficult due to economic interests. After the European Union, the second and third greatest investors are China and the United States – thanks to President Vučić’s good personal relations with Xi Jinping and, at least he hopes so, with Donald Trump.

For now it is only certain that Serbia has joined the newly formed group of “75 interest-based negotiators” waiting in line in Washington in an attempt to have increased tariffs reduced in bilateral negotiations. The fact that Belgrade was hit by enormous tariffs of 37 percent caused a real shock both to the companies exporting their products to the United States, including China’s Linglong (bus and car tyres are the top export item in Serbia’s trade with the United States) and to the government. As President Vučić said on this occasion, “it is strange for many reasons”. He added: “I cannot guarantee, but I am sure and believe... that we will solve this problem”.²⁵

However, lawyer Vojin Biljić, President of the Center for American Law, claims that there is nothing strange about it and that it is rather a message sent in this way due to Serbia’s trade and cooperation with China and Russia. “Serbia cannot ignore the fact that it does the most business with China...” he said.²⁶

²⁴ Politika, 11 April 2025.

²⁵ Politika, 4 April 2025..

²⁶ Politika, 5 April 2025.

As a reminder, from the fall of the Berlin Wall until 1999, Beijing’s relationship with Belgrade was in line with Washington’s policy. The NATO intervention against FR Yugoslavia, during which the Chinese Embassy in Belgrade was also bombed, changed everything. Since then and, in particular, since 2008, when Kosovo declared independence, China and the United States have increasingly confronting each other geostrategically, politically and economically, as well as in terms of values in the Western Balkans.

In addition to their competitive presence in the countries in the region, especially in Serbia, the fundamental differences between China and the United States are also observed in voting in the UN Security Council where both of them have the right of veto.

In this world forum, China (together with Russia) “protects” Serbia’s territorial integrity and sovereignty, including Kosovo.

In return, Serbia has consistently an opposing view whenever whenever the Chinese regime is criticized in the United Nations and other international organizations and forums, regardless of whether it is the question of Hong Kong, Tibet, the status of Uyghurs in Xinjiang or Taiwan. During his visit to Beijing in 2023, President Aleksandar Vučić said: “In the face of considerable pressure on the Republic of Serbia, our country is the only one in all of Europe which has never joined any declaration that will criticize or attack China on any issue... We have always been on China’s side and this will remain so.”²⁷

²⁷ Helsinki Bulletin, No. 170.



CHINA AND SERBIA: FRIENDSHIP AND CONDESCENSION “WITHOUT LIMITS”

During the last decade, China went deep into the Serbian economy. First, within the framework of the 16+1 platform with which Beijing embarked on its economic conquest of the European continent (the members of this group included the former Eastern Bloc countries, including all Yugoslavia’s successor states), and then on its even more ambitious “Belt and Road” megaproject.

Serbia was the first European country to accept and promote this initiative by providing broad space in its industrial and infrastructure sector for Chinese investors: from the Smederevo Iron and Steel Works (now the HIBIS company), Bor Mining and Smelting Basin (now the Zijin Company), including the additional takeover of the Čukaru Peti gold mine near Majdanpek, construction of the Linglong Tyre Production Factory near Zrenjanin and construction of highways in central Serbia to the construction of a high-speed railway from Belgrade to the Hungarian border and Budapest, participation in the energy sector (Kostolac B Thermal Power Plant)...

According to the Chinese Ambassador in Belgrade, Li Ming, China’s direct investment has grown from only 22.2 million euros in 2013 to 1.9 billion euros in 2024. In other words, as he says, “China has become the largest source of foreign direct investment in Serbia”.²⁸ According to official statistics, the value of Chinese capital in Serbia is \$22 billion: \$13 billion accounts for direct investment and \$9 billion for loans, thus bringing Serbia dangerously close to a “debt trap”

28 Politika, 5 March 2025..

The developmental “golden olive branch” with which China is successfully expanding its imperial influence across all continents, promoting along the way an authoritarian system of government (which is also close to the Serbian President) and anti-Western liberal values, is very attractive to Serbia. First of all, because Chinese funds are easily accessible, sometimes with a lower interest rate than on other capital markets, and especially because it is easier to withdraw Chinese investments. On the other hand, for example, investments from European countries must be transparent and verified in accordance with the European standards and norms. Chinese investments are shrouded in a veil of state secrets. According to some analysts, this is “very favourable for political leaders and managers of larger companies, but much less profitable for the state and its citizens”.²⁹

As a powerful country, which is always willing to support an alliance and friendship with Serbia with hard currency, China enjoys a special status in Serbia. In addition to the fact that this is so when it comes to secret interstate agreements (to which Serbia is also prone), the condescending attitude towards Chinese partners is also observed in a number of other segments: “The Chinese negotiate by just giving a price. They have a blackmailing attitude.” This is what one of the participants in negotiations with Far East partners told NIN (he did not want to be identified by name)³⁰ According to him, if they do agree to a concession, it is almost negligible.

On their “property” in Serbia, from Smederevo to Bor and Zrenjanin (Linglong), the Chinese do not respect domestic legislation, whether it

29 Nedeljnik, 27 February 2025..

30 “Visoka cena ‘čeličnog prijateljstva’”, NIN, 30 March 2025.



is a question of the environmental standards (blowing up Mount Starica near Majdanpek or enormous air pollution in Bor and Smederevo), labour rights, usurpation of land designated for other use according to domestic regulations, banning access to media and unwanted visitors, and the like.

FREE TRADE AGREEMENT

The Free Trade Agreement concluded by the two countries has been in force since June 2024. It was signed in Beijing a year earlier and, according to some domestic economists and experts, it is largely controversial. Namely, a huge difference in economic power between the two partners makes it actually beneficial for only one of them.

With its abundant exports of various goods, China has already been present on the Serbian market for decades. The Free Trade Agreement should enable domestic producers, primarily the producers of agricultural and livestock products (apples, raspberries, wine, honey, pig and chicken legs) to make exports boom on the vast Chinese market.

This sounds nice but, considering its production potential, Serbia is unable to satisfy the Chinese appetite more significantly. This has been convincingly explained by agro-economic analyst Milan Prostretn, who reminds us that the domestic economy has many “critical points”. “There were rumours that we would export pig heads, then legs, then tails and ears, but we have increasingly less pigs”.³¹ In addition, transport to the Far East market, which is thousands kilometres away, poses

³¹ Danas, 27-28. April 2024.

a problem, so that the impact of duty-free operations on the export of agricultural products is very small.

However, according to the Chinese Ambassador in Belgrade, Li Ming, Serbia’s exports to China rose from \$22 million to \$41.9 billion, or eighty five times from 2013 to 2024!³² He also says that “products from Serbia are becoming popular among Chinese consumers”.

What the Ambassador Li does not mention is the enormous benefit achieved by Chinese companies doing business in Serbia from which they export duty-free goods to China. The largest exporter is actually Bor-based Zijin. According to economic journalist Milan Ćulibrk, “... last year, Serbia, or better said Zijin, exported unprocessed copper ores and copper concentrates worth \$913.5 million and refined copper worth \$132.9 million to China”.³³ Namely, according to him, \$90 out of every \$100 earned from “our exports” to China go to Zijin and its daughter companies.³⁴

The problem is that Zijin exports (via port of Piraeus) unrefined ore from Bor, which means that Serbia has no insight into how much copper and gold goes with it: “We have negotiated for six years and agreed that they will unrestrictedly export our copper and gold in a crude state and not as final products, while we will export apples and pet food to them”, wrote activist Irena Živković from Bor using an Xnet.³⁵

³² Politika, 5 March 2025.

³³ NIN, 26 October 2023.

³⁴ Ibid.

³⁵ Helsinki Bulletin, No. 170.



THE CASE OF THE NOVI SAD RAILWAY STATION

For almost a decade, China has been deliberately investing in the transport corridor that will connect the Greek port of Piraeus with the Hungarian capital via North Macedonia and Serbia. This is the direction in which the strategic interest of the “Chinese dragon” wriggles towards the European Union. Namely, the port of Piraeus has been leased for 99 years to Cosco, a Chinese economic giant, so that the Balkan road and railway network have become China’s investment priorities.

The Belgrade-Budapest high-speed railway is also on this route. The main contractors are the mentioned two Chinese companies – CRICO and CCC, and the extensive work has also included the reconstruction of the Novi Sad Railway Station. This is precisely why, according to foreign policy commentator and editor Željko Pantelić, in addition to the human tragedy (the collapse of the canopy that killed 16 people on 1 November 2024) “also has a big geopolitical implication”.³⁶

The ongoing legal proceedings have been instituted against 13 persons, none of whom are from the two Chinese companies. In its recently published report, the Expert Group of the University of Belgrade³⁷ refers to Article 84 of the Commercial Contract according to which “liability for bodily injury, illness or death of any person shall lie with the contractor (i.e. the Chinese companies China Railway International

Co, Ltd and China Communications Construction Company LTD, or the financier (Government of the Republic of Serbia) and investor (Serbian Railways Infrastructure JSC), including the statement that “the responsibility shall lie primarily with the contractor”.³⁸

As Željko Pantelić reminds us, this is why the collapse of the canopy in Novi Sad is “extremely thorny for the authorities in Belgrade, because any more serious investigation will lead to the Chinese investors...” According to him, the reaction of the Belgrade authorities so far is the “product of mission impossible: to fulfil the students’ demand and not to offend Beijing”.³⁹

The Expert Group of the University of Belgrade also states that after a detailed analysis it concluded that the “available and missing documents raise suspicions that the collapse of the canopy is the possible result of systemic irregularities and corrupt mechanisms in the process of planning, contracting and carrying out works”.⁴⁰

³⁶ Nedeljnik, 27 February 2025.

³⁷ The Novi Sad tragedy has sparked the largest protests of students and citizens in Serbia to date and they last for more than five months. The students are demanding accountability for the loss of human lives, and the fulfilment of their demands is monitored by a special Expert Group of the University of Belgrade.

³⁸ Nedeljnik, 13 March 2025.

³⁹ Nedeljnik, 27 February 2025.

⁴⁰ Nedeljnik, 13 March 2025.



CONCLUSIONS AND RECOMMENDATIONS

In a geopolitical sense, China is an empire which is dramatically expanding its influence over all continents. Not militarily and territorially like Russia, but by using economic, cultural and, in general, soft power. Its presence in recent years, especially after Russia's military aggression against Ukraine, represents one of the most significant geopolitical changes in the Western Balkans.

In this sense, Serbia is one of its important pillars with which, as emphasized by both sides, it is bound by a "steel friendship". In 2022, China became Serbia's second largest trading partner, thus pushing its traditional European partners aside. According to official statistics, the value of Chinese capital in Serbia is \$22 billion of which \$13 billion account for direct investment and \$9 billion account for loans, thus bringing Serbia dangerously close to a "debt crisis".

In addition, China controls the production and export of strategic raw materials, copper, gold and steel. For now it seems that, in this ever-tightening embrace, Belgrade does not recognize the potential danger of credit dependence, which can turn into a "debt noose" in the future.

Serbia's confusing foreign policy, which used to rely on four pillars, the EU, the US, Russia and China, has now found itself facing new challenges in the current global turmoil, between the opposing interests of the US and China.

Although Serbia is officially committed to EU membership, it is not ready to adopt the liberal values on which the European Union insists when it comes to the Western Balkans. Aleksandar Vučić (and not only him) is politically and mentally much closer to Chinese leader Xi Jinping's authoritarian model of state and society governance.

The European Union has missed the opportunity to initiate the essential processes in the Western Balkans – from the normalization to the adoption of European values. It has also shown the unwillingness and inability to articulate the enlargement process clearly and precisely.