

Differing Interpretations of the One Belt and One Road Initiative: The Case of Hungary

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Abstract

This paper aims to give a brief and preliminary assessment of Hungarian views on the One Belt and One Road Initiative (BRI). The preliminary nature of the paper derives from the fact that the BRI is still in the making, and it will be for the years to come, thus its framing must constantly change as well. The author intends partly to analyse the media coverage of the BRI in Hungary and partly to evaluate academic papers on the very subject. This evaluation is to be carried out by relying on how events, information and commentaries related to the initiative are represented in the Hungarian media and at the same time, it makes attempts to organize, classify arguments pro and contra, and interpret narratives from the views derived from. The paper only studies Hungarian-language materials published in Hungary, and it does not seek to investigate other Hungarian materials published in the neighbouring countries. One of the reasons for that is that different political environments change the focus of the discussions significantly,

in particular in Hungarian communities living in countries like Serbia or Ukraine that are not members of the European Union. The other reason is that traditionally foreign policies have different focuses, f. ex. the Romanian diplomacy has a strong US-orientation, while the Serbian foreign policy is Russia-oriented. In other words, China's interpretation is less positive than in Hungary since the cultural, political and economic backgrounds are different. In this paper, academic papers will receive special attention since Hungarian pundits and researchers potentially influence Hungarian decision-makers, thus the Hungarian policy. The mapping of Hungarian think-tanks has the goal to show what are the basic elements of critical, supportive commentaries, though the author is aware that being a Hungarian researcher does not make the analysis of the Hungarian academic world easier.

Keywords: *China, Hungary, One Road, One Belt initiative, perception*

1. Introduction¹

China's perception in Europe, and in Hungary, has been changing for two reasons over the last decade. First, the spread of innovative technologies, the easy access to them and the ever-growing tourism ensure that there are much more people-to-people relations, and many of us have direct experiences with the Chinese culture, the daily life in China etc. However, it is much more important that over the last decade, China while becoming a middle-income country, has grown into a fully-fledged economic and political superpower, thus shifting the political and economic centre of the world toward the East. The changes started in the 1990s, when economic reforms really started and opened up the country to the world. Trade and foreign direct investment became crucial means of these changes. Even before the 1990s, much of the attention

was paid to the Chinese economic and political events in the Hungarian media; however, it was more about a distant country than a powerful economic and political partner, whose decisions could influence the Hungarian economy in the short and medium term.

If today looking at the headlines of the Hungarian newspapers, one can see the growing relevance of China. Besides the news on disputes over North Korea, the South China Sea islands and China's strategy toward the new American administration, events, news and discussions on the possible outcome of the BRI, especially economic effects of the implementation of the BRI are discussed in academic events, conferences, covered extensively by Hungarian media and evaluated in political discussions.

The breakthrough came after the Great Recession (2008-2009), since it became clear that the rising economic power of China can significantly contribute to the stabilization of the world economy. Before the turn of the new millennia, there were many news and discussions about the real power of the rising Chinese economy in the Hungarian media; however, after the global crisis (2008-2009) China came into focus and China-related news started to make headlines. The resilience of the Chinese economy to the economic crisis, mostly hitting North American and European countries, perplexed the broader Hungarian audience. The flexibility of the Chinese economy not only surprised this audience, but researchers as well. Before the crisis, long and fierce discussions kept going on in Hungarian academic circles about the long-term sustainability of the rapid Chinese economic growth and the real causes of the fast growth; since then the debates have abated, and the focus turned to the very simple question how the Hungarian economy could reap the benefits of this fast growth by strengthening economic ties and attracting Chinese capital.

2. The Historical Background

Before globalization, political and economic cooperation between China and European countries was always more or less limited due to the geographical distance and in Hungary's case because of the country's political irrelevance to China. In addition to that, there were periods in the 20th-century history of China when isolationism and ideology-focused approach determined the country's external relations. Despite the impediments, there are three reasons why today Chinese-Hungarian bilateral relations differ from Western European nation's ties with China.

1. The socialist era is a common reference point the two countries share.

Looking back at the history of the 20th century, the communist period clearly connects the two countries. China's closely cooperating in many fields (world politics, economy, culture) with European socialist countries had stronger relations before 1990 than with capitalist countries. At the same time, it must be added that the interpretation of the Tiananmen Square incident was different in Hungary and China. The economic and political transformation of the 1990s in Hungary was studied and thoroughly evaluated by the Chinese Communist Party to draw adequate conclusions. The transformation itself provided the second juncture in the two nations' relations.

Although there are very different motives behind it, the One Belt and One Road initiative can revive these historic links between the two countries. These interests clearly focus on economic benefits from the increasing trade and investment, while the Hungarian political leaderships took a lively interest in the seemingly successful Chinese model over the recent years. However, in the socialist era, the golden age of these political and economic relations lasted from 1948 to 1962, thereafter China turned more to its internal issues, and the competition between the Soviet Union and China grew into a long-lasting conflict damaging cooperation between China and Hungary.

These tensions between Hungary's most powerful ally, the Soviet Union, and China overshadowed Hungarian-Chinese relations often, in particular after Stalin's death (1953) and more importantly during the Cultural Revolution of China (1966-1976) (Vámos, 2009: 1-25).

2. Secondly, another relevant factor in China's historical perception in Hungary, that of the Hungarian nation's Asian origin, has a very distinguished place in the collective national memory. It is not the intention of this paper to look into the accuracy and historicity of theories connecting Hungarians to the Huns having lived in the Shaanxi region of China, and other similar concepts. However, when it comes to China's historical perception, that might be a relevant element of the puzzle, especially in the "marketing" of the One Belt, One Road initiative in Hungary. At the same time, it is very clear that this message is much more enticing to traditionalists, more likely to be found on the conservative and nationalist side of the political spectrum.
3. The relatively large Chinese population in Budapest make Hungary's relations with China unique and provide a lot of chances for cooperation on a people-to-people level, offering ample opportunities to do business. The 1988 agreement between the two governments made travel visa-free between 1988 and 1992. And because of this short period, for the time being the biggest Chinese community in Central Europe can be found in Budapest. According to the latest official figures, there are around 6,800 Chinese citizens with permanent residency in Hungary; however, the number must be significantly higher, since many Chinese already acquired Hungarian citizenship, or were born in Hungary (Irimiás, 2009: 837).

2. The Development of Bilateral Relations

In general, Hungary's political relations with China have been outstanding over the last fifteen years. Ironically, the better relations Hungary has developed with China, the more suspicions European partners started to have over Hungary's intentions with China. It is stated often, that the Hungarian foreign policy is using the China-card while developing its relations with the EU and strengthening its ties with China. It is hard not to think of the Hungarian China-policy as a counterbalancing strategy, as the Hungarian Prime Minister puts it: "If the European Union cannot provide financial support, we will turn to China." (*Daily News Hungary*, 11 January 2018). The Hungarian economy still needs to receive substantial EU transfers; however, the willingness of Western European countries to finance economic development programmes in the Central European countries has been diminishing over the last years. The change in the Western European countries' policies was partly caused by the Great Recession (2008-2009), but partly by the reluctance of the Central European countries to further integrate Europe. Therefore, the Hungarian diplomacy makes attempts to reduce the already predictable "losses".

When looking at the roots of the 21st-century bilateral relations, it is clear that these relations started to develop rapidly after the visit of the Hungarian Prime Minister Péter Medgyessy in 2003. After this visit, every Hungarian Prime Minister visited China, and the new Orban government after 2010 continued this policy, aiming at strengthening relations with China. The most obvious example of these efforts was the launch of the so-called "Eastern Opening Policy" in 2011. The strategy was revised in 2012 by adopting a broader growth strategy (the Széll Kálmán plan²). The strategy pointed out the importance of trade and investment diversification. The details of this policy were described by

Zsolt Becsey who explained that besides the establishment of trading houses in emerging markets and the promotion of Hungarian firms, in particular small and medium enterprises, initiatives in the education and tourism sectors are linked to the core “Eastern Opening Policy” (Becsey, 2014). It must be underlined that the Hungarian economy is deeply embedded in the Western European economy, with around 80 percent of the Hungarian export being carried out with European partner, while the Chinese share in Hungarian trade is not significant. (China’s share in Hungarian import was around 5.27 percent in 2016, while Chinese share in export reached 2.2 percent in the same year.³) In the medium term, substantial changes cannot be expected, since the bulk of the Hungarian export is the export of Hungary-based German, French, Dutch, Belgian etc. firms.

The underlying idea behind the concept of “Eastern Opening Policy” is that historically the Hungarian economy was always reliant on capital and knowledge import from Western Europe. That is the case even today. The first signs of the asymmetric reliance could be discovered after 1492 when trade routes shifted in Europe leading to growing Hungarian dependency on trade with the West. The one-sided reliance only grew until WW2, when the formation of the socialist bloc in Eastern Europe cut these ties with Western Europe resulting in not economic, but political dependency on the Soviet Union. Although the socialist era disrupted these links, they were swiftly rebuilt after 1990, again increasing the reliance on Western capital and technology in the Hungarian economy. The Great Recession (2008-2009) revealed the vulnerability of the Hungarian economy clearly, since as mentioned earlier around 80 percent of Hungarian export targeted other EU members, and more than two thirds of exports are carried out by multinational firms in Hungary. Another channel of economic contagion was the reliance on Western European banks. The subsidiaries of these

banks made up the majority of the Hungarian banking sector, and when they reduced and/or closed down their credits in the first wave of the economic shock, they generated a new wave of economic shock in the Hungarian economy.

Thus, the “Eastern Opening Policy”, as a means to lessen the one-sided reliance on Western Europe, is an economic project of historical relevance to Hungary. It is not only a pet project of the present government, but the only chance to make economic breakthrough and break out of the middle-income country status.⁴ Given the delineated background, the concrete target indicator of the strategy is to double the export of Hungarian small and medium enterprises to the Asian and Eurasian regions. The strategy does not exclude, but it does not focus on multinational enterprises. The main target countries of the strategy are China, Russia and India where potential for trade growth is the highest. It is clear that to harmonize the catch-up goals with the “Eastern Opening Policy”, Hungary needs partners it can engage in surplus or zero balance trade. That is not the case with China right now, so critics of the “One Belt, One Road” initiative and the “Eastern Opening Policy” question why it is beneficial to increase trade with partners who have clear surpluses in trade. More balanced trade relations between China and Hungary obviously could contribute to a better reception of Chinese ideas in the Hungarian politics. However, as mentioned above, the volume and share of trade with China is not significant (yet).

After taking a look at the Hungarian policy, it is worth investigating the Chinese side. It is clear that China’s Hungary-policy can only be framed in a broader perspective. There are four different layers to be distinguished in the relations between China and Hungary, in general the V4 countries: (1) strategic partnerships, (2) regional frameworks, (3) the EU dimension and (4) global frameworks.

1. Strategic partnerships. Up to this point, there are three strategic partnerships initiated by China in the region. The first-ever official visit of the head of China to Poland took place in 2004, and it was followed by the official visit of a Polish head of state to China in 2011, where a strategic partnership of the two countries was established. China also signed strategic partnership agreements with the Czech Republic in 2016, and with Hungary in 2017. Strategic partnerships are integral part of Chinese foreign policy, since China has established partnerships with 47 countries and 3 international organizations, with the EU, the ASEAN and the African Union. (Feng and Huang, 2014: 18-19)
2. The “16+1” mechanism. Despite efforts to strengthen bilateral relations, given the number of the Eastern European countries⁵ and the relatively small size of their economies, it seems to be more manageable for China to establish a regional cooperation framework, thus another initiative was born by the launching of the “16+1” mechanism of cooperation including China and 16 CEE countries in 2012. And up to this point, summits usually were held in different capitals of the country group.⁶ There are already positive signs of this cooperation as the quote puts: “According to the Chinese Ministry of Commerce, the total annual trade volume between China and CEE countries registered 43.9 billion U.S. dollars in 2010, and the figure surged to 60.2 billion dollars in 2014. China has plans to double its trade with the region by 2019.” (Xinhua, 26 March 2016). Between 2009 and 2014, Chinese FDI flows to V4-countries increased by 366 percent, while total Chinese OFDI only doubled (217 percent). However, it is not clear how much of this change in data can be explained by the strengthening of the regional cooperation framework. The “16+1” cooperation mechanism is an intergovernmental platform which is extended by working groups,

forums and dialogues in various fields (f. ex. China-Hungary-Serbia joint working group on transport infrastructure cooperation; China-CEEC Health Ministers' Forum, China-CEEC Literature Forum, and China-CEE Countries Political Parties Dialogue). A crucial step was the establishment of the China-Central and Eastern Europe Investment Cooperation Fund that was announced by former Chinese Premier Wen Jiabao in 2012. The organizer of the Fund became the Export-Import Bank of China; the fund was established a year later. The fund is sponsored by the Export-Import Bank of China and the Hungarian Export-Import Bank.

China's "one size fits all" framework has a few limitations, which are to be led back to visible fault-lines between the sixteen Central and Eastern European countries:

- 1) Large economies are more able to take advantage of the cooperation, whereas small economies find it difficult to cooperate with China. Size also matters in trade and investment.
- 2) Political obligations also differ widely among the 16 countries (membership in the EU, Single Market and the Eurozone).
- 3) This new cooperation form triggered suspicion in EU institutions and EU countries as to what the Chinese intentions are with this mechanism, referring to the possibility of the divide and rule tactics of great powers. These suspicions are very strong in Germany. In the analysis of German politicians, the importance of open markets is one of the often-recurring elements. Brigitte Zypries, Minister for Economic Affairs, underlined the importance of free trade and open markets in her May 2017 speech. She stressed that markets should be opened further in order to strengthen economic ties and boost growth. The EU, she argued, advocates open markets both among its members and among its non-European partners. She added, "As close partners, we

encourage China to implement reforms and open its market.”
(*FAZ*, 14 May 2017)^{7,8}

3. EU-China partnership. There is another layer which only partly overlaps the “16+1” mechanism – the EU-China comprehensive strategic partnership, which started in 2003; however, it is based on several formal agreements between China and the EU. (See the High Level Economic and Trade Dialogue in 2009 or the 1985 Agreement on Trade and Economic Cooperation etc.) The partnership was complemented by the EU-China 2020 Agenda for Cooperation in 2013 encompassing four areas of cooperation: peace, prosperity, sustainable development and people-to-people exchanges. There are various causes for criticism when it comes to this layer of cooperation:
 - 1) Traditionally the EU has deep concern about civil rights and political freedom in China (at the same time, EU member do not have that concern, and they want to trade with China).
 - 2) At the same time, the 28 countries of the European Union – despite being part of the Single Market – offer different business and investment opportunities.
 - 3) EU institutions are slow in their responses to Chinese political and economic initiatives, given the fact that they represent 28 countries.

Against this backdrop, it is no surprise that the Chinese foreign policy has favored more limited forms of cooperation in the recent years (bilateral or regional frameworks), where interests can be formulated more precisely and adequately.

4. Silk Road and the 21st Century Maritime Silk Road. Through this cooperation channel China seeks to establish contact with countries of very different development levels and more continents. This Silk Road was initiated and is being led by China. The main reason

behind this initiative was the need to push down transaction costs of negotiating processes. V4-countries with the exception of Poland have small economies and along with Poland they belong to middle-income countries. That is the reason why this cooperation was speeded up by the “Belt and Road Initiative”⁹ proposed by China with the aim to promote the connectivity of Asian, European and African countries (State Council, PRC, 30 March 2015). References to the ancient Silk Road are often made as these remarks deliberately seek to reinforce the open and peaceful nature of this cooperation form.

The explicit strategic goal of all Chinese initiatives is to strengthen economic cooperation possibilities, without wishing to interfere with domestic affairs of the participating countries. This is made explicit in the case of the “Belt and Road Initiative”. The so-called “Vision and Actions on Jointly Building Silk Road Economic Belt and 21st Century Maritime Silk Road”¹⁰ stress this aspect by adhering to the following principles: mutual respect for each other’s sovereignty and territorial integrity, mutual non-aggression, mutual non-interference in each other’s internal affairs, equality and mutual benefit, and peaceful coexistence.

3. Views on the One Belt and One Road Initiative

There is a clear division in opinions published in the media and in academic papers. Reports and opinions in the media reflect a very supportive approach to the Chinese initiative. These reports is centred on the progressive elements of the proposal: investments and jobs created by these investments are often stressed. If there is any negative tone related to the One Belt, One Road initiative in these articles, they are published in newspapers and Internet sites dominated by the liberal-left-wing opposition. In these cases, there are two typical arguments:

- a) Why replacing one dependency with another one? It is clear, Chinese trade surpluses overshadow goals of “Eastern Opening Policy”; however, Chinese percentages in Hungarian trade are not significant yet. Thus, the turn to Asia is in an embryotic state, and trade deficit can be improved, thus rejection of the project based on these percentages is hurried.
- b) Is it new method how corrupted politicians can access public funds? Other criticisms related to the One Belt, One Road initiative serve party-interests often, as a matter of fact they do not focus on the Chinese initiative, but corrupted Hungarian politicians and high-roller businessmen, who are being featured as players benefiting from public investments. One of the cases is the railroad that is to be modernized by Chinese credits between Budapest and Belgrade. According to the estimates of the Hungarian Figyelő (*Observer*), the project profitability is highly unlikely, based on their calculations, and the money to be invested will bring returns to the investor only after 2,400 years!!! (Szalai, 2017) At the same time, the same accusation is repeated when covering corruption cases related to EU funds. So, this negative element of the interpretation can be traced to Hungarian politics, not China’s perception in Hungary.

When it comes to the interpretation of the One Belt, One Road initiative in the media and the academic circles, the following aspects usually are to be referred to. There are typical answers to the question why the Chinese would invest so much money in other countries’ infrastructure. There are two main sets of arguments which can be distinguished, the geopolitical and the economic reasons.

3.1. Geopolitical Reasoning

Chinese weakness. A few analysts – this surprising argument is rarely to be found in the media, but more often in the academia – emphasize the

shift in geopolitical power relations. They refer to political struggles in the South China Sea between the United States and China and add that China does not have sufficient military power (navy) to counterbalance the United States in this region. Due to this fact and the traditionally non-confrontational approach of Chinese foreign policy, China turns to the Eurasian masses, where resistance is weaker. As Viktor Eszterhai puts it: “Since China would need a stronger navy in the traditionally US-dominated Southeast Asian sphere of influence to overshadow the United States, it had to look for other options. The One Belt, One Road program serves this goal. The program ends the era of low-intensity Chinese foreign policy, and it leads to an international activity, appropriate to China’s new international status.” (Eszterhai, 2016)¹¹ The reluctance of India and the cooperation of Russia, leading to a subordinate position, is also emphasized by Eszterhai. This view is a very widespread belief among Hungarian scholars, stressing the presumed evil hidden intentions of the Chinese. On the one hand, this argument clearly does not pay attention to the explicit non-intervention policy of the One Belt, One Road initiative. On the other hand – as the hegemon stability theory implies – China as emerging hegemon can motivate other countries to participate in the One Belt One Road initiative, but it cannot force the cooperation; the project must build upon mutual benefits.

American withdrawal from trade. This interpretation also relies on political and less economic arguments. The question why China would invest heavily in other countries is often explained by the United States’ withdrawing from the Trans-Pacific Partnership and other signs of isolation (Origo, 13 May 2017). In that argument, it is often stated that China would use the American withdrawal to gain more influence in the world economy and world politics through the launch of the

OBOR Initiative. However, the more realistic analysts emphasize the sequencing of events, pointing out the One Belt, One Road initiative started in 2013, while American elections took place later, in 2017!

Answer to the aggressive American foreign policy. There are analysts who highlight China's OBOR project is somehow part of a geopolitical game between the US and China. György László states: "When Hillary Clinton in 2011 announced America's Pacific Century, the Chinese didn't hesitate with the answer for long. In 2013, they started their Westward Opening Policy, the One Belt, One Road initiative." (György, 2017)^{12,13} The sequencing is more correct; however, the OBOR cannot be explained only by geopolitical motives.

3.2. Economic Arguments

Economic pressures on China. The China-expert, Gergely Salát explains the OBOR project by economic pressures on China and he argues that the Chinese want to live up to these pressures with the launch of the OBOR project. He is quoted in an interview: "China has many goals. On the one hand, China has abundant capital to invest and unused construction capacities, alongside the Silk Road routes; investments by Chinese firms help absorb these capacities. On the other hand, China strives to build upon several import sources and markets, to minimize exposure." (Pataky, 2015)¹⁴ In this case, economic and geopolitical arguments are presented together.

Securing access to resources. It is often argued that access to raw materials and other resources motivates the Chinese to launch and implement the One Belt and One Road initiative (*Origo*, 13 May 2017). Viktor Eszterhai contends: "The goal of the New Silk Road Project, easiest to identify, is to ensure import routes of raw materials. Due to the dynamic economic growth, China has been forced to import more

and more raw materials from the 90s on.” (Eszterhai, 2016: 118)¹⁵ Ensuring raw materials is one of the oldest motivations behind internationalization, and it is very important even today; however, if the change of the Chinese economic structure is to be speeded up, creating services and knowledge-based economy, this aspect might be less important than presented above. In other words, these two motivations seem to be contradicting each other.

Economic development of China's backward regions. The argument refers to the economic developmental needs of western China. Not only here, but also in development economics, there is a near consensus among scholars that being landlocked is inimical to international trade. This problem can be found in western China and of course, in the landlocked countries of Central Asia as well (f. ex. Kazakhstan, Mongolia etc.) This argument refers to large distances and poor infrastructure, leading to excessive transfer costs. The initiative aims at diminishing these problems and clearly it can start in the neighbouring countries easiest.

Strengthening the renminbi (RMB). The precondition of the One Belt, One Road initiative is a massive financial support from the Chinese side. Chinese credits lent to the projects will strengthen the role of the Chinese currency in financial transactions. There is an important historical analogy: before 1958, only the British pound was freely convertible in Europe, but the creation of the customs union forced the six participating countries to make their currencies freely convertible. Without that element, customs union would not have made too much sense. In other words, the One Belt, One Road initiative needs a more liberal approach as for the RMB exchange rate; a strong, easily convertible renminbi will create more trade. There are very clear building blocks of this change, f. ex. the Central Bank of Hungary

(MNB) started its 5-year Renminbi Program in 2015. Under this framework, the Central Bank of Hungary signed a bilateral currency swap line agreement with the People's Bank of China (MNB, 2016). However, that policy is not new; it started with the creation of the Dim Sum bonds and offshore RMB market in 2007. In Hungarian perspective, broadening of financing is interpreted positively.

Financial vacuum in Europe. Tamás Matura puts a heavy emphasis on the need for financing in these countries. He states: “The crisis of the European Union and the resulting financial vacuum revealed potential opportunities in the CEE region.” (Matura, 2017: 57.) The argument might be relevant in some of the Central and Eastern European countries; however, it must be highlighted that in recent years EU funds have provided sufficient tools for infrastructure financing in Hungary. Additional sources are always welcome though, but the term “financial vacuum” could have been more appropriate in the first months of the Global Financial Crisis, when the financial vacuum had led to credit withdrawals in Central and Eastern European banking systems.

Differing interests of the partners. Among Hungarian economists, this argument is the most often repeated one. Hungary needs technology and capital, while China needs markets and countries with low labour costs, where it could reallocate its capacities. None of them can be found in Hungary, moreover, being a member of the EU means competitive disadvantages, compared to other European countries (f. ex. the Balkan countries, like Serbia, Macedonia, Albania) where EU rules, in particular EU procurement regulations, need not be followed. Tamás Matura describes this situation: “Central European EU member states can apply for non-refundable financial support for infrastructure development, while the regulations of potential Chinese credit lines are not in accordance with EU procurement law. Therefore, Chinese loans are not

attractive, while any attempts to pay off Chinese construction companies from European funds might likely provoke political turbulences. Both sides are looking for something different, which is a fundamental problem, with the exception of non-EU member states on the Balkans, where Chinese investment into infrastructure has been more successful.” (Matura, 2017: 59.) Matura is right in pointing out the different access opportunities to capital; however, this situation can easily change with the adoption of the new EU budget.

4. A Summary of the Hungarian Interpretations

Generally, it can be stated that the One Belt, One Road initiative has been featured positively in the Hungarian media, while negative comments are usually linked to the criticism of Hungarian politicians and/or parties. The two initiatives – 16+1 and OBOR – are usually featured together, and that is the reason why it is difficult for the average Hungarian to distinguish between them.

There are clear differences in opinions between pro-government and opposition media, the latter ones stressing the negative, or seemingly negative elements of the projects, while pro-government press is emphasizing economic benefits. The perception of the 2017 16+1 summit in Budapest and the One Belt, One Road initiative is rather mixed in the academic circles, and that is more understandable because academic discussions evolve rather around the future world economic and political role of China than the project’s direct possible economic effects. However, if comparing criticisms against Russia, or Putin’s visits in Budapest, the tone is mild, even among opposition partners, since they are aware that China’s manoeuvring room is larger when it comes to investment in Central European countries.

It must be added that there is one element rarely emphasized by Hungarian politicians and experts: China offers an alternative model of development policy to the developing countries of Asia, Africa, South America and to the Central and Eastern European countries as well. If there is something that one can miss from the branding of this initiative, it is to emphasize that the different Chinese initiatives can put the whole Central European region into the centre of the world economy offering the region a one-time chance of catching up.

Notes

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1. In the Hungarian academic circles, the number of scientists focusing on China is limited, that is the reason why the selection of these analysed papers was complicated, since China-focused think-tanks cannot be found in Hungary, only researchers scattered in the different institutions, like the World Economy Research Center of the Hungarian Academy of Sciences, the Budapest Business School, University of Applied Sciences, the

Budapest Corvinus University and the Catholic University (Péter Pázmány Catholic University).

2. The document can be found here: http://index.hu/assets/documents/belfold/szkt_2_0.pdf
3. In Hungarian Forints, based on data of the Hungarian Central Statistical Bureau (KSH).
4. In economics, the middle-income country trap dilemma refers to difficulties of countries relying on cheap labour, struggling to find new competitive advantages when incomes are already on the rise, and the difference in labour cost begins disappearing. It is clear that both China and Hungary face the same dilemma; however, China's manoeuvring room is larger in resetting the course of the economy due to the large market and abundant capital.
5. Albania, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia, Macedonia.
6. In Warsaw, Poland (2012); Bucharest, Romania (2013); Belgrade, Serbia (2014); Suzhou, China (2015), Latvia (2016) and Hungary (2017).
7. In this paper, the author only discusses pro and con arguments related to the OBOR; it does not focus on the way how events are presented in the media. In the quoted *FAZ* article, the support of the Russian and Turkish Prime Ministers does not make the best impression on German readers. This support is often emphasized in the article and the negative impression is clearly an effect the author of the article wanted to achieve.
8. The original text: "Als enge Partner ermutigen wir China, Reformen und Marktöffnung zu liefern."
9. The full name of the initiative is Silk Road Economic Belt and the 21st Century Maritime Silk Road.
10. It was issued by the National Development and Reform Commission (Ministry of Foreign Affairs and Ministry of Commerce of the

People's Republic of China).

11. The original text: “Mivel hagyományosnak tekinthető kelet és délkelet-ázsiai érdekszférájában az USA fokozott jelenlétének a háttérbeszorításához erősebb flottára lenne szüksége, Kínának új lehetőségeket kellett keresnie. Ezt a célt hivatott az Egy Övezet, Egy Út program megvalósítani, amelyet egyben a korábbi alacsony intenzitású külpolitikájának végét, és Kína új hatalmi helyzetéhez méltó nemzetközi aktivitást jelent.”
12. The original text: “Amikor Hillary Clinton 2011-ben meghirdette Amerika csendes vagy csendes-óceáni évszázadát (America's Pacific Century), vagyis az amerikai külpolitika “keleti nyitását”, a kínaiak sem késlekedtek sokáig a stratégiai válasszal. 2013-ban nyilvánosságra hozták nyugati nyitásuk programját Egy övezet, egy út kezdeményezés néven (One Belt, One Road Initiative).”
13. György László refers to Hillary Clinton's article “America's Pacific Century”, that signaled a definite turn of American foreign policy in 2011, when she wrote: “The future of politics will be decided in Asia, not Afghanistan or Iraq, and the United States will be right at the center of the action.” (Clinton, 2011)
14. The original text: “Több célja is van. Egyrészt Kínának rengeteg a befektetni való tőkéje és kihasználatlan építőipari kapacitása, az útvonal mentén kínai cégek által végrehajtott rengeteg infrastrukturális beruházás segíthet ezeket lekötni. Másrészt Kína igyekszik mind importforrásaiban, mind piacaiban a lehető legtöbb lábon állni, hogy kevésbé legyen kiszolgáltatott.”
15. The original text: “Az Új Selyemút projektum legkönnyebben azonosítható célja a nyersanyagok importútvonalainak biztosítása. A gazdaság dinamikus növekedésnek köszönhetően, az 1990-es évektől kezdve Kína egyre több nyersanyag importjára szorult.”

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