

# CHINA ENLARGES ITS CIRCLE IN EUROPE

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Chinese Premier Li Keqiang.

China's Premier surveyed construction of a long-sought bridge over Croatia's Mali Ston Bay, home to China's largest infrastructure project in Europe — built by a Chinese company with Chinese workers, and financed in large part by EU money.

A driving rain lashed the hills while Li Keqiang was there on Thursday. But, Mr. Li declared. "This bridge will be a rainbow on earth."

The reassuring language was part of a broader effort to convince increasingly sceptical European nations that China comes in peace.

Fresh from a summit meeting with EU leaders this week, Mr. Li arrived in Croatia for the annual meeting of an economic bloc that China has forged with 16 Central and Eastern European nations.

The thickening ranks of China's economic allies have left European officials increasingly wary. Last month, Italy formally signed on to China's vast Belt and Road Initiative (BRI). On Friday, the summit was capped by Greece's announcement that it had joined, too.

## Dragon head

China has already moved ahead with plans to make the Greek port of Piraeus the "dragon head" of its infrastructure push, and it has stepped up investment in Greece, which is still smarting from the austerity measures imposed by its European partners.

China's presence is no longer a novelty in this part of Europe, where its track record is decidedly more complicated than it was when the economic bloc was formed.

For instance, after years of investments failing to materialise, Poland, the largest nation in the group and once one of its biggest champions, has cooled on China. The arrest in Poland of a Chinese regional director of the tech giant Huawei underscored the changing nature of the relationship.

In fact, the pace of Chinese investment in Europe has slowed for the past two years, according to the Mercator Institute for Chinese Studies.

In 2018, there was more than \$19 billion in direct Chinese investment in Europe, a decline of 40% from 2017, and more than 50 percent from the 2016 peak of around \$42 billion. NY TIMES

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