### Sino-Romania Relations Under the Framework of Relations Between China and CEECS Countries: A Perspective of Local Cooperation

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Abstract: As the third country to establish diplomatic relations with the People's Republic of China, friendship and companionship have been the fundamental characteristics of Sino-Romania relations in the past 70 years. However, this good tendency of the relations between the two countries has subtly changed in the past decade, especially fading from other Central and Eastern Europe countries received more attention from China and even considered China's top partners in this region. Local cooperation is the unique feature of cooperation under "16+1 cooperation" framework and makes up the asymmetry of market sizes between two sides, providing another perspective for examining relations and exchanges between countries. Compared with the Czech Republic, whose population size and gross domestic product are close to Romania, it further highlights the lagging characteristics of local cooperation between China and Romania. In order to strengthen local cooperation and then comprehensively promote Sino-Romania relations and "16+1 cooperation", it is necessary to promote Romania to host the "16+1" local leaders meeting as soon as possible, fully make synergy between "16+1" local cooperation and the Romanian regional development strategy, continue to support Romania to establish much more new cooperation mechanism or platform under the framework of "16+1 Cooperation", set up and select a fixed partner city to advance local cooperation as an example, construct a multinational cooperation platform within the framework of Belt and Road Initiative, and strengthen people-to-people bond and cultural exchange.

Key-Words: Sino-Romania relations, local cooperation, "16+1 Cooperation", Belt and Road Initiative, the Czech Republic

JEL Classification: F, F10, F19

#### 1. Introduction

As the third country to establish diplomatic relations with the People's Republic of China, friendship and companionship have been the fundamental characteristics of Sino-Romania relations in the past 70 years. Like president Xi Jinping pointed out that speaking of China-Romania relations, we will first think of "friendship" when he met with Prime Minister of Romania Victor-Viorel Ponta On September 2, 2014 (Ministry of Foreign Affairs of China, 2014). Both of them take pride in the uninterrupted and continuously fruitful evolution of our relationship of friendship and cooperation (Doru Costea, 2016). One should watch the videos of Mao's warm welcoming to Nicolae Ceausescu during his visit to Beijing to get an idea of how intimate the relationship between the two countries was. Their ties were so closely linked that Romania even played a role in the rapprochement between USA and China, as Kissinger mentions in his book "On China" (Mihai Titienar, 2016). In the post-Cold War era, Romania has still been the most important partner in Central and Eastern Europe (hereinafter referred to as "CEECs") for China. Both sides have been keeping a high-level official visit every year; some years even twice (Liu Yong, 2009). The first visit of Chinese Prime Minister Li Peng in CEECs was made in Romania in July 1994. And, Romania has been the first country in CEECs to establish All-round

Friendly and Cooperative Partnership with China, as the Joint Statement on the Establishment of China-Romania All-round Friendly and Cooperative Partnership was signed in June 2004.

In addition to bilateral attributes, Sino-Romanian relations also have obvious group or collective significance, namely, the relationship between countries in the socialist camp during the Cold War, the Sino-European relations and the relations between China and CEECs in the post-Cold War era. Therefore, to comparatively explore the Sino-Romanian relations in a larger international background can highlight its particularity and difference, and thus provide reference for the development of Sino-Romanian relations and the promotion of relations between China and CEECs and even Sino-European relations. As a matter of fact, this good tendency of the relations between the two countries has subtly changed in the past decade, especially fading from other countries such as Poland, Hungary, Serbia and the Czech Republic received more attention from China and even considered China's top partners in this region. Among them, the diplomatic and local cooperation of the sub-national governments is also an important part of international exchanges, providing another perspective for examining relations and exchanges between countries. Based on the practice of local cooperation, this paper analyzes the particularity of Sino-Romania relations and the space to be improved under "16+1 cooperation" and the Belt and Road Initiative through historical outlying and horizontal analogy.

# 2. Progress of Sino-Romanian Relations and Local Cooperation in the past 70 years

Since the establishment of diplomatic relations in 1949, Sino-Romania relations are about to enter the 70th year. Sino-Romania relations have generally maintained a steady development. However, due to the change of their domestic situation and taking into account the shifting international environment, Sino-Romania relations have experienced some twists and turns, peaks, downhills, and stagnation. In general, Sino-Romania relations could be roughly divided into five stages. In the first phase, from the founding of New China to the early 1960s, Sino-Soviet relations were generally better. China and Romania and other Eastern European socialist countries maintained close exchanges and frequent inter-party exchanges. Exchanges between cultural and social group increased. They paid mutual attention to learn and exchange the experience of socialist revolution and socialist construction. In the second stage, from the early 1960s to the end of the 1970s with China implementing reform and opening up policy, due to the split and deterioration of Sino-Soviet relations, the relationship between China and Eastern European countries has diverged. Romania has quickly abandoned its ideological controversy and turned closer to China, becoming a friendly country with very good relations with China. Sino-Romanian relations have also become examples of seeking common ground while reserving differences among socialist countries. In the third stage, China and Romania maintained a stable relationship after the reform and opening up of China. In the fourth stage, Romania merged into the Euro-Atlantic structure after the upheaval, and the relationship between the two sides was re-recognized and started. In the fifth stage, since China and Romania established All-round Friendly and Cooperative Partnership in 2004 and Romania joined the European Union in 2007, the relations between the two countries has staying put and no headway.

In line with the development trend of relations between the two countries, the diplomatic and local cooperation of the sub-national governments also showed the characteristic that they had an optimistic beginning but suffered disappointing progress afterwards. To a large extent, apart from establishing several Friendship People's Commune with the socialist countries, New China had no local diplomacy for a long period of time. Sino-Romanian Friendship People's Commune was renamed in 1964, originated from Lugou Bridge Commune in 1958. After China returned to the United Nations in 1971 and the normalization of diplomatic relations between China and Japan in 1972, China's foreign policy has been adjusted, and local government's foreign exchanges have begun to appear. However, local governments have undertaken central diplomatic tasks, participated in foreign activities, and generally set up local government foreign affairs offices, which is after the reform and opening up.

In the early days of reform and opening up, relations between China and Romania were generally stable, and local cooperation was gradually strengthening. As for the sister city twining initiative, Romania is also the third Eastern European country to twin a sister city with China after Yugoslavia and Poland, mainly because

she is the third Eastern European country to recognize the new China. In May and August 1987, Galați County and Galați city, Romania, twinned with Hubei province and Wuhan city respectively.

Based on traditional friendship, the development of Sino-Romania relations in all fields is generally stable and is at the forefront of CEECs during 1990s and early 2000s. Local cooperation is no exception. In a few years, sister city twining in Romania accounted for almost half of CEECs, and the total number also accounted for more than 40% (see table 1). Since 2004, Sino-Romania relations have remained at the level of All-round Friendly and Cooperative Partnership for a long time and have not advanced. Similarly, the sister city twining has slowed down, and there is no one in multiple years (see table 2).

Table 1 Number of Sister Cities of Romania and CEECs with China (1991-2004)

| 1991 |       | 1992 |       | 1993 |       | 1994 |       | 1995 |       | 1996 |       | 1997 |       |
|------|-------|------|-------|------|-------|------|-------|------|-------|------|-------|------|-------|
| RO   | CEECs |
| 0    | 0     | 1    | 2     | 2    | 4     | 3    | 6     | 3    | 7     | 2    | 3     | 0    | 3     |
| 1998 |       | 1999 |       | 2000 |       | 2001 |       | 2002 |       | 2003 |       | 2004 |       |
| RO   | CEECs |
| 0    | 2.    | 2.   | 4     | 2.   | 3     | 0    | 1     | 3    | 5     | 0    | 2.    | 1    | 3     |

Source: Statistics of China International Friendship Cities Association, http://www.cifca.org.cn/Web/YouChengTongJi.aspx.

w.enea.org.en/ web/ rouchengrongsi.aspx.

Table 2 Number of Sister Cities of Romania and CEECs with China (2005–2017)

| 2005 |       | 2006 |       | 2007 |       | 2008 |       | 2009 |       | 2010 |       | 2011 |       |
|------|-------|------|-------|------|-------|------|-------|------|-------|------|-------|------|-------|
| RO   | CEECs |
| 2    | 5     | 0    | 5     | 0    | 4     | 1    | 4     | 1    | 6     | 1    | 8     | 0    | 5     |
| 2012 |       | 2013 |       | 2014 |       | 2015 |       | 2016 |       | 2017 |       | 2018 |       |
| RO   | CEECs |
| 0    | 5     | 4    | 10    | 0    | 6     | 1    | 12.   | 2.   | 22    | 0    | 12    | 0    | 1     |

Source: Statistics of China International Friendship Cities Association,

http://www.cifca.org.cn/Web/YouChengTongJi.aspx.

Therefore, compared with the past, Sino-Romania relations and local cooperation have shown a trend that "not to advance is to go back" in the past decade. Particularly, in contrast to the significant increase in relations between other CEECs and China, this trend of Sino-Romania relations and local cooperation has become more significant.

# 3. Local Cooperation under the Framework of 16+1: Comparison between Romania and the Czech Republic

After the launch of the "16+1 Cooperation" in 2012 and the Belt and Road Initiative in 2013, local cooperation and exchanges between China and CEECs have entered a new era and stage. Local cooperation has become an important brand and platform for "16+1 cooperation". Meanwhile, local cooperation is the unique feature and highlight of cooperation between China and CEECs and makes up the asymmetry of market sizes between two sides (Huang Ping et al., 2018).

Among the 16 countries in CEEC, Romania and the Czech Republic are relatively close in terms of population size and gross domestic product. And, Bucharest is close to Prague by the economic level and market size. Therefore, compared with the Czech Republic's participation in the "16+1" local cooperation, it further highlights the lagging characteristics between China and Romania.

Firstly, Romania's enthusiasm seems to be weaker in the sister city twining and cooperation between cities than in the Czech Republic after 2012. In August 2014, the 2nd China-CEEC Local Leaders' Meeting was held in Prague. The Memorandum of Understanding on Promotion of the Establishment of the Association of Governors of Provinces of China and Representatives of Regions of CEECs was signed during this meeting. Although the Czech Republic step in much later in the process of twin sister cities with China compared with Romania, the number of sister city in the past five years has greatly exceeded that of Romania (see table 3).

Table 3 Top Six Countries of Sister Cities with China in CEECs (2012 – 2017)

|   | Hungary | Poland | Czech Republic | Romania | Bulgaria | Serbia/Croatia |  |
|---|---------|--------|----------------|---------|----------|----------------|--|
|   | 18      | 14     | 12             | 7       | 4        | 2              |  |
| ~ |         |        | 0 01 1         | T       | T: 11:   | Gi i           |  |

Source: Statistics of China International Friendship Cities Association,

http://www.cifca.org.cn/Web/YouChengTongJi.aspx.

Secondly, both Romania and the Czech Republic have established a cooperation mechanism or platform under the framework of "16+1 Cooperation", with the China-CEEC Association of Governors of Provinces Regions in Prague in August 2014 and the China-CEEC Center for Dialogue and Cooperation on Energy Projects in Bucharest in October 2016. In terms of time, Romania is later than the Czech Republic. In addition, after the inclusion of "The Bucharest Guidelines for Cooperation between China and Central and Eastern European Countries" in 2013, the China Investment Forum, held in Prague in August 2014, November 2015, November 2016, July 2017, and October 2018, which has been a city card for Prague.

Thirdly, Prague has become the most utilized route in terms of connectivity for air transport toward China (compared with all other CEECs countries) while Romania has not yet opened direct flight with any China city. In September 2015, China Hainan Airlines launched a direct route from Beijing to Prague. In June 2016, China Eastern Airlines opened a direct route from Shanghai to Prague. In August 2016, China Sichuan Airlines started a direct route from Chengdu to Prague. In September 2017, China Hainan Airlines opened the Beijing-Prague-Belgrade route. What's more, Prague has becoming popular top destination for Chinese tourists in CEECs' city.

Fourthly, at present, there are only temporary China-Europe Express Rail to Romania and no fixed shifts and routes, but the Czech Republic has been an important destination country or transit country of the China-Europe Express Rail after Poland. Since the successful start of the first China-Europe Express Rail in Chongqing in March 2011 (Chongqing-Duisburg, YuXin'Ou Railway), and more than 11 thousands has been accumulated by the end of 2018, most of which have passed through CEE and are mainly Poland. The destinations to the Czech Republic include Wuhan to Pardubice Railway, Chengdu to Prague Railway and Yiwu to Prague Railway.

Fifthly, the Czech Republic's advantages in industrial park cooperation are even more pronounced than those of Romania. The "Zhongjie Friendship Farm", which was built in 1956, has gradually become a high-tech leading area, a modern agricultural demonstration area, an expanding open country area and an ecologically creative and livable area. It has now appeared in the Zhongjie Industrial Park in the Bohai New Area of Cangzhou. It has formed the development layout of "One Body and Two Wings", and committed to creating a technological innovation engine for the emerging economic growth of Hebei Province during the integration of Beijing-Tianjin-Hebei, and bridgehead for technology industry transfer and innovation cooperation with 16 countries in CEE. In addition, Zhejiang Zhongjie (Ningbo) Industrial Cooperation Park and Zhongjie (Pujiang) Crystal Industry Cooperation Park have become models of this kind of cooperation. By contrast, the industrial park cooperation between China and Romania is still in discussion.

In addition, the Czech Republic's financial cooperation with China is also stronger than Romania. In August 2015, the Bank of China set up a branch in Prague. In September 2017, the Industrial and Commercial Bank of China established a branch in Prague, the only branch in the Czech Republic that was established by a non-EU bank. In contrast, there is no Chinese financial branch in Romania.

Obviously, just as Sino-Romania relations are still in the stage of All-round Friendly and Cooperative Partnership and China and the Czech Republic has upgraded ties to a strategic partnership, local cooperation is lagging behind as well. If to compare with Poland, Hungary and Serbia, the gap of Romania would be much more evident.

# 4. Strengthen Local Cooperation and Comprehensively Promote Sino-Romania Relations under "16+1 cooperation" and the Belt and Road Initiative

As the former Ambassador of Romania to China Mr. Doru Costea emphasized, there are three fundamental pillars to be found in our partnership-like relations with frequent high-level meetings and intense political

dialogue, the people-to-people dialogue and local cooperation, and economic connection (Doru Costea, 2016). Although Sino-Romanian relations reached a standstill after Romania's admission in NATO and the EU, the new generation of Chinese leaders, that were elected in 2012 are showing interest in Romania once again (Vlad Costea, 2014). Romania is not only a part of "16+1 cooperation", but also a country alongside the Belt and Road initiative. Although Sino-Romanian relations has benefited from the traditional friendship, both sides could not use their old capital (CCTV.COM, 2017). The requirement of a long-term political commitment to address the complexity of such deals makes such investments in Energy and other strategic infrastructure very demanding and prone to failure in the unstable institutional environment of Romania (Jan Drahokoupil, et al., 2017). Therefore, to comprehensively promote Sino-Romania relations and "16+1 cooperation", it is necessary to strengthen Sino-Romanian local cooperation.

### **5 Conclusions**

Our analysis showed that are some crucial initiatives necessary to increase and consolidate the Sino-Romanian local cooperation.

First, to promote Romania to host the "16+1" local leaders meeting as soon as possible, promote more cities to apply to become members of the China-CEEC Association of Governors of Provinces Regions, actively encourage local governmental exchanges between China and Romania, and effectively twin much more sister cities. From the China side, we would use the friendship city to help the Romanian sister cities to host "16+1" local leaders' meetings and related meetings, actively invite the Romanian local government to lead a delegation to visit China and attend the 2020 China International Friendship Cities Conference held in Kunming, warmly welcome more Romanian cities to become members of the International Cooperation Sister City Tourism Alliance established in Chengdu in September 2012.

Second, to fully make synergy between "16+1" local cooperation and the Romanian regional development strategy. It is necessary to transform their respective cooperation needs into visible and tangible cooperation projects to achieve complementary advantages and common development. The Memorandum on the preparation of a portfolio of transport projects to be implemented in the period 2018-2027 initiated December 2017, approved by the Romanian government, which would bring opportunities. Romania has two Core Network Corridors crossing its territory within the EU infrastructure and connectivity programs, namely the Orient/East-Med Corridor and Rhine-Danube Corridor, by that Danube River plays one of the key roles. In particular, both Romania and China must pay attention to the development of the Danube and Black Sea projects, attach importance to the role of Constanta in the construction of the "Three Seaports", and establish several demonstration projects and benchmarking projects. In this regard, building Yangtze River - Danube cooperation mechanism would be contribute to 16+1 cooperation and Sino-Romania local cooperation as well. Furthermore, it is of great significance to promote the industrial park cooperation between the China and Romania and study the feasibility of establishing branches of Chinese financial institutions in Romania.

Third, to continue to support Romania to establish much more new cooperation mechanism or platform under the framework of "16+1 Cooperation", promote Romania to participate in local cooperation mechanisms under the framework of China-EU cooperation, and broaden other channels for local cooperation. For example, they would continue to promote the EU-China Mayors' Forum and the EU-China Urbanisation Forum to spread and spill over this successful experience to other functional areas, thereby promoting the overall development and strategic synergy of Sino-Romania relations.

Fourth, to set up and select a fixed partner city to advance local cooperation as an example. By now, the Qingdao Eurasian Economic and Trade Cooperation Industrial Park and the "16+1" Economic and Trade Demonstration Zone in Ningbo have been and will be the important platform to enhance all-round cooperation between two sides. However, Shenzhen would have much more advantage then Qingdao and Ningbo, which has been the Friendly Exchange City with Bucharest in 2014, and the headquarters of three important investors in Romania of Huawei, ZTE Corporation, and CGN (China General Nuclear Power Group). The China-Romania Economic and Trade Exchange Promotion Conference and Shenzhen International Image Promotion Conference were held in Shenzhen and Bucharest one after another in 2014. Shenzhen Science and Industry Park and Romania's Euromentor Development entered into a memorandum of understanding on building two industrial parks: one in Shenzhen, to house Romanian companies, and one in Cluj-Napoca, the second-most

populous city in Romania, to accommodate Chinese firms in China Hi-Tech Fair (CHTF) 2013 in Budapest (Shenzhen Daily, 2013). What's more, New Kopel Car Import, a SIXT Group Romania company, one of the top companies from the automotive industry, announced that it has become the importer of BYD Electric busses and vehicles located in Shenzhen in June 2018. All in all, Shenzhen should be the most important partner to promote its cooperation with Bucharest and cooperation between other cities.

Fifth, to construct a multinational cooperation platform within the framework of "16+1 Cooperation", and learn from the successful experience of "Guangzhou-Lyon-Frankfurt-Birmingham Four Cities Economic Alliance". For example, it is a constructive way to introduce "Chengdu-Lodz-Budapest-Bucharest cities alliance" or "Chengdu-Warsaw-Prague-Bucharest cities alliance" in the "16+1 cooperation" countries to form an economic alliance and tap the potential of multilateral cooperation between these cities. In this regard, it is urgent that feasibly of new China-Europe Express Rail to Bucharest and/or other big city in Romania should be in discuss.

Last but not the least, to leverage the Belt and Road cooperation platform to fully achieve its synergy with "16+1" local cooperation, and make use of other cooperation mechanisms elsewhere to promote "16+1" local cooperation. To strengthen people-to-people bond and cultural exchange such as "Shenzhen Week" in Bucharest and "Bucharest Week in Beijing" would develop grass-root relations effectively.

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