POLISH-CHINESE RELATIONS IN THE FRAMEWORK OF BELT AND ROAD INITIATIVE: PERSPECTIVES AND PROBLEMS

The article is devoted to the disclosure of the main problems and the definition of prospects in Polish-Chinese relations within the Belt and Road Initiative (BRI). The main emphasis is placed on the problems in the field of politics, economy, and infrastructure, as well as the place of Poland in the BRI. The purpose of the article is to analyze the most important features of the Polish-Chinese relations within the framework of the Belt and Road Initiative.

Keywords: China, Poland, Belt and Road Initiative.

Introduction. On September 7, 2013, Chinese President Xi Jinping for the first time taught the idea of creating the Chinese initiative “Economic Belt of the Silk Road” (SREB). Since then, the initiative has gone through several name changes and is now known as the Belt and Road Initiative, becoming a cornerstone of China’s foreign policy. The main goal of the initiative is to create land corridors that would connect Western Europe and China with high-speed rail and highways.

The Republic of Poland is a major logistics hub and corridor to Western Europe. It is through the territory of Poland that the main route of the ground part of the Belt and Road Initiative should pass. Official Beijing is interested in the positive evaluation of the country’s participation in the project by the Polish authorities and the public.

Development of Cooperation and Partnership. Diplomatic relations between China and Poland began on October 5, 1949, when Poland announced the recognition of the People’s Republic of China. On October 7, the two countries established diplomatic relations at the level of ambassadors. During the Cold War, the main focus of bilateral relations was cultural exchanges. After 1989, China, not a priority of Polish policy, faded into the background. In addition, even after Poland acceded to NATO in 1999, bilateral relations, although maintained, were not intense. The situation began to change in connection with the conclusion of a strategic partnership agreement in 2016, since by that time; it became evident that the development of partnership relations with China could bring significant benefits (The official website of the President of the Republic of Poland, 2016). Moreover, although at that time, Poland did not yet have a strategy defining Poland’s foreign policy toward China, economic cooperation with China was singled out as one of the priorities of the country’s foreign policy for 2012–2016.

Poland is the first CEE country to become a member of the Asian Infrastructure Investment Bank (AIIB), established in 2016. In addition, the Investment Cooperation Fund was also established with the help of Poland (and Hungary). Poland is the first country in the region to join the third stage of the Sino-European initiative “Rational and Safe Trade Routes” (at the same time, such countries from the “16 + 1” format as the Czech Republic, Hungary, Lithuania, Romania, and Slovakia became observers). The choice of the venue for the first summit – Warsaw – is not accidental either (European Commission. Smart and Secure Trade Lanes Pilot).

In 2015, parliamentary elections were held in Poland, where the Law and Justice (PiS) party received the majority of votes. As a result, Poland moved away from the European Union in its views on migration policy (in particular, Poland is against the forced distribution of refugees from Italy and Greece according to quotas) and gravitates toward the United States and NATO, while at the same time starting to pursue an active policy towards China.

In 2016, during the visit of Chinese President Xi Jinping to Poland, a strategic partnership agreement and many other documents were signed that imply cooperation in various fields: politics, trade, finance, logistics, transport, infrastructure, agriculture, environmental protection, and culture. The parties stressed that both countries are strengthening the relationship not only at the economic but also at the political level.

Poland has high hopes for the strengthening of political contacts, which will already help to strengthen economic interaction between the two sides.

Why Poland is Important for China? There are many reasons why Poland is a promising political and trading partner for China. This article discusses the primary and most evident of them.

Firstly, this country is the largest economy among other CEE countries. Over the past ten years, Poland’s GDP has grown by 48.7%, and the inclusion of the country in the EU has allowed Poland to increase its exports to the EU almost three times.

As for trade relations with China, it should be noted that in 2020, Poland exported $3,38B to China. The main products that Poland exported to China were Refined Copper ($565M), Gas Turbines ($241M), and Coke ($124M). During the last 25 years, the exports of Poland to China have increased at an annualized rate of 15.4%, from $94,1M in 1995 to $3,38B in 2020. In 2020, China exported $31,8B to Poland. The main products that China exported to Poland were Office Machine Parts ($1,7B), Broadcasting Equipment ($1,47B), and Computers ($1,42B). During the last 25 years, the exports of China to Poland have increased at an annualized rate of 17.5%, from $564M in 1995 to $31,88 in 2020. Obviously, such data speak of highly favorable prospects for both countries (The Observatory of Economic Complexity, 2020).

Secondly, Poland receives assistance from the EU Structural Funds, which made it possible to build roads and energy infrastructure, improve the environment and develop innovative products. According to the European Structural and Investment Funds program for 2014–2020, Poland should receive an amount of 86 bn EUR (European Commission. European Structural & Investment Funds).
Thirdly, in parallel with the economy, the authority of Poland in the EU is also growing. The document on priorities in Poland's foreign policy (2012–2016) states that it is important for Poland to create a positive image as a member of the European Union, capable of influencing the countries of the region with its foreign policy. In addition, perhaps, Poland, one of the 16 countries participating in the dialogue, seeks to play an essential political role in the region. It can be concluded that China, seeing this state of affairs, decided to take advantage of the situation and stimulate the development of Chinese-Polish relations, also to have a "voice" and promote its interests in the region (Yao Le P., 2017).

Fourthly, the geographical position of the country, a developed transport and logistics system, as well as the post-industrial orientation of the economy, which made it possible to turn to such areas as high-tech production, aircraft, and mechanical engineering, fit into the Belt and Road Initiative.

Therefore, Poland is a suitable country to enable China to learn about the European market, investment conditions, and opportunities and thus gain experience to promote the Belt and Road Initiative further.

Perspectives & Problems: Polish View. The Polish view of the Belt and Road Initiative primarily focuses on the potential economic and political benefits the country can receive from participating in the project.

A pragmatic view of Polish-Chinese relations prevails among experts in Poland. Their main theses are a cautious attitude towards Chinese initiatives, a balanced economic policy, and participation in Chinese side projects only if there is one hundred percent financial benefit in the medium and long term. The analysis of pragmatists cannot be called overly optimistic, but they do not openly criticize the project. For example, A. Vangeli writes about the controversial nature of the initiative. He notes that, on the one hand, China offers its version of world development, which differs from the Western one in terms of new thinking and practice. On the other hand, the China authorities pursue the same goals as the United States and the European Union, promoting the ideas of a global world market. Therefore, cooperation with China is necessary, but on the condition that the principle of mutual benefit is considered and the project is in the interests of the European Union (Vangeli, 2019).

A. Brona also notes the imperfection of the initiative. The author argues that despite China's attempts to create a new basis for international relations based on equality and justice, there are risks that, over time, the Chinese side will begin to use the benefits of the Belt and Road Initiative for its selfish interests, regardless of other countries. This situation may arise due to a large number of participants in the initiative who find it difficult to reach a consensus. The author predicts that due to this shortcoming, the project will lose its attractiveness soon (Brona, 2018).

At the same time, P. Pendrakowska, in her article "Poland's perspective on Belt and Road Initiative," emphasizes that China declaratively strives for a balance and harmonious development built on the "win-win" principle. However, some misunderstandings cannot be ruled out. The author declares the need to develop a common strategy at the national level regarding the Belt and Road Initiative, which could offset the negative effects of the participation of Poland (Pendrakowska, 2019).

According to researchers T. Bieliński, T. Markiewicz, E. Oziewicz, despite the qualitative growth of direct investment from China in the country's economy, Chinese business, first of all, is aimed at building commercial and industrial infrastructure for the delivery of goods to Western Europe. As a result, the entire interest of the Chinese side comes down to using Poland to create a convenient platform to access Western Europe's markets. The authors call for caution about the Chinese initiative and strict control of all investment flows passing within the Belt and Road Initiative framework (Bieliński et al., 2019).

On the other hand, we cannot fail to note that there is an optimistic view of the Belt and Road Initiative in the Polish scientific discourse. The main argument is the successful interaction between the Lodz Voivodeship and Sichuan Province in implementing the Belt and Road Initiative framework.

Thus, for example, T. Kamiński argues that neither distance nor significant asymmetry between partners prevents smooth cooperation between the two regions (Kamiński, 2019).

D. Mierzejewski adheres to similar views and positions the interaction between Lodz and Sichuan as an illustrative example of successful cooperation. According to the author, the success of the Łódź Voivodship should push Poland towards closer cooperation with the PRC (Mierzejewski, 2016).

J. Witkowska also positively evaluates the development of Polish-Chinese relations. In her opinion, Poland needs direct Chinese investment and therefore calls on the authorities to assist in implementing the "belt and road" (Witkowska, 2019).

The opposite of optimistic views is categorically wary of researchers. In addition, even though their number is small, their ideas deserve separate consideration. Proponents of this position fear China's ambitions for world leadership. Conservative-minded sections of society support them. One of the brightest representatives is B. Kowalski, who writes that the Belt and Road Initiative is a tool for broadcasting Chinese cultural, economic, and political influence on Western countries. In his opinion, the leadership of Poland should act only in the state's national interests, which are to prevent the expansion of Chinese capital into the Polish economy (Kowalski, 2018).

As for the official Polish authorities, they do not have a clear position on this issue. On the one hand, some government officials adhere to alarmist views, focusing on Chinese expansion, mainly representatives of military structures and local authorities. On the other hand, the central government wants to receive Chinese investment and become more independent from Brussels. Complicating the situation is the trade war between the USA and China, in which Poland is trying to get the maximum benefit from the Belt and Road Initiative, but at the same time, not worsen relations with the US. Thus, the Polish expert discourse is generally built around two questions: what economic and political preferences can Poland get from participating in the Belt and Road Initiative, and where should the line between financial benefit and national security be drawn.

Conclusions. Of course, cooperation within the Belt and Road Initiative framework will bring many benefits to both Poland and China, promising many achievements and successes. However, at the same time, it can lead to some negative consequences. Each of the parties has its solid reasons for developing cooperation.

It should be noted that some of the hopes and expectations observed in Poland in connection with the planned implementation of the One Belt, One Road initiative are only partially reflected in reality. The advantage of
Poland’s geographical position may contribute to an over-orientation of the economy towards transit instead of considering the country as a destination or point of origin. Infrastructure investment in Central and Eastern Europe should prioritize the economic relations of these countries rather than focusing on connectivity operations between China and Western Europe's financial core.

Acknowledgements. This research is done in the framework of the project "Chinese Marxism and its socio-cultural implications" (scientific supervisor – Prof. Dr. Sergi Rudenko, reference number 0122U001967).

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