

THE U.S. – RUSSIA – CHINA COMPETITION IN THE BALKANS AND THE ROLE OF SERBIA

July 2026 No: 79



THE U.S.– RUSSIA – CHINA COMPETITION IN THE BALKANS AND THE ROLE OF SERBIA

The Cold War ended with the fall of the Berlin Wall in 1989 and the dissolution of the Soviet Union in 1991. Following this period, the Balkans remained outside the scope of great power competition for a certain time. However, since the 2010s, the region has once again begun to emerge as a focal point of geopolitical interest. Particularly with the outbreak of the Russia–Ukraine War, attention toward the Balkans has been steadily increasing.

The European Union’s slow progress in sustaining its enlargement policy and the occasional stagnation of this process have led to the continuation of structural problems in the countries of the region. In addition, tendencies of democratic backsliding and transformations in global power balances have rendered the Balkans both fragile and open to the influence of external actors. In this context, while the United States maintains an institutional and military presence in the region, the Russian Federation and the People’s Republic of China are seeking to expand their influence through different tools and strategies. The Russian Federation deepens political vulnerabilities in the Balkans through identity, history, and particularly energy policies. Russia’s development of political relations with Republika Srpska in order to indirectly influence Bosnia and Herzegovina, and its support for secessionist rhetoric through this entity, constitutes a concrete example of this situation.

The People’s Republic of China, on the other hand, aims to establish a long-term dependency relationship through economic instruments and infrastructure investments. In particular, transportation, energy, and mining projects carried out with Serbia constitute one of the main components of China’s strategy to increase its economic influence in the region. In contrast, the United States seeks to maintain its influence through NATO, international institutions, and bilateral relations. Its military presence in Kosovo and the security-based relations it has developed with Albania are among the key indicators of the United States’ strategic position in the region. This situation transforms the Balkans into a multidimensional arena of competition where different powers intersect.

This study aims to examine great power competition in the Balkans within the framework of balance of power, sharp power, and hedging (risk-averse balancing/diversification or playing both sides) strategies. In this context, the position of Serbia within this competition will be analyzed in particular. China’s strategy of influence developed through economic investments and financial instruments, as well as the policies pursued by the United States through tools outside NATO, will be evaluated in light of current developments. Furthermore, it will be

discussed to what extent the strategic orientations of Russia and China in the Balkans are aligned and whether this relationship produces competition or complementarity.

Finally, Serbia’s balancing strategy in the face of this multi-actor power struggle, along with the multidimensional nature of the United States’ presence in the region that goes beyond the military dimension, will be presented.

Strategic Positioning of Small States

For many years, international relations theorists have argued that when states face a rising or potentially threatening great power, they adopt either balancing strategies against this power or bandwagoning strategies, whereby weaker states align themselves with stronger ones. However, recent international literature and policy publications reveal that small states do not rely solely on balancing or bandwagoning strategies in response to a rising power; they also make use of hedging strategies. Indeed, many analysts suggest that small states pursue neither strict balancing nor strict bandwagoning policies; rather, they adopt a middle course best conceptualized as “hedging.”

The balancing approach suggests that small states, particularly those acting with the aim of preserving their own security, tend to perceive a rising power as a threat that must be countered through both external and internal balancing. As a matter of fact, this perception becomes more pronounced when geographic proximity to the rising power is combined with that power’s offensive capabilities and aggressive intentions. The bandwagoning approach, on the other hand, argues that instead of opposing a rapidly rising power, states choose to come under its protection and accept its influence in exchange for certain benefits. Nevertheless, there are various reasons why states do not adopt pure balancing or pure bandwagoning strategies.

A pure balancing strategy is considered both strategically unnecessary and politically provocative, with the potential to produce counterproductive effects. Moreover, it is not seen as economically rational, as it may lead to the loss of

commercial opportunities. Although a pure bandwagoning strategy may appear relatively reasonable from an economic perspective, it is regarded as risky because it can restrict the maneuverability of small states. Today, instead of relying solely on balancing or bandwagoning strategies, hedging is adopted as a middle course. This concept represents an alternative strategy distinct from balancing and bandwagoning; at the same time, it is used to describe both the responses of small states to shifts in power and the strategies of great powers.

The strategy adopted by a small state in response to a rising power is shaped and developed by ruling elites with the aim of reinforcing regime legitimacy in domestic politics. This argument, which can be defined as the framework of regime legitimacy, is based on three main assumptions. First, foreign policy preferences are determined. These preferences are shaped by ruling elites in line with efforts to minimize all risks that may affect their governing capacity. Second, how ruling elites define risks gains importance depending on the ways in which they legitimize their own power. Finally, this framework encompasses their capacity to preserve security and internal cohesion, ensure economic growth, maintain sovereignty, and promote a rationalized ideal specific to a particular country. In summary, ruling elites evaluate a rising power and its potential consequences within the context of their own legitimacy and formulate policies accordingly.

According to neorealists, any change in the distribution of power generates anxiety among small states; this anxiety necessitates that such states adopt balancing strategies against the rising power in order to safeguard their security,

and accordingly strengthen their alliances and defense capacities. In contrast, according to the regime legitimacy approach, a rising state does not have a direct and inevitable effect. Whether this structural change generates concern is associated with whether it threatens the legitimacy of ruling elites in small states or creates new opportunities. If the rise of a great power is perceived positively, it is expected to be accepted; conversely, if it is perceived as a threat, the state is likely to adopt balancing strategies against it. However, if the consequences of the rise are perceived as uncertain or complex, the state is expected to adopt a more complex and multidimensional stance.

Hedging Strategy

According to Kuik Cheng-Chwee, the term hedging is defined as a strategy in which a country, in an environment of high uncertainty and risk, seeks to minimize potential losses and maximize gains by simultaneously employing multiple, and often contradictory, policy instruments rather than adhering to a single strategy (Kuik, 2008).

In the context of international politics, risks are divided into three main categories: security, economic, and political risks. These risks are sometimes the product of specific state and non-state actors, and at other times arise from structural and impersonal dynamics. Such risks tend to have more destructive effects on small states; meanwhile, great powers often play a significant role—whether desired or not—in the risk management of small states.

If a state characterizes an actor as an immediate and direct threat, it will tend to pursue a balancing strategy against that

actor. Conversely, if the actor in question is perceived not as a threat but as a primary source of support, the state is highly likely to prefer a bandwagoning strategy; in this case, the maximization of interests becomes more prominent.

Small states face high levels of risk due to the uncertainty arising from their inability to predict when and how the distribution of power will change. The fact that the distribution of power is a systemic process not controlled by a single actor further increases these risks. For this reason, small states generally tend to avoid taking sides and, by refraining from making definitive predictions about the future of great power relations, are inclined to adopt hedging strategies. However, hedging behavior becomes possible only when certain conditions are simultaneously met, such as the absence of an immediate threat that would force a state to align with a particular power for protection, the lack of ideological fault lines that would rigidly divide states into opposing camps, and the absence of an overarching great power competition that would compel small states to choose sides.

The Implementation of the Hedging Strategy: The Case of Serbia

The hedging strategy consists of five main components: economic pragmatism, binding engagement, limited bandwagoning, sovereignty denial, and indirect balancing. Economic pragmatism refers to a policy in which a state seeks to maximize the economic gains it can obtain from direct trade and investment relations with a great power. Since this approach does not imply either accepting or rejecting the said power, it corresponds to a neutral position within the strategic spectrum. Indeed, economic pragmatism constitutes

the strongest dimension of the relationship between Serbia and China. Rather than grounding its relations with China on an ideological basis, Serbia develops them within a framework focused on economic benefits. Through infrastructure investments, credit and financing opportunities, and industrial investments, China establishes a comprehensive economic relationship with Serbia. In this respect, China is positioned not as an alternative to the European Union for Serbia, but as a complementary economic resource.

Binding engagement refers to a state's effort to "bind" its relations with another powerful actor through institutional, legal, or political mechanisms in order to limit that actor's behavior and make it more predictable. The relations between Serbia and the European Union constitute an example of this situation. Although Serbia's membership has not yet been fully realized and the harmonization process has been slowed by Serbia in certain areas, its status as a candidate country, its participation in the negotiation process, its obligation to comply with the European Union acquis, and the reform pressure imposed by the European Union effectively constrain and shape Serbia's domestic and foreign policy. This situation is referred to as conditional binding engagement.

The bandwagoning approach refers to a policy in which a state chooses to align with a great power that has the potential to become dominant in order to maximize the gains it may obtain in the present or future. This strategy may take two forms: pure bandwagoning and limited bandwagoning. Considering the relationship between Serbia and China, this analysis focuses on the limited bandwagoning approach. Limited bandwagoning remains at the level

of political partnership and does not necessarily have a zero-sum nature. In this context, while establishing a limited bandwagoning relationship with a rising power, a state can also maintain its relations with the existing hegemonic power. At the same time, the small state adopts a cautious stance in order not to lose its autonomy and to avoid becoming overly dependent. In summary, the limited bandwagoning approach is regarded as a strategy of avoiding hierarchy. In the case of Serbia–China relations, Serbia does not fully bandwagon with China; at the same time, it continues its process of integration with the European Union. In addition, it does not completely sever its relations with NATO.

Sovereignty denial refers to preventing and limiting the emergence of a dominant power with the potential to exert excessive intervention over small states. In this context, China's role for Serbia in preventing the loss of sovereignty can be considered a concrete example. In particular, its provision of diplomatic support to Serbia on the Kosovo issue and its restrictive stance toward possible recognition processes in the United Nations Security Council make this situation more evident.

Although sovereignty denial and binding engagement are directed toward the same objective, they are considered two approaches that involve different methods. Both strategies aim to influence a great power by incorporating it into an institutional network that includes other major actors. However, they differ in terms of method. Binding engagement adopts a persuasive approach that emphasizes the existence of mutual interests. In contrast, sovereignty denial contains a more implicit and relatively confrontational message. In

this context, this strategy conveys an indirect message that, in the event of a hegemonic imposition by a dominant power, closer relations with other powers may be pursued.

Finally, indirect balancing refers to a state taking measures against other actors by enhancing military cooperation and increasing its own military capacity in response to widespread and uncertain risks. Unlike soft balancing, indirect balancing does not refer to informal military alignments. In this framework, Serbia's stance can be presented as an example of indirect balancing. Serbia does not pursue a direct balancing strategy against the European Union or the West. However, by developing its relations with China, it reduces its dependence on the West and aims to increase its bargaining power.

Considering all these components, it becomes evident that the essence of the hedging strategy contains a dual approach. The hedging strategy is twofold, as it is based on the simultaneous implementation of two different sets of policies that balance each other. The first set, consisting of economic pragmatism, binding engagement, and limited bandwagoning, provides a framework for the maximization of gains; whereas sovereignty denial and indirect balancing constitute the second set. In this context, hedging is evaluated as a strategy that enables benefiting from positive scenarios while ensuring preparedness for negative scenarios and even avoiding them. The simultaneous implementation of these two policy sets aims to balance the risks that may arise from an uncertain regional order for small states.

In conclusion, the responses of states to a rising power are fundamentally shaped by the efforts of ruling elites to strengthen and reproduce their internal legitimacy. Through the hedging strategy, states gain the opportunity to both maximize their gains and minimize their losses.

The Use of Sharp Power by Russia and China in the Balkans

The lack of awareness in democracies has created an environment that enables authoritarian regimes such as Russia and China to develop more effective influence techniques suited to modern conditions. There are various assessments in the literature suggesting that while Russia and China pursue policies prioritizing sovereignty and regime security in domestic politics, they seek to increase their capacity for influence in foreign policy by exploiting the openness of democratic systems. Accordingly, they have adopted a strategy aimed at portraying democracy as relatively less attractive. Concrete and contemporary examples of this situation can be observed particularly in the Balkans. For instance, in Bosnia and Herzegovina, Republika Srpska leader Milorad Dodik's manipulation of discourse directed at target audiences by reshaping historical narratives for political purposes constitutes a concrete example of this phenomenon. Similarly, the weakening and restriction of media freedom in the region increases vulnerability to disinformation and leads to greater exposure to external influence.

There are various assessments indicating that Russia's disinformation activities have effects particularly on the legitimacy and institutional structures of democratic systems, especially in the United States and European Union countries. In the Balkans, this situation manifests itself in the spread

of anti-Western rhetoric and the intensification of debates regarding NATO membership, particularly in the context of Serbia and Bosnia and Herzegovina. Indeed, political debates over Bosnia and Herzegovina's NATO membership and the differing orientations of regional actors are considered concrete examples of influence competition among great powers.

Although the methods of China and Russia differ, it is frequently emphasized that both countries adopt governance approaches that prioritize state sovereignty and regime stability. With the acceleration of globalization, there are assessments in the literature suggesting that these countries have increased their influence capacities in political and media spheres by exploiting the openness offered by democratic systems. These influence activities are debated on a global scale and are argued to become more visible especially in countries with more fragile institutional structures.

Influence policies carried out in the Balkans are shaped not only through media and political tools but also through key foreign policy instruments covering economic and energy domains. For example, China's increasing presence in Balkan countries through infrastructure projects and economic investments demonstrates that economic tools are used to generate political influence.

According to Joseph Nye's definition, soft power is based on the attraction created by culture and values; however, the methods employed by contemporary authoritarian regimes cannot be fully explained by this concept (Walker & Ludwig, 2017). These methods pursue more harmful objectives, involve censorship and information control, and penetrate the open structures of democratic societies. Therefore, this

emerging form of influence in recent years is defined as "sharp power."

Sharp power is regarded as a type of influence that penetrates, manipulates, and fragments the environments of target countries. Rather than persuading people, these regimes aim to direct them by manipulating or distorting the information that reaches them. At the same time, they have the capacity to further deepen and expand existing social divisions. Unlike the overt and direct impact of hard power, sharp power operates through more covert and indirect methods.

Recent political crises and protests in the Balkans also create fragile environments that are open to external influence and contribute to the deepening of this fragility. The slowing down of EU integration processes or political deadlocks creates favorable conditions for external influence activities.

China, by utilizing its economic power and outward-oriented strategy, presents itself as an alternative development model to other countries and expands its influence through cultural tools with a "win-win" discourse. Russia, on the other hand, seeks to exert influence particularly in young democracies through media, disinformation, and its relations with regional actors. Both countries make these sharp power strategies more effective through partnerships established with local institutions.

Within this framework, the economic activities of states are not limited to commercial purposes but can also be used as strategic tools in line with foreign policy objectives. There are various assessments in the literature suggesting that China uses its economic tools together with other

mechanisms of influence, often through indirect methods. Similarly, it is argued that Russia and China attempt to increase their influence capacities by exploiting the openness of democratic systems. This situation can also be associated with the tendency of states to limit discourses and policies that are perceived as being against their own regimes. In this context, it is assessed that Russia and China pursue these policies and seek to expand their spheres of influence by using instruments defined as sharp power.

In summary, although Russia and China prefer different methods, both utilize the openness of democratic systems to their own advantage. The Balkans is considered one of the regions where this process can be observed most concretely and contemporarily. Weakness and pressure on media, political polarization, economic dependencies, and uncertainties in foreign policy orientations increase the impact of sharp power strategies employed by authoritarian states. For this reason, these methods are evaluated as systemic and multilayered interventions aimed at altering the functioning of democratic systems.

Instruments of Influence of the United States, Russia, and China in the Balkans

The Balkans is increasingly becoming a sphere of competition among the United States, Russia, and China, gaining momentum day by day. All three actors are seeking to increase and expand their influence in the region through various instruments. While the tools of the United States, Russia, and China in the Balkans resemble each other in certain aspects, they also differ in others.

¹ "China's Rising Influence in the Western Balkans", Small Wars Journal, 5 November 2025,

a) United States

The presence of the United States in the Balkans cannot be limited solely to NATO. For example, the U.S. military presence in Kosovo through Camp Bondsteel and its contributions to the training and capacity-building of the Kosovo Security Force (KSF) constitute concrete examples of this presence. In addition, the United States' provision of economic support to the region and its bilateral security cooperation with regional institutions and organizations demonstrate that it plays an active role in the region.

The instruments used by the United States in the Balkans can be examined under three main headings. The first of these is NATO and military cooperation. Although Serbia is still not a NATO ally, the United States supports defense reforms in countries such as Bosnia and Herzegovina, North Macedonia, and Montenegro. As an example, agreements such as the Partnership for Peace Program in 2006 and the Individual Partnership Action Plan in 2015 were concluded with Serbia, thereby encouraging its participation in stability coalitions.¹ In addition, through units within NATO, American training and logistical support are provided for the modernization of armies in the region. Moreover, the United States assumes a mediating role in tensions between Kosovo and Serbia. As an example, various diplomatic engagements of U.S. Chargé d'Affaires ad interim in Kosovo, John Ginkel, can be cited.

The second heading consists of economic and financing instruments. Particularly in recent years, the United States has activated various financial institutions in

<https://smallwarsjournal.com/2025/11/05/chinas-rising-influence-in-the-western-balkans/>

order to provide funding for infrastructure projects in the region. With the encouragement of the Department of State, initiatives such as the Western Balkans Investment Framework, the Development Finance Corporation under the Biden administration, and the Partnership for Global Infrastructure and Investment have emerged as alternatives to Chinese loans. These instruments provide low-interest loans for infrastructure projects such as energy and transportation, thereby generating both economic and strategic influence. For example, the Southern Natural Gas Pipeline Project is supported in order to reduce Bosnia and Herzegovina's energy dependence on Russia.² In this way, dependence on Russian gas is reduced. Through such actions, the United States both builds a sphere of influence and seeks to balance Russia's strategic moves by increasing energy supply security.

The third heading consists of diplomatic and policy instruments. The United States employs various initiatives in order to guide the Western Balkans' reforms toward democratization. For example, regulations such as the Western Balkans Democracy and Prosperity Act signed in 2025 formalize sanctions against actors that cause instability in the region, thereby creating a sanctions mechanism.

In addition, the personal relationships established by U.S. administrations with leaders in the region are also used as tools of diplomatic pressure. For instance, the statements made by Bosnia and Herzegovina Presidency member Denis

Bećirović following his visit to Washington in March 2026 demonstrate that the United States continues to support a multiethnic Bosnia and Herzegovina.³ Such statements reinforce the United States' policies in the region and create an effect aimed at reducing tensions between the parties in sensitive issues such as Serbia–Kosovo.

As a result of all these factors, it can be observed that the United States' strategy in the Balkans exhibits a multi-layered structure. While security cooperation is maintained through NATO, investments, financing models, and diplomatic initiatives serve as balancing elements against the strategic moves of China and Russia. Indeed, the United States aims to prevent the expansion of Chinese and Russian influence in the Balkans, and to limit it in cases where prevention is not possible. As also expressed in various media outlets, the United States seeks to keep Balkan countries aligned with the Western axis through economic development programs and infrastructure cooperation. Events such as the Western Balkans Cooperation Summit constitute concrete examples of this approach.

b) Russia

Russia uses its historical ties and its position in the energy sector as sources of influence in the Balkans. The instruments of influence used by Russia can be classified under three main headings. First, energy dependence is one of Russia's primary sources of influence. Balkan countries have been supplying natural gas and crude oil

² Atlantic Council, "2026 Will Be a Big Year in the Western Balkans: Here's What to Watch", <https://www.atlanticcouncil.org/blogs/2026-will-be-a-big-year-in-the-western-balkans-heres-what-to-watch/>.

³ N1, "Ginkel razgovarao s Bećirovićem: SAD će nastaviti podržavati multietničku Bosnu i Hercegovinu", <https://n1info.ba/vijesti/ginkel-razgovarao-s-becirovicem-sad-ce-nastaviti-podrzavati-multietnicku-bosnu-i-hercegovinu/>.

from Russia for many years. In this way, Russia gains the ability to exert influence over political processes in the region through energy agreements. For example, Russian investments in Montenegro and Serbia's procurement of gas via the TurkStream connection constitute examples of this situation. In addition, Russia is involved in the energy infrastructure of Balkan countries through mechanisms such as cooperation in the field of nuclear energy. This situation leads regional countries to maintain their relations with Russia in the energy domain and can indirectly affect the course of processes such as EU integration or NATO membership.

Second, soft power and ideological instruments are among Russia's sources of influence. According to analyses conducted by the Jamestown Foundation⁴, Russia seeks to increase its influence in the Balkans through far-right movements, Orthodox religious networks, and various political actors. Particularly in Serbia, positive narratives regarding certain governance models are disseminated through media and communication tools. During electoral processes in Serbia, it is observed that the rhetoric of political actors advocating close relations with Russia becomes more prominent and that foreign policy debates are reflected in domestic politics. In the first quarter of 2026, it is observed that the Serbian opposition has been criticizing the government's characterization of Russia as a strategic partner. This situation constitutes an example of how Russia's influence is reflected in domestic politics.

⁴ Jamestown Foundation, "Moscow Leverages Extremism in the Balkans", <https://jamestown.org/moscow-leverages-extremism-in-the-balkans/>

Third, military-technical cooperation is another instrument of influence used by Russia. Russia continues to provide various military equipment to the Serbian army. However, although China's recent efforts to increase its influence in the region have led to a partial decline in Russia's arms sales, Serbia's dependence on Soviet/Russian-origin systems continues. For this reason, Serbia maintains technical cooperation with Russia in order to sustain and modernize its existing military capacity. Indeed, in 2025, Serbia received Russian technical support to modernize its Soviet-made MiG-29 fighter jets.

When all these factors are considered together, it can be observed that Russia's policy in the Balkans aims to create a multidimensional influence through energy, ideology, and military cooperation instruments. In this context, some analyses suggest that Russia's influence in the region produces indirect effects on governance models and political orientations.

c) China

China's policy toward the Balkans is primarily based on economic investments and infrastructure projects. Serbia, in particular, stands out as one of China's key investment areas in Europe. These investments are distributed across various sectors. For example, major construction projects such as the Novi Sad Railway Station, as well as highways, bridges, power plants, and mining facilities, demonstrate this diversity.

When considering the countries in the Balkan region, it is observed that China is

developing its relations in the fields of agriculture, transportation, and finance within the framework of the Belt and Road Initiative. Chinese financing is often provided under different credit conditions. For instance, it is stated that loans taken within the scope of a highway project in Montenegro have led to discussions on debt sustainability in 2025. In addition, cooperation established in the fields of technology and infrastructure constitutes another aspect of China's presence in the region. The involvement of Chinese companies such as Huawei and ZTE in telecommunications infrastructure serves as an example of this. Various analyses and media sources indicate that external actors closely monitor such cooperation. China also develops its relations with Balkan countries by offering technical cooperation opportunities in areas such as artificial intelligence, cybersecurity, and surveillance technologies. For example, Serbia's procurement of Chinese-made CH-92A unmanned aerial vehicles and FK-3 air defense systems constitutes an example of the presence of Chinese military technology in the region.⁵

China's policy toward the Balkans is generally evaluated within a multidimensional framework. It is argued that ideological elements play a limited role in this policy, and that a predominantly economic cooperation- and development-oriented approach is adopted. China positions itself as a partner that offers economic opportunities. During the Vučić administration in Serbia, it is observed that cooperation with China has been preferred

particularly in terms of short-term economic benefits. For example, it is stated that medical aid and investments provided by China during the 2019 COVID-19 period increased their visibility in the public sphere.

However, these forms of cooperation are also subject to criticism in terms of transparency, borrowing conditions, and governance principles. Indeed, some media sources report that, following construction accidents in Serbia, debates have emerged regarding the transparency of Chinese-financed projects.⁶

In conclusion, it is observed that China's main approach in the Balkans is shaped through economic instruments and infrastructure investments. China deepens its relations with countries in the region through large-scale projects and financing opportunities. This process is evaluated as supporting economic development in the short term, while in the long term it is considered to have effects on the economic and strategic balances in the region. China's Balkan policy is presented as an alternative to Western development models and derives its influence largely from economic cooperation and infrastructure investments.

Russia–China Interaction

The policies of Russia and China in the Balkans both differ in nature and overlap to a certain extent. Both Russia and China aim to limit Western influence in the Balkans. In an analysis published by RUSI⁷, it is stated

⁵ Reuters, "NATO Partner Serbia Admits Buying Chinese Missiles After Photos Leaked", 13 March 2026, <https://www.reuters.com/business/aerospace-defense/nato-partner-serbia-admits-buying-chinese-missiles-after-photos-leaked-2026-03-13/>.

⁶ Center for European Policy Analysis (CEPA), "Hidden Costs: China's Growing Economic Grip on Serbia",

<https://cepa.org/article/hidden-costs-chinas-growing-economic-grip-on-serbia/>.

⁷ Veerle Nouwens ve Emily Ferris, *Sino–Russian Interests in Serbia: Competitive, Coordinated or Complementary?*, Royal United Services Institute for Defence and Security Studies (RUSI)

that although Russia and China's strategic approaches in Serbia differ, they exhibit a relationship inclined toward cooperation rather than open competition, in line with shared objectives. The same analysis notes that China does not directly engage in the digital and cultural spheres of influence maintained by Russia in the Balkans; instead, it adopts a more pragmatic approach, focusing on deepening its presence in the fields of science, technology, and infrastructure. In this context, Chinese actors are observed to pursue a strategy that does not create conflict with Russia in economic and logistical domains, rather than directly challenging Russia's influence shaped around Serbia's Orthodox identity.

The policies of both actors in the Balkans are based on similar objectives, such as limiting NATO and EU enlargement; however, the methods they employ differ. While Russia tends to generate influence primarily through historical ties and military-technical cooperation, China strengthens its presence in the region through infrastructure investments and financial instruments. Therefore, rather than a direct and intense competition between Russia and China, it is argued that there exists a limited level of alignment and implicit coordination. For example, Serbia's continuation of its relations with both Russia and China within the framework of its multidirectional balancing policy is considered a reflection of this multi-actor structure.

In various analyses and media sources, the Russia–China relationship is also addressed as a form of multi-actor interaction shaped by overlapping interests and an avoidance of direct confrontation. Nevertheless, it is

not overlooked that the interests of the two actors may diverge in certain cases. For instance, both actors' pursuit of establishing long-term strategic relations with countries such as Serbia may also introduce elements of competition in the future. However, as of 2026, based on the available data, it is assessed that Russia and China's relations in the Balkans exhibit a structure that largely avoids competition and incorporates elements of cooperation. As an example of this, it is noted that Russia does not openly oppose China's investment programs in Balkan countries; similarly, Russia does not pursue a strategy that directly targets Chinese projects. Additionally, it is observed that actors close to Russia do not display a significant reaction to Chinese investments.

Serbia's Hedging Strategy

Serbia's foreign policy follows a hedging strategy by attempting to comply with Western demands while simultaneously establishing close relations with Russia and China. Serbian leaders sometimes refer to this approach as a "two-chair policy."

Aleksandar Vučić defines China as a more important Eastern partner compared to Russia and emphasizes the importance of strategic relations with China while rejecting Western demands for sanctions against Serbia. The Vučić administration seeks to maintain cooperation with the West while at the same time developing balanced relations with the East.⁸

In this framework, the Serbian administration adopts a positive stance toward Chinese investments while simultaneously maintaining rhetoric that emphasizes its historical and cultural ties

⁸ Radio Free Europe/Radio Liberty (RFE/RL), "Serbia, Xi Visit, China Relations, Vucic, Russia",

<https://www.rferl.org/a/serbia-xi-visit-china-relations-vucic-russia/32936674.html>.

with Russia. For example, in statements made by Vučić during his visit to the United Arab Emirates, China's contributions to Serbia's defense capacity and its relations with Russia are addressed within the same framework.

This balancing strategy also has an economic dimension. Beeker (2021) notes that two main elements stand out in Serbia's balancing policy: economic benefits and the Kosovo issue. While Serbia proceeds cautiously in its EU integration process, it continues its economic activities—particularly in the energy and construction sectors—through loans obtained from China. At the same time, it seeks diplomatic support from Russia on the Kosovo issue.

Serbia's military cooperation also reflects this strategy. Indeed⁹, various sources indicate that Serbia has procured certain missile systems from China. This situation demonstrates that Serbia is not only oriented toward NATO systems but also toward military technologies originating from Russia and China. Nevertheless, the ordering of fighter jets from France in 2024 reveals that military cooperation with the West is also being maintained.¹⁰ Therefore, the Serbian army exhibits a hybrid structure in which both Western and Eastern systems are used together. This situation is considered a reflection of the balancing strategy in the military domain. Various media sources report that neighboring actors such as Kosovo perceive Serbia's arms purchases from China as a

security risk. In contrast, the Serbian administration justifies such steps within the framework of modernizing its defense capacity. In parallel, Serbia increases its technical compatibility by participating in NATO partnership programs; however, it conducts this process without assuming binding membership obligations. This situation demonstrates that Serbia continues to maintain an officially neutral position while pursuing a multidirectional foreign policy.

The sustainability of Serbia's balancing strategy is, however, subject to various debates. The increasing clarity of Western expectations following the Russia–Ukraine War is considered a factor that may make it more difficult for Serbia to maintain this balance policy. For example, statements by Kosovo's Minister of Defense, Maćedonci¹¹, that Serbia's ballistic missiles acquired from China pose a threat to regional stability reflect views that Serbia's procurement of military systems from China may constitute a risk to regional stability. In contrast, Serbian officials continue to pursue policies aimed at developing economic and political relations with both the West and the East. Vučić states that relations with China and Russia are being deepened in a controlled and balanced manner. This approach is considered a reflection of Serbia's effort to act by establishing a balance between two centers of power in the international system.

⁹ Reuters, "NATO Partner Serbia Admits Buying Chinese Missiles After Photos Leaked", 13 March 2026, <https://www.reuters.com/business/aerospace-defense/nato-partner-serbia-admits-buying-chinese-missiles-after-photos-leaked-2026-03-13/>

¹⁰ Reuters, "NATO Partner Serbia Admits Buying Chinese Missiles After Photos Leaked", 13 March 2026, <https://www.reuters.com/business/aerospace->

[defense/nato-partner-serbia-admits-buying-chinese-missiles-after-photos-leaked-2026-03-13/](https://www.reuters.com/business/aerospace-defense/nato-partner-serbia-admits-buying-chinese-missiles-after-photos-leaked-2026-03-13/).

¹¹ Kosovo Online, "Makedonci: Rakete koje je Srbija kupila od Kine predstavljaju pretnju za region", 16 March 2026, <https://www.kosovo-online.com/vesti/politika/macedonci-rakete-koje-je-srbija-kupila-od-kine-predstavljaju-pretnju-za-region-16-3>.

The Balkans as an Indirect Arena of Competition

Competition in the Balkans generally manifests itself in the form of symbolic and structural struggles rather than direct armed conflict. Great powers in the region pursue their rivalry indirectly through Balkan states. For example, the instruments Russia has employed in recent years to increase its influence in the region are largely shaped through propaganda activities and organizational networks. In contrast, China's strategy in the region advances through economic relations and infrastructure investments. The United States, beyond the NATO framework, seeks to expand its influence in the Balkans through local politics and economic cooperation. These activities are largely conducted through diplomatic and economic instruments.

For this reason, the Balkans is evaluated not as a classical proxy war arena, but rather as a multidimensional field of competition. Nevertheless, it is not possible to completely disregard military elements in the region. For example, Serbia's procurement of Russian- and Chinese-origin weapon systems indicates shifts in regional military balances. Similarly, U.S. military exercises in the region and financial support mechanisms reflect different dimensions of this competition. In general, great powers view the Balkans as an arena where competition is sustained through diplomacy and multilateral interactions rather than direct conflict. Interactions among Balkan leaders are also largely shaped through investments, joint declarations, and multilateral summits rather than direct lines of conflict.

Conclusion

The policies of the United States, Russia, and China in the Balkans create a multilayered power competition that influences the countries of the region through different instruments. The United States seeks to integrate the Western Balkans into the Western system through NATO and economic cooperation; Russia aims to maintain its existing sphere of influence through energy and cultural/ideological tools; and China strengthens its presence in the region through infrastructure investments and financing opportunities.

One of the countries where this multidimensional competition is most clearly observed is Serbia. Within the framework of its balancing strategy, the Serbian administration continues its integration process with the West while also maintaining its strategic relations with Russia and China. For example, Serbia's procurement of advanced weapons systems from China, while simultaneously continuing its cooperation with NATO programs, is considered a concrete reflection of this balancing policy.

Considering recent developments, it is observed that great power competition in the Balkans is evolving more in the form of a struggle for diplomatic influence rather than high-intensity military conflict. In this process, Balkan countries emerge as important actors attempting to establish a balance among different actors in order to preserve their own stability.

In the coming period, how these balancing policies and power dynamics will evolve carries significance for both regional and transatlantic strategies. At present, it is argued that geopolitical competition in the

Balkans is shaped not by producing direct instability, but rather within the dynamics of controlled competition and cooperation.

REFERENCES

- Beeker, B. (2022). *Serbia's delicate balancing act: A case study of Serbia's foreign policy* (Master's thesis). University of North Carolina at Chapel Hill.
- Goh, E. (2005). *Meeting the China challenge: The U.S. in Southeast Asian regional security strategies* (Policy Studies No. 16). East-West Center Washington.
- Kuik, C.-C. (2008). *The essence of hedging: Malaysia and Singapore's response to a rising China*. *Contemporary Southeast Asia*, 30(2), 159–185.
- Walker, C., & Ludwig, J. (2017). *Sharp power: Rising authoritarian influence*. National Endowment for Democracy.
- Weissmann, M. (2023). Chinese and other foreign influence in Serbia and the Western Balkans: A tale of cooperation, competition, and distrust? *Connections: The Quarterly Journal*, 22(4), 9–26.
- GIS Reports Online. (n.d.). U.S. diplomacy in the Western Balkans. <https://www.gisreportsonline.com/r/u-s-diplomacy-in-the-western-balkans/>
- Small Wars Journal. (2025, November 5). China's rising influence in the Western Balkans. <https://smallwarsjournal.com/2025/11/05/china-s-rising-influence-in-the-western-balkans/>
- Reuters. (2026, March 13). NATO partner Serbia admits buying Chinese missiles after photos leaked. <https://www.reuters.com/business/aerospace-defense/nato-partner-serbia-admits-buying-chinese-missiles-after-photos-leaked-2026-03-13/>
- Atlantic Council. (n.d.). 2026 will be a big year in the Western Balkans: Here's what to watch. <https://www.atlanticcouncil.org/blogs/2026-will-be-a-big-year-in-the-western-balkans-heres-what-to-watch/>
- Jamestown Foundation. (n.d.). Moscow leverages extremism in the Balkans. <https://jamestown.org/moscow-leverages-extremism-in-the-balkans/>
- Boston University, Pardee School of Global Studies. (2021). [RPI01 Report]. <https://www.bu.edu/pardee/files/2021/05/RPI01.pdf>
- Center for European Policy Analysis (CEPA). (n.d.). Hidden costs: China's growing economic grip on Serbia. <https://cepa.org/article/hidden-costs-chinas-growing-economic-grip-on-serbia/>
- Royal United Services Institute (RUSI). (n.d.). Russia and China in Serbia. https://static.rusi.org/rusi_pub_228_op_russiachina_serbia_final.pdf
- Radio Free Europe/Radio Liberty. (2024). Serbia, Xi visit and China relations. <https://www.rferl.org/a/serbia-xi-visit-china-relations-vucic-russia/32936674.html>
- Nouwens, V., & Ferris, E. (t.y.). *Sino-Russian interests in Serbia: Competitive, coordinated or complementary?* Royal United Services Institute for Defence and Security Studies. https://static.rusi.org/rusi_pub_228_op_russiachina_serbia_final.pdf
- N1. (n.d.). *Vesti iz Srbije, regiona i sveta*. <https://n1info.rs/vesti/>
- N1 Bosnia and Herzegovina. (n.d.). *N1 Bosnia and Herzegovina news portal*. <https://n1info.ba/>
- N1 Croatia. (n.d.). *N1 Croatia news portal*. <https://n1info.hr/>
- Kathimerini. (n.d.). *News from Greece and the world*. <https://www.ekathimerini.com/news/>
- Bulgarian News Agency (BTA). (n.d.). *Bulgarian news agency news section*. <https://www.bta.bg/en/news/bulgaria>
- Romania Insider. (n.d.). *News and analysis from Romania*. <https://www.romania-insider.com/>
- Nova Makedonija. (n.d.). *News portal of North Macedonia*. <https://novamakedonija.com.mk/>
- Kosovo Online. (n.d.). *Kosovo news portal*. <https://www.kosovo-online.com/>
- CDM – Cafe del Montenegro. (n.d.). *Montenegro news portal*. <https://www.cdm.me/>
- Gazeta Tema. (n.d.). *Albanian news portal*. <https://www.gazetatema.net/>
- The Romania Journal. (n.d.). *Romania news and analysis portal*. <https://www.romaniajournal.ro/>



DİPLOMATİK İLİŞKİLER ve POLİTİK ARAŞTIRMALAR MERKEZİ
CENTER for DIPLOMATIC AFFAIRS and POLITICAL STUDIES

+90 216 310 30 40 info@dipam.org

+90 216 310 30 50 www.dipam.org

Merdivenköy Mah. Nur Sok. Business İstanbul
A Blok Kat:12 No:115, Kadıköy/İstanbul

ABOUT THE AUTHOR

Çağlanur Küsmenoğlu is currently pursuing her undergraduate degree in the Department of Political Science and International Relations at Istanbul University. She is deepening her academic studies within the field of international relations, focusing particularly on foreign policy analysis, strategic studies, public diplomacy, the regional dynamics of the Balkans, Balkan–European Union relations, and democratization processes.

As of February 2026, she has been conducting her research at the Center for Diplomatic Affairs and Political Studies (DİPAM), where she monitors current developments in the Balkan region and conducts content analysis and policy assessments.