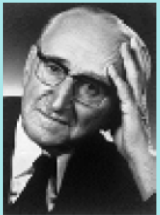




Ordnungspolitische Diskurse

Discourses in Social Market Economy



Katja Kalkschmied

**Chinese lending specifics and projects in
the Caucasus region:
A look into project-level data**

Diskurs 2022 - 11

Chinese lending specifics and projects in the Caucasus region:

A look into project-level data

Katja Kalkschmied

Abstract:

The Caucasus region has experienced an increasing inflow of Chinese official development finance in the last twenty years. The inflow accelerated after the countries of the Caucasus region became participants in the Belt and Road Initiative. Chinese finance into Eurasia aims to build energy and economic corridors linking the European and Asian continents. Natural resource endowments and the geographic location between the two continents are favorable for these ambitions, and so are recent geopolitical developments. The war between Russia and Ukraine revokes new interest in the Middle Corridor energy and goods transportation routes running via the Caspian Sea and the Southern Caucasus. Much is to win from the Trans-Caucasus corridors for China, the European Union, and the Southern Caucasus countries but also for Kazakhstan and Turkey. Much is to lose also. This article infers on Chinese endeavors and lending specifics in the Caucasus region by looking at project-level data from the years 2000-2017. It concludes that the Southern Caucasus countries need to strategically manage the development cooperation offers from China and other powers to make the new interest in the region beneficial for them. This requires taking measures to ensure that foreign-financed projects meet domestic needs and interests and become effective for domestic development.

Keywords:

Development finance, Caucasus, China, BRI

Author:

Katja Kalkschmied holds a postdoc position at the Chair of International Economics, Ruhr University Bochum, Germany. She earned her Ph.D. at the Institute of Economics, University of Graz, Austria. Her research focus lies on development economics and growth, institutional economics, political economy, and international trade. She is currently investigating the presence of China in developing countries. Work and contact details are available at: <https://katjakalkschmied.org/>

This paper is part of the conference project: “Armenia and the Belt and Road Initiative: Challenges and Problems”, Yerevan 2022, funded by Volkswagen Foundation

Chinese lending specifics and projects in the Caucasus region:

A look into project-level data

1. Introduction

In 2016, a syndicate of banks led by Bank of China issued a \$1.3 billion loan to SOCAR Turkey Enerji A.S.—a Turkish subsidiary of the State Oil Company of the Azerbaijan Republic (SOCAR)—to purchase an ownership stake in the Trans-Anatolian Natural Gas Pipeline Project (TANAP). TANAP together with the Shah Deniz Natural Gas Development Project and the Trans-Adriatic Pipeline Project constitute the “Southern Gas Corridor Project” which aims to ensure the delivery of Azerbaijani gas to the European markets. Before this acquisition, Southern Gas Corridor Closed Joint Stock Company, a joint investment vehicle that the Government of Azerbaijan and SOCAR established for the implementation of the Southern Gas Corridor, held a 58% ownership stake in the TANAP. Through the Southern Gas Corridor, natural gas produced from the Shah Deniz-2 field located in the Caspian Sea in Azerbaijan is transported via Georgia to Turkey and then onwards to Europe. International opening ceremonies of the pipeline took place in mid-2018 for the Turkey-Georgia border section and at the end of 2018 for the Turkey-Greece border section. The first test pumping was held in April 2019. To date, TANAP is the longest and largest diameter natural gas pipeline in Turkey, the Middle East, and Europe, stretching 1,850 kilometers with 56-inch pipes in diameter and including a 17.6-km long sea crossing.

The contribution of Chinese banks to finance the TANAP is an illustrative case of Chinese development projects in the Caucasus region. Such projects have increased in number and also in value in the course of the last twenty years. The type of Chinese finance and the terms of Chinese finance for TANAP reflect more general specifics in Chinese lending to developing countries that are discussed in more detail in Malik et al. (2021), Custer et al. (2021), and Dreher et al. (2021). These descriptive studies as well as inferential studies on the determinants and effects of Chinese development finance¹ draw on a project-level dataset provided by AidData, a research and innovation lab located at the College of William & Mary, in Virginia in the United States. In this article, I use AidData’s 2021 released version 2.0 of the dataset to analyze Chinese projects in the Caucasus regions. I assess the projects with respect

¹ See Dreher et al. (2021a,b) and Anaxagorou (2020) on the determinants and Dreher and Langlotz (2020), Bluhm et al. (2018), and Isaksson and Kotsadam (2018a,b) on effects of Chinese development finance.

to their potential aims and outcomes for China, the single recipient countries, and the whole Caucasus region. I also discuss whether the insights for the Caucasus region reflect the more general insights that were gained in previous studies.

In the focus of the analysis are the three Southern Caucasus countries Azerbaijan, Georgia, and Armenia. Chinese-financed development projects in Turkey and Kazakhstan, two direct neighbors of the Southern Caucasus countries, enter the analysis too. Turkey shares a border with European Union countries and Kazakhstan with China. Investments in physical and economic infrastructure in Turkey and Kazakhstan are therefore also needed to make projects with a transcontinental scope like the Southern Gas Corridor function. All five countries under investigation have signed a Memorandum of Understanding (MoU) or cooperative agreement that formalizes their participation in the Belt and Road Initiative (BRI). Armenia, Azerbaijan, Kazakhstan, and Turkey joined the BRI in 2015, Georgia joined in 2016.

The remainder of this article is structured as follows: Section 2 discusses the endeavors for and the prospects of Trans-Caspian energy and economic corridors. Section 3 presents a descriptive analysis of Chinese development projects in Azerbaijan, Georgia, and Armenia, as well as Turkey and Kazakhstan, at times relating Chinese development projects in these five countries to more general Chinese lending specifics found in previous studies. Section 4 puts the Chinese lending specifics and projects in the Caucasus region into a greater picture and picks up on the opportunities and threats of Chinese development finance for recipient countries. Section 5 concludes with thoughts on how Southern Caucasus countries can use Chinese development finance offers for their own benefits.

2. Energy and economic corridors through the Caucasus region

Besides financing the TANAP, Chinese banks have been heavily involved in financing the Shah Deniz 2 site, the largest gas development project in Azerbaijan. Chinese finance came in concert with finance from multilateral financial institutions including European Bank of Reconstruction and Development, the Black Sea Trade and Development Bank, Asian Development Bank but also European private banks such as ING Bank, Unicredit Bank Austria, and Société Générale. The Shah Deniz 2 gas development project was not the first energy project in the region, for which Western and Eastern financial institutions joined forces. In 2015, Bank of China provided \$260.26 million and the Industrial and Commercial Bank of China provided \$173.51 million to a 1.63 billion syndicated loan facility for the Baku-Tbilisi-Ceyhan Pipeline Construction Project. The recipient was the Baku-Tbilisi-Ceyhan Pipeline Company (BTC), a special purpose vehicle set up for the construction of the oil pipeline that is owned by BP (30.1%), SOCAR (25.0%), Unocal (8.9%), Statoil (8.7%), TPAO (6.5%), Eni (5.0%), Total

(5.0%), Itochu (3.4%), INPEX (2.5%), ConocoPhillips (2.5%) and Amerada Hess (2.4%). The oil pipeline starts from the Azeri-Chirag-Guneshli oil field in the Caspian Sea and, like the gas pipeline, passes through Azerbaijan and Georgia. Unlike the gas pipeline, the oil pipeline does not continue to Greece. It ends at the Ceyhan Terminal which is at the Turkish coast of the Mediterranean Sea. There, the oil is put on ships and distributed to international markets.

For Western countries, the Trans-Caspian energy corridor helps to secure and diversify energy imports. The oil and gas production in and transportation through the Caucasus region has enormously increased in importance for securing European countries' energy supply since the war between Russia and Ukraine commenced and dependencies on Russian oil and gas deliveries are becoming increasingly more painful for European societies. For China, building the Trans-Caspian energy corridor was an attractive investment opportunity as much as a means to lay the ground for further economic cooperation between the West and the East apart from energy projects. China aims to integrate Eurasian countries into the "Silk Road Economic Belt", the overland road and rail transport network which should connect the East with the West as part of China's encompassing BRI. The most developed part of the Silk and overland road and rail transportation network heading towards the West takes the Northern route from China via Kazakhstan to Russia, Belarus, Poland, and Germany. The ongoing war and sanctions on Russia may not only in the short- but also in the medium-run shut down the Northern Corridor of the Silk Road Economic Belt and painfully cut China's ambitions to complement and find alternatives to the sea route possibilities of transporting Chinese products to Western markets. The Middle Corridor, which runs from Central Asia via the Caspian Sea and the Southern Caucasus Countries, is an attractive alternative to the Northern Corridor. Geographically, it is the shortest route between western parts of China and Southeastern parts of Europe. Moreover, with ports on both sides of the Caspian and a complex system of railways, critical infrastructure for the economic corridor is already existing.

For countries in the Caucasus region, important economic opportunities may arise with a functioning Middle Corridor. They lie at the center of three major integration initiatives: the European Union, the Eurasian Economic Union, and the BRI. The countries in the Caucasus region have prospects to benefit from trade between Europe and China via becoming regional energy, goods, and communications hubs (Devonshire-Ellis, 2019). While geographical and geopolitical circumstances caused by the war between Russia and Ukraine favor this development, there exist major obstacles to its realization. Central and Western Asian countries are shaped by Soviet legacies and still strongly socially and economically integrated with and under the political influence of Russia. The breakdown of the Soviet Union caused the newly independent countries to experience severe economic collapses in their first years. Since then, Central and Western Asian countries are struggling to build functioning political and public administrative systems and strengthen national economies. Major structural reforms

designed to transition to advanced market economies under the support of U.S. American and Western European development cooperation programs largely fell short of expectations.

Today, the Central Asian and Western Asian countries are lower-middle-income countries with relatively bad qualities of political and economic institutions. Georgia, as an exception, has made notable achievements in establishing a legal environment conducive to international investments and trade via economic, educational, and public sector reforms. Yet, Georgia remains heavily dependent on exports of raw materials mined in the Caucasus Mountains, exports of wine and agricultural products, and receipts from Russian tourists (National Statistics Office of Georgia, 2022). The national economies of neighboring countries are also volatile. The economy of Azerbaijan is heavily dependent on the oil and gas sector and fluctuates with prices in international energy markets. The economy of Armenia, which is the smallest in the Caucasus region, is heavily dependent on investments, raw materials, and energy from Russia. Besides the historical and contemporary presence of Russia (which has no interest in the functioning of the Middle Corridor), there is a lack of harmony and cooperation between the Southern Caucasus countries (and Turkey) that is much needed to make the existing transport infrastructure such as the Baku-Tbilisi-Kars rail line effective for the Middle Corridor. Negotiations are needed to break down tariffs and make border procedures for the transfer of goods through the Caucasus region more efficient. Further negotiations are needed to solve geopolitical issues on territorial disputes such as the ongoing disagreements between Armenia and Azerbaijan with respect to the autonomy of the Nagorno-Karabakh region. Hence, a number of economic and political hurdles lie in the way of a functioning Middle Corridor.

3. Chinese projects in the Caucasus region

The potential functioning of the Middle Corridor has been in China's interest even before the breakdown of the Trans-Siberian Railway, the heart of the Northern Corridor, in the course of the war between Russia and Ukraine. In order to reduce dependencies, China seeks to diversify transportation routes linking the East and the West in both geographical scope and in transportation mode. In the last twenty years, China has heavily invested in Central, Western, Southern, and Southeastern Asian countries to secure energy imports needed for Chinese production and to secure transportation routes to bring Chinese products to Western markets. Chinese investments in Asian countries were not restricted to breaking down physical barriers of trade (via building roads, rail lines, and ports) and non-physical barriers of trade (via building special economic zones and establishing efficient customs management systems). Chinese endeavors included exploiting attractive investment opportunities in developing markets. Moreover, Chinese endeavors were accompanied by social infrastructure projects (building hospitals and schools and delivering medical masks and vaccines to fight the pandemic) that

have partly complemented and partly challenged Western countries' economic development cooperation strategies with low- and middle-income countries (Chin et al., 2019).

Table 1 summarizes the Chinese development projects which AidData could identify in the three Southern Caucasus countries and their two neighbors for the period 2000-2017. Since its enrolment in 2013, many of the large-scale development projects in Asian countries took place under the roof of the BRI. As explained by Beijing, the BRI should be seen as an encompassing initiative that goes beyond building transportation routes. Besides facilitating physical connectivity, it aims to foster policy coordination, unimpeded trade, financial integration, and people-to-people ties (Belt and Road portal, 2015). Malik et al. (2021) show that Chinese development projects abroad encompass economic infrastructure, production, as well as social infrastructure projects. The projects are partly financed with debt and partly financed with aid. Some projects seem to follow economic while others seem to follow political motives. Yet, the debt-financed and economically motivated economic infrastructure and production projects outweigh the aid-financed and politically motivated social infrastructure projects to quite substantial degrees, with Armenia constituting an exception.

Table 1: Summary of Chinese development finance flows to countries in the Caucasus region

	Azerbaijan	Georgia	Armenia	Turkey	Kazakhstan
Total development finance	\$580.8	\$423.5	\$90.4	\$6,814.1	\$42,323.5
Development finance per capita	\$60	\$42	\$31	\$84	\$2,346
Number of projects	18	36	29	53	97
Aid-to-debt ratio	0.1	0.3	90,300	0.0	0.0
Social infrastructure projects	2.7%	5.9%	48.6%	4.4%	0.3%
Economic infrastructure projects	0.4%	85.5%	35.5%	69.9%	23.8%
Production projects	96.9%	7.6%	6.3%	11.6%	72.6%
Sovereign debt exposure	0.0%	0.0%	0.2%	0.2%	15.7%
Hidden debt exposure	1.1%	0.0%	0.1%	0.2%	1.8%

Description: *Total development finance* gives the sum of the value of all Chinese development finance projects in the country in million 2017 constant USD for the period 2000-2017 as recorded by AidData. *Development finance per capita* divides *Total development finance* with the World Bank reported population size of the country in millions in the year 2017. *Social infrastructure projects*, *economic infrastructure projects*, and *production projects* give the shares of the sum of project values for each sector from *Total development finance*. *Social infrastructure projects* contains projects in the sectors education, government and civil society, health, water supply and sanitation, other social infrastructure, and emergency response. *Economic infrastructure projects* contains projects in the sectors communications, energy, transport and storage, business and other services, banking and financial services, and trade policies and regulations. *Production projects* contains projects in the sectors agriculture, forestry, fishing, industry, mining, and construction. *Sovereign debt exposure* and *Hidden debt exposure* give the countries' total value of debt owed to China as percentage of national GDP. The first variable gives the debt recorded and the second variable gives the debt unrecorded in governments' balance sheets. Debt exposure information is taken from Malik et al. (2021):159-165.

3.1 Chinese projects in Azerbaijan

Out of the three Southern Caucasus countries, Azerbaijan received most of Chinese development finance if measured in project values. The vast majority of Chinese finance that AidData identified for Azerbaijan came as loans that were used to establish the energy corridor from the Caspian Sea to the Turkish-Greek border in the case of the natural gas pipeline and to Turkey's coast at the Mediterranean Sea in the case of the oil pipeline. Besides the contribution to the syndicated loan facility for the Baku-Tbilisi-Ceyhan pipeline construction in 2015, in the same year, Bank of China contributed \$105 million to the \$1 billion syndicated loan to build the second stage of the Shah Deniz Gas. Also, in 2017, Bank of China helped SOCAR with \$21.43 million to refinance its liabilities.

The participation in the syndicated loans has served China's interests in at least two ways: First, providing finance for the building of the natural gas production site in the Shah Deniz field and the building of the gas and oil pipelines from Azerbaijan over Georgia to Turkey presumably constituted a good investment opportunity. Even though AidData does not provide information on the interest rates and maturity of the syndicated loans, it is likely that the loans were provided to SOCAR, BTC, and Lukoil Overseas Shah Deniz Limited at or near market rates. Second, the Chinese contribution to finance the building of the energy corridor may have helped China to win Turkey for the BRI project. During the G-20 Leaders Summit in Antalya in November 2015, the "Memorandum of Understanding on Aligning the Belt and Road Initiative and the Middle Corridor Initiative" was signed between Turkey and China. In this agreement, it is stated that the Middle Corridor Initiative led by Turkey creates a *natural synergy* with China's Belt and Road Initiative as "(...) both support the development of regional transportation projects (...)" and "(...) both aim to not only sustain commercial, economic and investment relations but also political and cultural relations between and beyond surrounding regions (...) on the basis of win-win principle" (Republic of Türkiye, Ministry of Foreign Affairs, n.d.). Within the framework of the BRI, Trans-Caspian China Railway Express Chang'an Train, the first freight train completed its journey from Xi'an (China) to Prague (Czech Republic) in 18 days by using the Middle Corridor and Turkey's transport infrastructure, including the Baku-Tbilisi-Kars railway and the Marmaray undersea tunnel in Istanbul.

A non-energy-related project in Azerbaijan reflects a Chinese lending specific that are discussed in existing literature with closer scrutiny: In 2012, a syndicated export credit agreement worth \$30million was signed between China Development Bank, China Construction Bank, and Sichuan Machinery and Equipment Import and Export Co Ltd for the Phase 2 of DET-AL Aluminum Plant construction in Azerbaijan's Ganja district. The enlargement of the plan sought to increase the plant's production capacity of electrolytic aluminum from 60,000 to 160,000 tons. Sichuan Machinery was involved in the first phase of

construction on the aluminum plant, which officially launched on March 3, 2008. Due to limited cash flow, Sichuan Machinery turned to Chinese state-owned policy banks and commercial banks to finance the construction of Phase 2. The issue of export seller credits which at times involves the co-financing of Chinese policy and commercial banks became a standard Chinese financing approach since the “Go Out policy” of the People’s Republic of China in 1999 (Chin and Gallagher, 2019). While most nations favor attracting inward foreign investment, the Go Out policy encourages Chinese state-owned and private enterprises to invest overseas. The export credits aim to help Chinese firms to gain footage in foreign markets. As the credits are mostly issued in US dollars, they also help to diminish the huge amounts of foreign reserves which China has collected from current account surpluses throughout the last two decades and which cause inflation pressure on domestic prices and revaluation pressure on the Renminbi’s exchange rate (Malik et al., 2021). Above that, physical infrastructure projects help China to use construction materials and industrial output that state-subsidized firms produce in excess of domestic demand (Dreher et al., 2021).

3.2 Chinese projects in Georgia

Georgia received \$423.45 million in development finance from China in the period 2000-2017. Chinese development finance in Georgia is predominately used to establish the economic corridor, targeting Georgia to become a hub for transporting, storing, and distributing products between the East and the West. Due to its location on the Black Sea and later on the historical Silk Road, Georgia has been involved in commerce with many lands and empires since ancient times. Over the last two decades, Georgia became famous for having achieved remarkable progress in the building of institutional and economic governance capacity. The World Bank dubbed Georgia “the number one economic reformer in the world”. Within only one year, from 2007 to 2008, Georgia improved from rank 112 to rank 18 in terms of ease of doing business² (World Bank, 2008). By 2020, Georgia has further improved its position to rank 7 (World Bank, 2020). Yet, a recent scandal concerning manipulations in the Doing Business Index’s data has cooled down the euphoria about Georgia’s gains in governance capacity and created the need for a revaluation of its regulatory environment (Nicola, 2021).

Besides providing a relatively secure business environment, Georgia has the competitive advantage of having free-trade agreements with the European Union and with China. Therefore, Georgia is an attractive place for bringing Chinese merchandise into European

² The *ease of doing business* index rates countries with respect to how friendly the regulatory environment is to start and operate a local firm. This considers the ease of dealing with construction permits, getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts, and resolving insolvency.

markets. For Georgia, this opens opportunities to gain from exporting transportation, storage, and distribution services but also from being integrated into global value chains for manufactured goods production. This may eventually help Georgia to further industrialize and decrease dependencies on agricultural goods and precious metal exports (Lomsadze, 2019). To improve efficiency in goods transfers, from 2008 to 2015 and in the frame of a number of Economic and Technical Cooperation Agreements, China's Ministry of Commerce granted the government of Georgia in total \$166 million for the acquisition of railway inspection and customs inspection equipment. The equipment was installed and commissioned by Chinese Nuctech Company Limited. With respect to the building of physical transportation infrastructure, i.e., roads, rails, ports, AidData did not record any project commitments by Chinese official authorities in the 2000-2017 period. Projects of other development financiers ran into difficulties: A contract for the construction of the transcontinental deep-sea port Anaklia between the government of Georgia and the Anaklia Investment Consortium was suspended in 2020 after the government of Georgia and a group of two Eastern and two Western development banks could not reach a financing agreement. According to the Georgian Economy Minister Levan Davitashvili, new negotiations for the implementation of the Anaklia Deep Sea Port Project are under way with investors from Abu Dhabi, Persian Gulf and Central Asian countries take place (Agenda ge, 2022; Caucasus Watch, 2019).

The biggest Chinese development project in Georgia as recorded by AidData was a 2014 provided \$195 million China Eximbank loan to set up the Hualing International Special Economic Zone. Before, in 2012, China Eximbank and China Development Bank bankrolled the acquisition of 90% equity stake in Georgian JSC BasisBank by the Chinese Xinjiang Hualing Industry & Trade Group Co Ltd. Upon acquiring BasisBank, the Hualing Group announced the opening of a RMB cross-border settlement business which enabled the free exchange of RMB and the Georgian currency, the lari. In 2014, Hualing started to build Hualing Tbilisi Sea Plaza, the biggest mall in the Caucasus region as part of the Hualing Tbilisi Sea New City Project that, besides the mall, hosts a 5-star hotel and some gated residential complexes. To date, the 2016 finished mall near the Tbilisi Sea remains half-empty and the New City district that was envisioned as becoming a self-sufficient city with schools, a hospital, restaurants, fitness centers, and a police station remains half-built (Lomsadze, 2019). The experience of Chinese investment in Georgia resulting into a half-empty mall reminds about what Dreher et al. (2021) label as Chinese bankrolled "white elephant" projects. There is no evidence suggesting that the Hualing Tbilisi Sea New City project was politically motivated which Dreher et al. (2022) find to be the case for the Mattala Rajjapaksa International Airport in Sri Lanka, the emptiest international airport in the world. Yet, the Hualing Tbilisi Sea New City seems to be similarly economically inefficient as the Mattala Rajjapaksa International Airport, suggesting that its construction has not been driven by local development needs.

3.3 Chinese projects in Armenia

China's development approach with Armenia stands out in the analysis. Out of the five countries considered, China has invested the least development finance in Armenia. This holds with respect to the total value of development finance as well as per capita development finance which considers that Armenia is by far the smallest country in the region. Yet, Armenia's need for development finance is not less than the need of its neighbors: Armenia ranked 126, Azerbaijan 115, and Georgia 118 in the world comparison of per capita income levels in 2022 (IMF, 2022). Similarly, with respect to the 2022 Human Development Index scores, Armenia ranked 85, Azerbaijan 91, and Georgia 63 (UNDP, 2022), suggesting Chinese development finance—as any development finance—is not purely need-driven.

Armenia's economy and international relations situation are different from its neighbors. Armenia's economy is heavily intertwined with Russia which exerts ongoing influence on the economic and political atmosphere in Armenia as well as Armenian culture. Armenia is rich in copper, precious metals, and stones. Yet, China's interest in natural resources focuses on energy sources as China itself is abundant in copper, metal, and other raw material it uses for production. Also, Armenia and its western neighbor Azerbaijan are in a territorial dispute over the Nagorno Karabakh region and face war situations. Armenia's public relations with its eastern neighbor Turkey are tense too. Today's Armenian-Turkish border was negotiated between Istanbul and Moscow for Soviet Armenia and fixed in the Treaty of Kars in 1921. In this treaty, the cities of Kars, Ardahan, and Olti, Lake Childir, and the ruins of Ani, which have great historical and scientific value for the Armenians, were given to Turkey in exchange for territories that were in the greater interest of Moscow. Today, Armenia's on-land international road and rail transport integration is de facto restricted to the North-South route from Georgia to Iran and, on top, in bad shape. China seems to either have had little interest or have faced considerable hurdles to finance the reconstruction and extension of Armenia's North-South road and rail infrastructure so far.

The only Chinese transportation projects that AidData recorded in Armenia for the period 2000-2017 was a donation of 249 public busses worth RMB55million in 2010 and a provision of 13 Audi cars for senior officials worth RMB5 million in 2002. Besides the busses and cars, China donated 88 ambulances in 2011 and another 200 ambulances in 2017. Almost all of Chinese development finance to Armenia between 2000-2017 came as gift or at highly concessional terms. More than 50% of Chinese development finance to Armenia were used for social infrastructure project in the fields of education, government and civil society, health and other social infrastructure services. Finance for education included the building of Confucius classrooms, the donation of books on Chinese history, and scholarships for Armenian students

to study in China. Finance for civil society and health included the building of a housing for the Elderly in Yerevan in 2016.

Chinese development finance in Armenia is dominated by but not restricted to social infrastructure projects. More recently, economic infrastructure projects appeared in China's lending portfolio for Armenia. Worth mentioning is a 2015 concessional loan of RMB 155.440 million issued by China Eximbank to the government of Armenia for a customs management, technology, and modernization project. The proceeds of the government concessional loan were used to finance a commercial contract worth RMB 155.439 million between the Government of Armenia and Nuotech Company Limited to acquire portable x-ray scanners capable of detecting explosive devices, weapons, and other types of contraband. Nuotech Company Limited was also the contractor responsible for project implementation. This economic infrastructure project may be the first step towards integrating Armenia into the Silk Road Economic Belt network. Also, it may be the first sign of China attempting to seek business opportunities in Armenia, following similar calculi and using similar financing tools as China applied in its development cooperation with Georgia.

3.4 Chinese projects in Southern Caucasus countries' neighbors

With \$6.82 billion development finance, China has invested more than four times as much in Turkey as compared to the three South Caucasus countries together. Moreover, in 2015, the year of signing the Memorandum of Understanding on aligning the Belt and Road Initiative and the Middle Corridor Initiative, and the two years afterward, China spent more than twice as much development finance on projects in Turkey as it did in the 15 years before the signing of the Memorandum. 58% of the Chinese finance provided to Turkey has flown into communications, transport and storage, as well as industry, mining, and construction project. Positioned at the Southeastern edge of the European continent with a direct border to European Union countries and with access to the Mediterranean sea, Turkey is a critical nod at the end of the Trans-Caspian energy corridor.

The Chinese financing focus in the last years of the study period has lied in the Turkish transportation and communications infrastructure. Chinese development finance was used to build the Çanakkale (Dardanelles) 1915 Bridge and Motorway PPP close to the Turkish-Greek border, the Gebze-Orhangazi-İzmir Highway connecting the Motorway PPP with Istanbul, and the Ankara-Istanbul high-speed rail line, which together secure the landline for the goods transportation from the East to the West. A \$40 million loan issued by Industrial and Commercial Bank of China to a Chinese consortium in 2015 was used to acquire 65% ownership stake of the Kumport Container Terminal in Istanbul. This acquisition will secure

China access to the Mediterranean sea to eventually combine Eurasian land with Mediterranean sea transportation routes.

From 2012-2015, Chinese banks financed a number of communications projects with Türk Telekom that were partly used to finance purchases of technology products and services from China (predominately from Huawei), and partly used to restructure Türk Telekom's existing loans from China. Chinese engagement with Türk Telekom may be a sign of China's interest in the building, maintenance and management of optical fiber networks running through the Mediterranean Sea and providing a telecommunication connection between the European, Asian and African continents. The huge loans provided by Chinese banks to Turkish enterprises, at times to finance the repayments of previous loans, reflect a problem of debt accumulation that has been addressed in Malik et al. (2021) as a Chinese lending specific that seems to be especially problematic for African and Southeast Asian countries but, as shown in Table 1, does not seem to be of an equal worrisome problem for the Southern Caucasus countries. Despite the occasional need for new loans from China to finance the repayment of old loans to China, neither Türk Telekom nor the Azerbaijani SOCAR seems to lead their national governments into serious hidden debt traps.

Kazakhstan, in the contrary, has not only experienced troubles with the repayment of debts to China but also with the implementation of Chinese development projects. Kazakhstan is one of the most critical member states for China's BRI project to be successful. Having received loans worth \$39.01 billion from 2000-2017, Kazakhstan ranks number five in the list of countries that have received the most debt-finance from China. Only Russia, Venezuela, Angola, and Brazil received more. \$12.1 billion of the Chinese loans to Kazakhstan were used for building roads and rail connections from China to Russia. Malik et al. (2021) calculate Kazakhstan's hidden debt exposure to China in 2017 to be 16% of its GDP whereas official sovereign debt exposure to China was only 2% of GDP. Hidden debt refers to governments' liabilities for loan repayments that are not visible on governments' balance sheets. The hidden debts stem from informal repayment guarantees of foreign governments for private companies' debts at Chinese banks.

Malik et al. (2021) show that BRI infrastructure projects in Kazakhstan have widely underperformed vis-à-vis their original objectives. Borrowers have defaulted on their repayment obligations, infrastructure assets were being underutilized or turned out to be less profitable than expected, companies went into bankruptcy, and contractors failed to meet key milestones that were specified in contracts. Above that, corruption has been a specific problem for Chinese development projects in Kazakhstan. In 2015, for example, China Development Bank issued a \$1.5 billion loan backed by a sovereign guarantee for the Astana Light Rail Project. The loan was taken by Astana LRT LLP, a special purpose vehicle owned by the city

of Astana. Two years after the loan agreement was signed, the President of Kazakhstan ordered an investigation into the officials who initiated the project in 2013. The chief executive of Astana LRT LLP was accused of embezzling project funds and fled the country. The local authorities suspended the construction of the railway and the half-finished project became a source of public discontent in Kazakhstan. The monetary value of BRI project suspensions and cancellations in Kazakhstan amounts up to \$1.475 billion for the period 2000-2017. This is about the amount of development finance that in the same period has flown from China into Azerbaijan, Georgia, and Armenia together.

4. Chinese development finance in the greater picture

The rise of China as a major player in international markets has enabled as much as required its rise as a development financier. China has become an important development cooperation and trading partner for many countries in Asia and in Africa and frequently challenges traditional partners. In the Caucasus region, traditional development cooperation and trading partners are not only the Western industrialized countries that have dominated the development finance landscape in Latin America, Africa, and Eastern Europe in the second half of the 20th century. In the Caucasus region, much finance comes from Russia, with which the Caucasus countries have been integrated into a common economy until the collapse of the Soviet Union in 1990 and with which tight economic, political, and sociocultural ties to Southern Caucasus countries have survived until the present time. The power change in the development finance landscape brings economic and political opportunities and threats for the Southern Caucasus countries.

4.1 Opportunities of Chinese development finance

China offers countries developing cooperation in sectors and at terms that are unprecedented (Gallager et al., 2015). What differentiates Beijing from other financiers is its ability to bankroll large-scale development projects in risky institutional and economic environments at favorable terms. The ability of Beijing to do what others can't lies with its unique position to coordinate policy banks and commercial banks (Chin and Gallagher, 2019) as well as a large number of Chinese enterprises and workers that have substantially gained in economic wealth and international footage within the last two decades. Rather than financing small-scale independent projects as traditional donors do, Beijing can orchestrate different economic actors and combine different diplomacy tools to undertake encompassing development projects that are often only sketched in Economic and Technical and Framework Agreements in a first step and then specified in smaller, interrelated development projects in later stages of

the cooperation. Many countries dissatisfied with traditional development cooperation approaches have welcomed the offers from China.

Rather than focusing on aid-financed social infrastructure projects conditioned on economic reforms undertaken by recipient countries' governments, the majority of Chinese development finance comes as semi-concessional and non-concessional loans to finance economic infrastructure and production projects with the promise to keep "hands off internal affairs". Chinese finance comes on more concessional terms if loans are collateralized, insured, or come with repayment guarantees (Malik et al., 2021). These credit enhancements allow Beijing to undertake large-scale investment projects at favorable terms in countries with bad qualities of economic and political institutions which are neither bankrolled by private investors nor by Western bilateral and multilateral financiers. The centralized planning of the Chinese economy allows to bankroll and implement projects at a much faster pace as compared to traditional donors (Gelpern et al., 2021). Lastly, the narrative of brotherly cooperation at eye level that creates win-win situations addresses countries with experiences of development projects financed by former imperial powers that have lacked local ownership and were seen as outcomes of paternalistic relationships as well as new forms of foreign governance and colonization (Ahrens and Kalkschmied, 2020).

4.2 Threats of Chinese development finance

The great majority of Chinese finance for development projects in Azerbaijan and Georgia but also in Turkey and Kazakhstan came as loans, i.e., debt finance. Loans coming as export buyer or export seller credits under the roof of development finance ultimately benefit the Chinese economy. Export buyer credits support foreign government agencies, foreign government-owned companies, foreign private firms, as well as jointly owned special purpose vehicles to import Chinese goods and services. The export buyer credits issued by China's Ministry of Commerce and China Eximbank to Georgia and Armenia, respectively, have enabled Nucotech Company Limited to export Chinese customs management equipment and technology. Besides creating immediate business opportunities, these development finance projects may allow Chinese firms to secure future exports of their infrastructure products and services by Georgia and Armenia, eventually creating trade dependencies. Export seller credits support Chinese firms to export their goods and services. The syndicated export seller credit of China Development Bank and China Construction Bank, for example, helped Sichuan Machinery and Equipment Import and Export Co Ltd to overcome its limited cash flow issue and cease business opportunities in Azerbaijan. Similarly, loans financing foreign direct investment of Chinese firms under the roof of development finance ultimately profit the Chinese economy by allowing high returns on Chinese capital. Besides ceasing investment

opportunities, Chinese capital investment abroad may pave the way for future trade in goods and services but also for reaching political goals. The loans of China Eximbank and China Development Bank given to Hualing Industry & Trade Group Co Ltd to acquire 90% equity stake in Georgian JSC BasisBank, to build Hualing Tbilisi Sea New City, and to set up the Hualing International Special Economic Zone in Georgia, for example, certainly has served multiple economic and political goals of a number of Chinese private and official parties. The great number of debt-financed transportation, telecommunications, and production projects in Turkey certainly also have followed greater economic and political goals on top of independent business and investment opportunities.

The examples of Chinese debt-financed projects in Azerbaijan, Georgia, and Armenia have shown how China uses economic power to realize its interests in the Caucasus region. Yet, China, like other economic and political powers, usually uses a power mix in its international endeavors. The economic infrastructure and production projects in Azerbaijan and Georgia have been preceded and accompanied by a number of social infrastructure projects that China offered either as presents or at highly concessional terms. In International Relations, this approach is referred to as “smart” power for the strategic combination of different powers and power tools to influence others’ decision makings for reaching own goals. Beijing’s power and tool mix vary across countries and even within countries.

Custer et. al (2021) study variation in Beijing’s subnational public diplomacy strategy. They interpret Chinese debt-financed economic infrastructure and production projects as a signal of using economic power and Chinese aid-financed social infrastructure projects as a signal of using soft power to match foreign national and local decision makings with Chinese interests. Based on this evaluation, Custer et. al (2021) classify the recipient countries with respect to whether Beijing uses an “extract”, a “nudge”, or an “avoid” subnational public diplomacy strategy. Beijing uses the extract strategy for countries rich in natural resources like Azerbaijan but also for countries with favorable geographical or institutional conditions like Georgia. In these countries, high weight is put on financing economic infrastructure and production projects in order to realize Chinese interests. In Armenia, China applies the nudge strategy which is characterized by an emphasis on cultural and exchange diplomacy over economic infrastructure and production financing. The nudge strategy is applied in countries with the presence of other strong geopolitical powers and aims at nudging foreign decision-makers to view a rising power more favorably. The nudging should help to build the social ground that is needed for exerting more economic and political influence and challenging dominant powers in a region. China’s provision of gifts to Armenian authorities, public goods to Armenian people, books on Chinese culture to Armenian libraries, Chinese language teaching in Armenian schools, and scholarships for Armenian students in Chinese universities fits to Beijing’s goal of fostering people-to-people ties and bringing the Armenians closer to Chinese culture.

Creating favorable sentiments for China, making Armenians familiar with Chinese languages and culture, and financing the exchange of people and ideas may be a smart way to prepare future economic and political cooperation between Armenia and China and challenge Russia's dominance in the country (Brazys and Dukalskis, 2019).

5. Prospects for the Southern Caucasus countries

Beijing has the economic means, legal authority, and administrative power to provide finance, know-how, material, and manpower to build the physical infrastructure that constitutes a bottleneck for the economic development of many countries in the world, including the Southern Caucasus countries. China does not provide its development finance for altruistic reasons, not even donations of ambulances and housing for the Elderly. China provides its help to meet its own interests that are, according to Dreher et al. (2018) and Jansson (2013) opposite to the common narrative in Western countries, for the majority of development finance economic rather than political. China has its interests in turning the Caucasus region into a production and transportation hub for energy and into a transportation and logistics hub for goods. China makes sure that it takes a win out of the development cooperation that aims to realize its vision for the Caucasus region. The countries in the Caucasus region have to make sure that there will also be a win on their side from development cooperation with China.

Development cooperation with China has prospects for economic and political wins for the Southern Caucasus countries. Becoming a hub for trade in goods can be a win if goods will not merely be transferred but value is added to the goods along the transfer. This requires that Southern Caucasus economies are integrated in global value chains in a way that they are not doomed to be stuck at the lowest end of natural resources and primary goods supply but as producers, processors, and suppliers of semi-manufactured and manufactured goods. Integration into global value chains may allow to acquire capital as well as new technologies that can be translated into economic growth and structural change in the Caucasus region. The political win for the Southern Caucasus countries could be a reduction of their dependencies on Russia. With the presence of China as an alternative major power, Southern Caucasus countries may gain bargaining power and demand renegotiations with and concessions from Russia. Russian resistance to China gaining footage in Central and Western Asia may be incomparably smaller than its resistance to allowing Western influences in these regions. Russia itself is dependent on financial inflows from and economic cooperation with China and therefore should want to keep good relations with Beijing. Moreover, Russia may not fear a military presence of China in the region which it does with respect to Western powers.

Much is to win from the development cooperation offers from China. Yet, it needs strategic management of the cooperation with China and also other development financiers to make the Trans-Caspian energy and economic corridors beneficial for the Southern Caucasus countries. Recipient countries of development finance have to make sure that what is done within their national borders meets their own economic and political interests and is done under their own leadership. Greenhill et al. (2013) show that much can be learned from countries with long years of experience in development cooperation which have developed strategies on how to successfully manage development offers: Ethiopian and Kenyan officials set development priorities and formulate them in national plans for development cooperations prior to any negotiations with development financiers. Once set, Ethiopia seeks to negotiate with financiers on the development projects only at the margins. Offers are evaluated with respect to the fit to national needs and interests. In Kenya, responsibilities in the project implementation are assumed by local stakeholders. Sectoral alignment seems to be important as well. For traditional finance, the alignment of education and health development projects with national systems has proven to be crucial. Cambodia takes a strategic approach to the division of labor between traditional and non-traditional providers. The finance of non-traditional providers is used by Cambodian officials to increase the country's negotiating capital in relation to traditional providers. In that way, better outcomes with respect to domestic development priorities can be achieved.

Much is to lose if recipient countries do not manage development finance successfully. Misused development finance may feed corruption and state repression in recipient countries (Kishi et al, 2017) and doom financial inflows ineffective. Beijing loses from mismanaged development finance too. The loss of \$1.475 billion for project suspension and cancellation has hurt Chinese bank accounts as much as Beijing's reputation as a successful development financier. The experience in Kazakhstan points to the importance of recipient countries' institutional and economic governance capacity. Although China may certainly fill the infrastructure vacuum in large parts of Eurasia with adequate finance and technology, it remains to be seen whether it can use its financial and diplomatic clout to install the necessary institutional capital and the right economic policies to make the finance and technology inflows productive and the energy and economic corridors function.

References:

- Agenda.ge (2022):** *Gov't to hire consulting group for building Anaklia deep sea port.* 12 September 2022. Available at: <https://agenda.ge/en/news/2022/3480> [Accessed 20 October 2022].
- Ahrens, J., & Kalkschmied, K. (2021):** China in Africa: Competitor of the EU?. In B. Seliger & R. Wrobel (Eds.), *Korea, the Iron Silk Road and the Belt and Road Initiative* (vol. 7, Emerging Market Studies, pp. 159-181). Berlin, Peter Lang Publishing House.
- Anaxagorou, C., Efthymoulou, G., & Sarantides, V. (2020):** Electoral motives and the subnational allocation of foreign aid in sub-Saharan Africa. *European Economic Review*, 127, 103430
- Belt and Road portal (2015):** *Vision And Actions On Jointly Building Silk Road Economic Belt And 21st-Century Maritime Silk Road.* 30 March 2015. Available at: <https://eng.yidaiyilu.gov.cn/qwyw/qwfb/1084.htm> [Accessed 19 October 2022].
- Bluhm, R., Dreher, A., Fuchs, A., Parks, B. C., Strange, A., & Tierney, M. J. (2018):** Connective Financing: Chinese Infrastructure Projects and the Diffusion of Economic Activity in Developing Countries. AidData Working Paper #64. Williamsburg, VA: AidData at William & Mary.
- Brazys, S., & Dukalskis, A. (2019):** Rising Powers and Grassroots Image Management: Confucius Institutes and China in the Media. *Chinese Journal of International Politics* 12 (4), 557-584.
- Caucasus watch (2019):** *Major investor leaves the Anaklia Development Consortium.* 21 August 2019. Available at: <https://caucasuswatch.de/news/1943.html> [Accessed 20 October 2022].
- Chin, G. T., & Gallagher, K. P. (2019):** Coordinated credit spaces: The globalization of Chinese development finance. *Development and Change* 50.1, 245-274.
- Custer, S., Schon, J., Horigoshi, A., Matthew, D., Burgess, B., Choo, V., Hutchinson, A., Baehr, A. & Marshall, K. (2021):** Corridors of Power: How Beijing uses economic, social, and network ties to exert influence along the Silk Road. Williamsburg, VA: AidData at William & Mary.
- Devonshire-Ellis, C. (2019):** *Azerbaijan Moves to Develop As Caucasian-Eurasian Transport Hub.* Silk Road Briefing. October 15, 2019. Available at: <https://www.silkroadbriefing.com/news/2019/10/15/azerbaijan-moves-develop-caucasian-eurasian-transport-hub/> [Accessed 13 October 2022].
- Dreher, A., Fuchs, A., Hodler, R., Parks, B. C., Raschky, P. A., & Tierney, M. J. (2019):** African leaders and the geography of China's foreign assistance. *Journal of Development Economics*, 140, 44-71.
- Dreher, A., Fuchs, A., Parks, B., Strange, A. M., & Tierney, M. J. (2018):** Apples and dragon fruits: The determinants of aid and other forms of state financing from China to Africa. *International Studies Quarterly*, 62(1), 182-194.
- Dreher, A., Fuchs, A., Parks, B., Strange, A., & Tierney, M. J. (2021):** Aid, China, and growth: Evidence from a new global development finance dataset. *American Economic Journal: Economic Policy*, 13(2), 135-74.
- Dreher, A., Fuchs, A., Parks, B., Strange, A., & Tierney, M. J. (2022):** *Banking on Beijing: The Aims and Impacts of China's Overseas Development Program.* Cambridge University Press.

- Dreher, A., & Langlotz, S. (2020):** Aid and growth: New evidence using an excludable instrument. *Canadian Journal of Economics/Revue canadienne d'économique*, 53(3), 1162-1198.
- Gallagher, K. P., & Irwin, A. (2015):** China's economic statecraft in Latin America: Evidence from China's policy banks. *Pacific Affairs* 88.1, 99-121.
- Gelpern, A., Horn, S., Morris, S., Parks, B., & Trebesch, C. (2021):** *How China lends: A rare look into 100 debt contracts with foreign governments*. Expert report. March 2021. Available at: https://www.ifw-kiel.de/fileadmin/Dateiverwaltung/IfW-Publications/-ifw/Journal_Article/2021/How_China_Lends.pdf [Accessed 13 October 2022].
- Greenhill, R., Prizzon, A., & Rogerson, A. (2013):** The age of choice: developing countries in the new aid landscape: A synthesis report. Overseas Development Institute. Working Paper 364.
- IMF (2022):** World Economic Outlook Database, October 2022. Available at: <https://www.imf.org/en/Publications/WEO/weo-database/2022/October/> [Accessed 13 October 2022].
- Isaksson, A., & Kotsadam, A. (2018a):** Racing to the Bottom? Chinese Development Projects and Trade Union Involvement in Africa. *World Development*, 106, 284–98.
- Isaksson, A., & Kotsadam, A. (2018b):** Chinese Aid and Local Corruption. *Journal of Public Economics* 159, 146–59.
- Jansson, Johanna (2013):** The Sicomines agreement revisited: prudent Chinese banks and risktaking Chinese companies. *Review of African Political Economy*, 40(135), 152-162.
- Lomsadze, G. (2019):** *Undeterred by slow start, Georgia woos Chinese investors*. Eurasianet. 3 October 2019. <https://eurasianet.org/undeterred-by-slow-start-georgia-woos-chinese-investors> [Accessed 13 October 2022].
- Malik, A. A., Parks, B., Russell, B., Lin, J. J., Walsh, K., Solomon, K., Zhang, S., Elston, T.-B. & Goodman, S. (2021):** Banking on the Belt and Road: Insights from a new global dataset of 13,427 Chinese development projects. Williamsburg, VA: AidData at William & Mary, 23-36.
- National Statistics Office of Georgia (2022):** External Trade of Georgia. Statistical Publication. Available at: <https://theconversation.com/scandal-involving-world-banks-doing-business-index-exposes-problem-s-in-using-sportlike-rankings-to-guide-development-goals-169691> [Accessed 27 October 2022].
- Nicola, F. G. (2021):** *Scandal involving World Bank's 'Doing Business' index exposes problems in using sportlike rankings to guide development goals*. Published on The Conversation. 15 October 2021. Available at: <https://eng.yidaiyilu.gov.cn/qwyw/qwfb/1084.htm> [Accessed 19 October 2022].
- Republic of Türkiye, Ministry of Foreign Affairs (n.d):** *Turkey's Multilateral Transportation Policy*. Available at: https://www.mfa.gov.tr/turkey_s-multilateral-transportation-policy.en.mfa [Accessed 13 October 2022].
- Sánchez, W. A., Auyezova, K. (2022):** *The Trans-Caspian Corridor: Kazakhstan's Silk Road? Kazakhstan and the Caucasus nations are looking at the Trans-Caspian transportation corridor with renewed vigor given the war in Ukraine*. The Diplomat. May 12, 2022. Available at: <https://thediplomat.com/2022/05/the-trans-caspian-corridor-kazakhstans-silk-road/> [Accessed 13 October 2022].
- UNDP (2022):** Human Development Report 2021/2022. Available at: <https://hdr.undp.org/content/human-development-report-2021-22> [Accessed 20 October 2022].

World Bank (2008): Doing business 2009. The World Bank. Available at: <https://www.doingbusiness.org/content/dam/doingBusiness/media/Annual-Reports/English/DB09-FullReport.pdf> [Accessed 20 October 2022].

World Bank (2020): Doing business 2020. The World Bank. Available at: <https://documents1.worldbank.org/curated/en/688761571934946384/pdf/Doing-Business-2020-Comparing-Business-Regulation-in-190-Economies.pdf> [Accessed 20 October 2022].

Ordnungspolitische Diskurse

Discourses in Social Market Economy

- 2007 – 1 Seliger, Bernhard; Wrobel, Ralph – Die Krise der Ordnungspolitik als Kommunikationskrise
- 2007 – 2 Sepp, Jüri - Estland – eine ordnungspolitische Erfolgsgeschichte?
- 2007 – 3 Eerma, Diana; Sepp, Jüri - Competition Policy's Role in Network Industries - Regulation and Deregulation in Estonia
- 2007 – 4 Clapham, Ronald - Welche Bedeutung haben nationale Wirtschaftsordnungen für die Zukunft der EU? Der Beitrag der sozialen Marktwirtschaft
- 2007 – 5 Strunz, Herbert – Staat, Wirtschaften und Governance
- 2007 – 6 Jang Tae-Seok - South Korea's Aid to North Korea's Transformation Process - Social Market Perspective
- 2007 – 7 Libman, Alexander - Big Business and Quality of Institutions in the Post-Soviet Space: Spatial Aspects
- 2007 – 8 Mulaj, Isa - Forgotten Status of Many: Kosovo's Economy under the UN and the EU Administration
- 2007 – 9 Dathe, Uwe - Wettbewerb ohne Wettbewerb? Über die Bedeutung von Reformen im Bildungswesen für die Akzeptanz der Wettbewerbsidee
- 2007 – 10 Noltze, Karl - Die ordnungspolitische Strategie des Landes Sachsen
-
- 2008 – 1 Seliger, Bernhard - Die zweite Welle – ordnungspolitische Herausforderungen der ostasiatischen Wirtschaftsentwicklung
- 2008 – 2 Gemper, Bodo Rheinische Wegbereiter der Sozialen Marktwirtschaft: Charakter zeigen im Aufbruch
- 2008 – 3 Decouard, Emmanuel - Das „Modèle rhénan“ aus französischer Sicht
- 2008 – 4 Backhaus, Jürgen - Gilt das Coase Theorem auch in den neuen Ländern?
- 2008 – 5 Ahrens, Joachim - Transition towards a Social Market Economy? Limits and Opportunities
- 2008 – 6 Wrobel, Ralph - Sonderwirtschaftszonen im internationalen Wettbewerb der Wirtschaftssysteme: ordnungspolitisches Konstrukt oder Motor institutionellen Wandels?
-
- 2009 – 1 Wrobel, Ralph - The Double Challenge of Transformation and Integration: German Experiences and Consequences for Korea
- 2009 – 2 Eerma Diana; Sepp, Jüri - Estonia in Transition under the Restrictions of European Institutional Competition
- 2009 – 3 Backhaus, Jürgen - Realwirtschaft und Liquidität
- 2009 – 4 Connolly, Richard - Economic Structure and Social Order Type in Post-Communist Europe
- 2009 – 5 Dathe, Uwe – Wie wird man ein Liberaler? Die Genese der Idee des Leistungswettbewerbs bei Walter Eucken und Alexander Rüstow
- 2009 – 6 Fichert, Frank - Verkehrspolitik in der Sozialen Marktwirtschaft

- 2009 – 7 Kettner, Anja; Rebien, Martina – Job Safety first? Zur Veränderung der Konzessionsbereitschaft von arbeitslosen Bewerbern und Beschäftigten aus betrieblicher Perspektive
- 2009 – 8 Mulaj, Isa – Self-management Socialism Compared to Social Market Economy in Transition: Are there Convergent Paths?
- 2009 – 9 Kochskämper, Susanna - Herausforderungen für die nationale Gesundheitspolitik im Europäischen Integrationsprozess
- 2009 – 10 Schäfer, Wolf – Dienstleistungsökonomie in Europa: eine ordnungspolitische Analyse
- 2009 – 11 Sepp, Jüri – Europäische Wirtschaftssysteme durch das Prisma der Branchenstruktur und die Position der Transformationsländer
- 2009 – 12 Ahrens, Joachim – The politico-institutional foundation of economic transition in Central Asia: Lessons from China
- 2009 – 13 Pitsoulis, Athanassios; Siebel, Jens Peter – Zur politischen Ökonomie von Defiziten und Kapitalsteuerwettbewerb
- 2010 – 01 Seliger, Bernhard – Theories of economic miracles
- 2010 – 02 Kim, Gi-eun - Technology Innovation & Green Policy in Korea
- 2010 – 03 Reiljan, Janno - Vergrößerung der regionalen Disparitäten der Wirtschaftsentwicklung Estlands
- 2010 – 04 Tsahkna, Anna-Greta, Eerma, Diana - Challenges of electricity market liberalization in the Baltic countries
- 2010 – 05 Jeong Ho Kim - Spatial Planning and Economic Development in Border Region: The Experiences of Gangwon Province, Korea
- 2010 – 06 Sepp, Jüri – Ordnungspolitische Faktoren der menschlichen Entwicklung
- 2010 – 07 Tamm, Dorel - System failures in public sector innovation support measures: The case of Estonian innovation system and dairy industry
- 2010 – 08 Clapham, Ronald - Wirtschaftswissenschaft in Zeiten der Globalisierung
- 2010 – 09 Wrobel, Ralph - Geldpolitik und Finanzmarktkrise: Das Konzept der „unabhängigen Zentralbank“ auf dem ordnungspolitischen Prüfstand
- 2010 – 10 Rutsch, Andreas; Schumann, Christian-Andreas; Wolle, Jörg W. - Postponement and the Wealth of Nations
- 2010 – 11 Ahrens, Joachim; Jünemann, Patrick - Transitional Institutions, Institutional Complementarities and Economic Performance in China: A 'Varieties of Capitalism' Approach
- 2010 – 12 Kolev, Stefan; Der bulgarische Weg seit 1989, Wachstum ohne Ordnung?
- 2011 – 1 Wrobel, Ralph – Energiewende ohne Markt? Ordnungspolitische Perspektiven für den deutschen Stromsektor
- 2011 – 2 Rõigas, Kärt – Linkage between productivity and innovation in different service sectors
- 2011 – 3 Sepp, Jüri – Institutionelle Innovationen im Infrastrukturbereich: Beispiel Post in Estland
- 2011 – 4 Effelsberg, Martin – Measuring absorptive capacity of national innovation systems
- 2011 – 5 Jänsch, Janina – Die Anrechnung natürlicher und anthropogener Effekte auf terrestrische Ökosysteme im Rahmen des Kyoto-Protokolls
- 2011 – 6 Platje, Joost – Institutional Change for Creating Capacity and Capability for Sustainable Development – a club good perspective
- 2011 – 7 Tamm, Dorel; Ukrainski, Kadri – Functional Approach to National Systems of Innovation: The Case of a Small Catching-up Country

- 2011 – 8 Nusser, Michael – Optionen zur Stärkung der Leistungsfähigkeit von Innovationssystemen
- 2012 – 1 Kolev, Stefan – Wider die „Après nous le déluge“-Logik. Ordnungspolitik, Innovation und Nachhaltigkeit.
- 2012 – 2 Varblane, Urmias - National Innovation Systems: Can they be copied?
- 2012 – 3 Reiljan, Janno / Paltser, Ingra - Struktur und Zusammenhänge des staatlichen Innovationssystems und der Innovationspolitik
- 2012 – 4 Lenz, Justus - Innovationssystem Internet: Eine institutionenökonomische Analyse der digitalen Revolution
- 2012 – 5 Chang Jai Chun - Erfolgsfaktoren für "Internationale Projekte"
- 2012 – 6 Gerl, Jörg – Global denken, lokal handeln: Gebäudesanierung als Beitrag zum Klimaschutz am konkreten Beispiel
- 2012 – 7 Seliger, Bernhard – Grünes Wachstum in Südkorea – Etikettenschwindel, Neo-Keynesianismus oder ein neues Paradigma der Ordnungspolitik?
- 2013 – 1 Wrobel, Ralph – Economic Models for New Industrializing Countries in Comparative Perspective
- 2013 – 2 Park, Sung-Jo– Developmental State in Korea (60-70ties) Revisited: Institution-Building for the Making of 'Coordinated Market'
- 2013 – 3 Reiljan, Janno & Paltser, Ingra – The Implementation of Research and Development Policy in European and Asian Countries
- 2013 – 4 Hoen, W. Herman – Emerging Market Economies and the Financial Crisis: Is there Institutional Convergence between Europe and Asia?
- 2013 – 5 Kroos, Karmo – Developmental Welfare Capitalism in East Asia with a Special Emphasis on South Korea
- 2014 – 1 Ahrens, Joachim & Stark, Manuel – Independent Organizations in Authoritarian Regimes: Contradiction in Terms or an Effective Instrument of Developmental States
- 2014 – 2 Turk, Erik – Practicing Catching-up: a Comparison of Development Models of East Asian and Central-Eastern European Countries
- 2014 – 3 Sepp, Jüri; Varblane, Uku – The Decomposition of Productivity Gap between Estonia and Korea
- 2014 – 4 Sepp, Jüri; Kaldaru, Helje and Joamets, Jürgen – The Characteristics and Position of the Economic Structures of Estonia and Korea among the OECD Countries
- 2015 – 1 Bartniczak, Bartosz; Ptak, Michał – Green Jobs in the Renewable Energy Sector
- 2015 – 2 Freudenberg, Sandro; Stephan, Sandra – Fachkräftebedarfsdeckung heute und in der Zukunft: Handlungsempfehlung für eine erfolgreiche Personalbedarfsdeckung in Unternehmen
- 2015 – 3 Kauf, Sabina – Die Unternehmensanforderungen an die Logistikspezialisten und akademische Ausbildung der Logistiker
- 2015 – 4 Komulainen, Ruey – Employer Branding for SMEs: Attracting Graduating Students in IT Industry

- 2016 – 1 Wrobel, Ralph – Der deutsche Arbeitsmarkt zwischen Fachkräftemangel und Immigration: Ordnungspolitische Perspektiven in der Flüchtlingskrise
- 2016 – 2 Walter, Angela– Unternehmen suchen Fachkräfte - Fachkräfte suchen Unternehmen: Employer Branding als Personalstrategie für Recruiting und Bindung von Fachkräften der Generation Y in kleinen und mittelständischen Unternehmen am Beispiel von Sachsen
- 2016 – 3 Monika Paradowska; Joost Platje– Key challenges facing the European transport labour market
- 2016 – 4 Behr, Michael – Arbeitsmarkt- und Wirtschaftsentwicklung in Ostdeutschland: Herausforderungen, Probleme und Strategien für Sachsen
- 2017 – 1 Sepp, Jüri; Kaldaru, Helje; Varblane, Uki - The Development and Typology of the Employment Structure in OECD Countries
- 2017 – 2 Schneider, Clemens - Die Offene Gesellschaft und ihre Zuwanderer: Kritische Gedanken zu einer planwirtschaftlichen Integrationspolitik
- 2017 – 3 Seo Byung-Chul, Bernhard Seliger - Der Arbeitsmarkt in Nordkorea am Beispiel des Industriekomplexes in Kaesong
- 2017 – 4 Stefan Kolev - Individualism and Demographic Change
- 2018 – 1 Ralph Wrobel - Die Unabhängigkeit der Deutschen Bundesbank: eine Erfolgsgeschichte
- 2019 – 1 Kadri Ukrainski; Hanna Kanep; Margit Kirs; Erkki Karo - International R&D Networks of Firms: A Country-level Analysis of the EU Framework Programmes
- 2019 – 2 Rossitsa Yalamova - Blockchain Angels or Demons of a Free International Order
- 2019 – 3 Viire Täks / Maaja Vadi - Who and how do participate in strategic planning?
- 2019 – 4 Mark Kretschmer - Karl Polanyi and Economics: Polanyi's Pendulum in Economic Science
- 2019 – 5 Tim Schneegans - Escaping the comfort zone: a three-level perspective on filtering effects and counter-measures
- 2019 – 6 Katsuhiko Hirasawa - Globalization and Small Businesses
- 2020 – 1 Ralph Wrobel - The "China Effect": Changes in International Trade Patterns as Reasons for Rising "Anti-Globalism"
- 2020 – 2 Bernhard Seliger - North Korea's political economy: Hybrid economic institutions and the contributions of German order policy (Ordnungspolitik)
- 2020 – 3 Alexander Heß - Happiness and the Welfare State in Times of Globalization: A Review of Empirical Findings
- 2020 – 4 Ralph Wrobel - Das Modell „Soziale Marktwirtschaft“: Chancen im internationalen Systemwettbewerb zwischen Freier Marktwirtschaft und chinesischem Staatskapitalismus
- 2021 – 1 Werner Pascha - Duisburg and its port, end point of China's new silk road – opportunities and risks
- 2021 – 2 Anastasia Barannikova - South Korea, China and the Road and Belt initiative: economic and political factors
- 2021 – 3 Artyom Lukin - Road and Belt, Iron Silk Road and Russian-Chinese geopolitical cooperation and competition

- 2021 – 4 Hans-Ulrich Seidt - Korea and Germany as Endpoints of the New Silk Road: Opportunities for Cooperation
- 2021 – 5 Ralph Wrobel - Kim Jong-un's Byungjin Policy: Support or Obstacle for Economic Convergence on the Korean Peninsula?
- 2021 – 6 Bernhard Seliger - The Iron Silk Road and North Korea: is there any chance to move forward?
- 2021 – 7 Joohyun Go - The prospects of cultural exchange to foster the economic relationship between the EU and Korea
- 2021 – 8 Duyeon Kim – Belt and Road in the New Geo-Political Competition: China, the United States, Europe and Korea
- 2021 – 9 Alexander Heß, Christoph Hindermann – Trade Effects on Happiness in Asia
- 2021 – 10 Joachim Ahrens, Katja Kalkschmied – China in Africa: Competitor of the EU?
- 2021 – 11 Tereza Novotná - The European Union and Korea between the US and China: geopolitical aspects of connectivity from the soft to hard power approaches
- 2021 – 12 Jagannath Panda – China's BRI Diplomacy: What It Means to India and India's Rise
-
- 2022 – 1 Ralph M. Wrobel - The Chinese Belt and Road Initiative between Economics and Geopolitics: Consequences for Armenia
- 2022 – 2 Hans-Christian Brauweiler / Aida Yerimpasheva - Challenges and opportunities to develop Kazakhstani logistics projects within the BRI
- 2022 – 3 Alexander Heß / Christoph M. Hindermann - The BRI: Trade Integration and Stock Market Synchronization – A Review of Empirical Findings
- 2022 – 4 Davit Gondauri - Georgian railway's Experiences with Belt and Road Initiative: Advantages and Disadvantages
- 2022 – 5 Kiyalbek Akmolodov - How realistic is Belt and Road Initiative for Kyrgyzstan and Central Asian Countries?
- 2022 – 6 Atom S. Margaryan / Haroutyun T. Terzyan / Emil A. Grigoryan - Belt and Road Initiative as an Innovative Platform for Technology Transfer: Opportunities for Armenia
- 2022 – 7 Sos Khachikyan / Jiang Hongzhen - Spatial Administration and Legal Aspects of the Belt and Road Initiative: Innovative Solutions for Armenia
- 2022 – 8 Karen Grigoryan / Ali Arpanahi - Perspectives of Armenian - Iranian Economic Relations within Belt and Road Initiative
- 2022 – 9 Armen Ju. Ghazaryan / Liana Marukyan / Meline V. Abrahamyan / Meline A. Ayvazyan - The Opportunities of Economic and Legal Cooperation between EU – Armenia within the framework of the BRI
- 2022 – 10 Jagannath Panda - EU's Global Gateway Strategy and Building a Global Consensus vis-a-vis BRI
- 2022 – 11 Katja Kalkschmied - Chinese lending specifics and projects in the Caucasus region: A look into project-level data

Herausgeber:

Prof. Dr. Stefan Kolev - Erfurt

PD Dr. habil. Bernhard Seliger – Seoul

Prof. Dr. Ralph M. Wrobel – Zwickau

www.Ordnungspolitisches-Portal.de