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Perspectives on Serbia's China–EU Hedging Strategy: Resilient to De-hedging?

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Abstract: In an increasingly multipolar international system, small states like Serbia exert complex strategic dilemmas in navigating great power competition. This paper investigates Serbia's hedging strategy between its two main poles of foreign policy preference—China and the European Union—by integrating political, security, and economic insights. The authors assess three possible strategic orientations: Serbia's China-bound hedging approach, a de-hedging shift toward bandwagoning with the EU, and a “win-win” strategy that seeks to synergize the interests of both powers. Using a mixed-methods approach, we employ quantitative analysis based on the COMPASS Dataset alongside qualitative assessments of key contingency scenarios to evaluate Serbia's strategic calculus during 2024. Our findings show that risk-prone contingencies have an important impact on both hedging and de-hedging policies. They highlight the importance of adaptive, multipolar foreign policies in maintaining strategic autonomy while maximizing economic and security benefits. The analysis presented herein underscores that Serbia's hedging strategy is a delicate and complex approach to navigating the contemporary geopolitical landscape, implicating leveraging economic opportunities, security demands and political changes.

Keywords: hedging strategy, bandwagoning, Serbia, multipolarity, international relations, COMPASS Project.

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Introduction

The current international system is characterized by a high degree of uncertainty and fluidity as global powers reshape the established order in the process of multipolarization. Small states such as Serbia, and even middle powers, must, therefore, adopt nuanced foreign policy strategies to safeguard their national interests amid a landscape of converging influences or processes occurring globally (Kovačević 2019). Hedging – a strategy of simultaneously engaging with rival power centres to mitigate risks – has emerged as a crucial instrument for states that cannot afford to fully align with any one dominant actor (Glaser 2015; Haacke 2019; Kupchan 2002).

Such policy has become a feature of the Republic of Serbia over the last decade. While officially negotiating entry into the European Union since 2014, Serbia had to embrace hedging for a variety of reasons: the challenge to its territorial integrity posed by the recognition of the “unilateral declaration of Kosovo” by 22 out of 27 EU members; the proclamation of military neutrality primarily impacted by the 1999 NATO aggression; the attempt to preserve long-standing friendly relationships with the Russian Federation and to advance it with the People’s Republic of China as not only UN Security Council members but also key providers for energy security, investment and infrastructure cooperation.

Serbia’s hedging strategy is driven by the need to harness economic opportunities provided by China – particularly those associated with initiatives such as the Belt and Road – while preserving its long-standing political, security, and economic engagements with Europe (Shambaugh 2013). Serbia’s foreign policy is commonly described as resting on four strategic pillars: the European Union, the United States, Russia, and China. Among these, the European Union and China have emerged as particularly significant due to their sustained and multidimensional engagement with Serbia – the EU as Serbia’s largest trade partner, key investor, and central framework for political and institutional reform; and China as a rising economic force whose strategic investments, infrastructure projects, and diplomatic support offer Serbia alternative avenues for development and international visibility. Some analyses suggest that Serbia exerts dominance denial to obstruct the rise of a dominant power capable of exerting disproportionate influence over smaller states (Nikolić 2024). The EU, with its institutional stability and market access, offers an alternative developmental pathway for Serbia *vis-à-vis* China to that of the state-driven model exemplified by Beijing. However, given the current geopolitical shifts and the rise of multipolarity, Serbia’s foreign policymakers are increasingly confronted with the challenge of

maintaining a balanced posture in order to avoid political overdependence on one partner and to secure its own strategic autonomy (Stekić 2024).

This article addresses the following research questions:

1. How does Serbia navigate its hedging strategy between China and the EU across political, security, and economic dimensions?
2. What are the potential risks and benefits of a China-favored hedging approach compared to a de-hedging (or bandwagoning) approach?
3. Can a win-win scenario be achieved by simultaneously accommodating both strategic poles?

To answer these questions, we adopt a dual-methods approach. Quantitative data from the COMPASS Dataset (which includes contingencies assessed by the level of risk and other attributes) is combined with qualitative analysis – including analyses of the high and medium risk associated contingencies during 2024 to identify alternative strategic orientations: Serbia’s China-bound hedging approach, a de-hedging shift toward bandwagoning with the EU, and a “win-win” strategy that seeks to synergize the interests of both powers. The integration of these methods allows for a robust assessment of Serbia’s contemporary foreign policy orientation and the projection of likely future trajectories.

Such research design corresponds to an era marked by growing geopolitical rivalry – exemplified by the U.S.–China strategic competition and the EU’s evolving role in global governance, in which the need for smaller states to adopt a flexible, multipolar approach has never been greater (Baldacchino and Wivel 2020; Hilmarsson 2023; Kurecic 2017; Noesselt 2022). Serbia’s position is particularly illustrative of these broader dynamics. While historical alliances and normative ties have inclined Serbia toward European integration, pragmatic considerations regarding economic development and infrastructural modernization have fostered closer ties with China (Friedberg 2011; Hermann 2024; Petrović 2024; Vuksanović 2021; Zakić et al. 2024). This dual approach reflects the essence of hedging: the careful balancing of risks and opportunities in an environment where reliance on any single great power can lead to strategic vulnerabilities (Walt 1987).

The subsequent sections delve into the theoretical underpinnings of hedging strategies, examine Asian case studies that inform Serbia’s context, and explore the risks associated with de-hedging or bandwagoning. The Asian hedging examples show the value of maneuverability in the multipolarized world, including the possibility of multiple partnerships and balanced statecraft, economic and diplomatic, in a strategic environment dominated by a single power. In Southeast Asia in particular, small and medium powers engage robustly with China (bilaterally and within the Belt and Road Initiative), but maintain strong ties with India, Japan

or the U.S. while in the Serbian case, an EU candidate country, largely surrounded by NATO members, explores comprehensive ties with Russia and China. This economic-security duality is particularly important given the context of great power rivalry: China-U.S. in Asia, China-U.S.-EU-Russia in the case of Serbia. Our analysis is anchored in established theories of international relations, including neorealism and liberal institutionalism, which together offer a comprehensive lens through which to view Serbia's policy challenges. This paper is structured as follows. The theoretical framework begins by examining hedging strategies and incorporating their implications for hedging in Asia, focusing on China-related regions and the Balkans. The second part of the theoretical framework explores the concept of de-hedging and bandwagoning, as well as the win-win scenario. The methodology is then presented, detailing the use of COMPASS data and elaborating on the methodological tools, including Python-based analysis and contingency tables. Next, the results are introduced, before the discussion and conclusion synthesize the key findings and their implications.

Theoretical Framework

Hedging Strategy

Scholars agree that the concept of hedging can be understood through various operational definitions. One such definition sees hedging as a response to perceived risks, particularly in the context of specific strategic and economic vulnerabilities (Haacke 2019, 358). Among the different interpretations, Haacke identifies a conceptualization that stands out as the most prevalent, though also the most contentious. This perspective treats hedging as a hybrid policy approach, combining elements of engagement with practices aimed at deterrence. This form of hedging applies to both relations between major powers and the interactions of smaller or middle powers with a rising power (Haacke 2019, 378). Hedging is a strategy that enables states to maintain engagement with multiple major powers simultaneously to avoid the risks associated with overdependence on any single actor (Mearsheimer 2001; Kupchan 2002).

In international relations theory, hedging represents a middle path between balancing and bandwagoning. Balancing involves actively countering a rival power through alliances and increased defence capabilities, whereas bandwagoning refers to aligning with the dominant power. Hedging, by contrast, involves diversifying strategic relationships to mitigate uncertainty and enhance autonomy (Glaser 2015). The concept of hedging can be traced to broader theories in international

relations. Realist scholars such as Mearsheimer (2001) have argued that small states must adopt strategies that avoid the risks of becoming pawns in great power rivalries. On the other side, liberal institutionalists emphasize the benefits of maintaining multiple, overlapping relationships that foster economic interdependence and political legitimacy, particularly in the post-Cold War rules-based order. They do not endorse hedging strategy, which is largely associated with realist theories (Ikenberry 2008; Walt 1987).

Since the early 2000s, the concept of “hedging” has been prominently featured in the application of cases in China’s neighbourhood (Goh 2005). This area remains relevant today (Gerstl 2022; Kim 2023; Nedić 2022;), but it has also applied to the Caucasus, the Middle East, and, more recently, to Serbia (Mitić 2024a; Nikolić 2024). Mitić and Nikolić both identify the sources of Serbia’s hedging in the aftermath of “Kosovo’s unilateral declaration of independence” and the simultaneous (if not related, according to Mitić) rise of multipolarization. Nikolić applies Kuik’s theoretical model (Kuik 2008) to Serbia to discuss the implementation of its hedging strategy, and her findings are corroborated by Mitić’s. On the other side, Mitić grants a heavier focus on great power rivalry in Balkans, particularly regarding Serbia, and puts additional emphasis on the role of the U.S. as a leading promoter of NATO enlargement in the region. His work also reflects on the rivalry between the Western “rules-based world order” and its Eastern challengers (primarily China and Russia), with direct implications for Serbia. Also, Nikolić rightly points to the question of sustainability of Serbia’s hedging strategy, and Mitić goes a step further in inquiring about these limits by referring to the concept of “de-hedging”. While it has been used in finance, where “de-hedging is the act of unwinding positions initially established as hedges in a trade or investment portfolio” (*Trade Locker* 2024), Mitić discusses the term in IR. He points out that “de-hedging” is due to external influences, albeit the decisions involve cooperative actions by the local authorities: “For the EU and the US, these initiatives are part of the process of rooting out strategic rivals from the Balkans. Brussels would call it a return to the ‘normal’ incentives for EU accession: positive signals to investors, motivation for internal political reforms, and gradual and partial integration into the Union’s sectoral policies” (Mitić 2024a). Thus, for Mitić, de-hedging implies policies and narrative tools, pursued by external actors, aimed at encouraging a sovereign state to reduce, if not abandon its hedging strategy in the context of geopolitical competition.

In essence, hedging is a pragmatic response to the realities of a multipolar world, where no single alliance system offers complete security or prosperity. The question marks regarding the whereabouts of world order multipolarization plays a major role in hedging (Kovačević 2015). States use hedging strategies because

they consider “the future distribution of global power as uncertain” (Spektor2023); they acknowledge “uncertainty about the future conditions of the world” (Stiles 2018, 12); and they want to ensure “against sudden changes in the behaviour of great powers and general insecurities in the international system” (Gerstl 2022).

Hedging also involves a dynamic process of risk assessment and recalibration. As global circumstances change – whether due to shifts in economic power, security threats, or domestic political considerations – states must adjust their hedging strategies accordingly. For example, suppose Chinese investments begin to compromise Serbia’s political autonomy or EU membership negotiations remain stalled. In that case, Serbia might recalibrate its strategy to either tilt more toward one pole or reinforce its diversified approach. Such recalibrations require ongoing monitoring of both external conditions and domestic capacities, including the institutional ability to manage complex, multifaceted relationships. From a methodological perspective, hedging is best understood not as a static strategy, but as a continuum of strategic options. This continuum ranges from active hedging – which involves deliberate diversification and risk management – to passive forms that may border on de-hedging if one pole begins to dominate. In this context, the challenge for Serbia is to remain flexible and agile, capable of adapting its hedging strategy in response to rapidly evolving geopolitical conditions (Friedberg 2011). Friedberg in his study particularly focuses on Southeast Asian states, such as Vietnam, Malaysia and Indonesia, as countries which navigate the U.S.-China rivalry in the context of strong economic engagement with China, but also cautiousness vis-à-vis Beijing’s potential assertiveness. Caveats are thus in order regarding the transfer of the concept to Serbia, a military neutral country in a European power structure environment dominated by NATO and the EU.

Another important feature of the rising interest in hedging is a mixed policy approach that combines diversified political, security, and economic relations to mitigate risks, reduce vulnerability, strengthen strategic autonomy, and maximize opportunities (Gerstl 2022; Goh 2005; Koga 2018; Kuik 2008). The hedging strategy can be analyzed in the context of Asia across all three main dimensions: political alignment, economic relations, and security concerns. Hedging is relevant in Asia as a region without a dominant alliance (as opposed to NATO in Europe) but with a strong impact of multipolarization (e.g. Indonesia becoming member of BRICS in 2025, while signing a Defense Cooperation Arrangement with the U.S. in November 2023). Regarding political alignment, states may adopt hedging strategies to balance their relationships with competing powers, avoiding full commitment to any one side. Economically, countries might hedge by diversifying trade partnerships and investments to mitigate dependence on a single dominant power. In security, hedging often involves a mix of deterrence measures and engagement

with multiple powers to address potential threats. Significantly, how these strategies are implemented varies from state to state, depending on their unique geopolitical, economic, and security priorities.

Empirical studies (Haacke 2019; Jackson 2014; Lim and Cooper 2015) have illustrated the use of hedging among small states, particularly in Asia. Ku (2012) demonstrates that countries such as Singapore and Malaysia have successfully navigated competing influences by adopting hedging strategies that balance economic incentives with security considerations. The rapid rise of China and the corresponding adjustments in US policy have forced many East and Southeast Asian countries to adopt hedging strategies that reflect both economic pragmatism and security concerns (Friedberg 2011; Shambaugh 2013).

The lessons from these cases can apply, with caveats, to Serbia as a military-neutral country geographically surrounded mostly by EU members which are also part of NATO, an alliance Belgrade refuses to join. Just as Asian states have managed the competing pressures of US and Chinese influence, Serbia too must navigate between the EU's normative framework and China's pragmatic development model (Ku 2012), notwithstanding the influence of the United States and NATO in general, and the historical impact of the Russian Federation and Turkey. In Serbia's case, hedging is evident in its simultaneous pursuit of economic cooperation with China and political as well as security ties with the EU. The economic benefits derived from Chinese investments - particularly in infrastructure and energy sectors – contrast with the political stability and institutional support that come with EU integration. This dual approach maximizes economic opportunities and insulates Serbia from the geopolitical risks of committing solely to one power bloc, particularly given its unpredictable EU membership path.

In Asia, many small and medium-sized states have adeptly navigated the complexities of international relations by leveraging a hedging strategy in the economic domain. This approach allows them to benefit from China's state-led investment initiatives while simultaneously maintaining security ties with traditional allies like the United States. For example, countries like Vietnam and Malaysia have engaged with China's Belt and Road Initiative (BRI) to enhance their infrastructure development while being cautious about the potential political ramifications of deepening economic ties with China (Callahan 2016). Recent studies have quantified the effects of hedging strategies in 19 Asia-Pacific countries against both China and the US since 2000. The findings indicate significant variations in how these countries implement their strategies, reflecting a dynamic evolution influenced by geopolitical tensions. For instance, a quantitative analysis by Hu and associates (2025) revealed that countries like Cambodia and Malaysia have adopted "light hedging" strategies, maintaining a balance between

engagement with China and ties with the US (Hu et al. 2025). Cambodia's average closeness to China was recorded at over 80%, while Malaysia's proximity was approximately 70% during the same period (Hu et al. 2025). On the other side, in his study of "economic," "security" and "cultural" relations of eleven Asian states with both Beijing and Washington, Vučetić concludes that "Asian Pax Sinica is yet to live up to its name". His findings conclude that China can "leverage its overwhelming material superiority for hegemonic purposes only in three states: Cambodia, Laos, and Myanmar", while this potential is "far more limited elsewhere" (Vučetić 2022, 178).

The economic dimension of hedging involves not only attracting external investments but also ensuring these investments do not impose disproportionate political costs. This balancing act exemplifies how states mitigate risks associated with overdependence on a single power. In South Asia, countries like Sri Lanka and the Maldives exhibit similar hedging behaviors amid strategic competition between India and China. They navigate their economic partnerships carefully to balance material benefits against autonomy costs, demonstrating that hedging can also occur in contexts devoid of direct security threats (Lim and Mukherjee 2019).

Serbia's experience mirrors this duality. On the one hand, Chinese investments have been instrumental in modernizing critical infrastructure—such as roads, railways, and energy projects—in the context of domestic economic challenges. On the other hand, Shambaugh (2013) claimed that EU accession aspirations and the associated political and institutional reforms compel Serbia to maintain robust ties with European institutions. By diversifying its economic partners, Serbia seeks to avoid the pitfalls of overdependence on any single source of capital, thereby preserving its strategic autonomy.

In the Asia-Pacific region, hedging strategies are characterized by significant spatiotemporal heterogeneity, reflecting the dynamic evolution of relationships between these countries and major powers like China and the United States. China's implementation of the BRI has significantly influenced the hedging strategies of Asia-Pacific countries, with some countries like Cambodia, Laos, and Malaysia drawing closer to China, while others like Indonesia and Vietnam are moving away (Hu et al. 2025). A comparative analysis of Asian and European contexts reveals that hedging strategies are employed to address similar challenges—balancing economic benefits with political autonomy. In both regions, countries seek to maximize economic opportunities while minimizing political risks. However, the specific geopolitical dynamics and institutional frameworks differ, leading to variations in how hedging strategies are implemented and perceived.

Security considerations in Asian hedging strategies are complex. Many Asian states have traditionally relied on the security umbrella provided by alliances with the United States or regional security arrangements. However, the rise of China and its assertive posturing in areas such as the South China Sea have introduced new security dilemmas. Consequently, many states have resorted to a hedging posture that involves cautious engagement with China while deepening security cooperation with other allies (Friedberg 2011).

In Serbia's context, security policy is influenced by its alignment with European security structures and recent military cooperation with regional partners. Although Serbia is not a member of NATO, but actively participates within the Partnership for Peace, it has engaged in various forms of military cooperation with EU states and maintains an independent security apparatus. Serbia's challenge is ensuring that economic cooperation with China does not undermine its security relationships with European partners. Here again, the Asian model of hedging – wherein states carefully calibrate security ties to avoid overdependence on any single power – offers valuable lessons (Glaser 2015). A key takeaway from Asian hedging strategies is the importance of strategic flexibility and adaptation. The rapidly changing dynamics in the Asia–Pacific region have compelled states to adjust their foreign policies continuously in response to evolving threats and opportunities. This adaptive capacity is facilitated by robust domestic institutions, flexible strategic planning, and a commitment to maintaining a diversified portfolio of international relationships (Callahan 2016). While Serbia draws inspiration from Asian hedging strategies – particularly their emphasis on strategic flexibility and diversification – it faces notable limitations in applying these models directly. Unlike several Asian small and mid-sized states operating in a looser regional architecture, Serbia is embedded in a dense Euro-Atlantic institutional environment, where alignment expectations are more formalized and the space for ambiguity is narrower. The EU accession process, in particular, imposes normative and policy constraints that limit Serbia's ability to maneuver between competing powers as freely as some of its Asian counterparts.

For Serbia, adopting a similarly flexible approach means continuously monitoring external developments and being prepared to recalibrate its strategy based on emerging trends. Whether economic fluctuations, shifts in EU policy, or changes in Chinese investment patterns, Serbia's ability to adjust its hedging strategy will be crucial in preserving its national interests. The experiences of Asian states provide a rich repository of insights for understanding hedging as a viable strategy in a multipolar world. The economic, political, and security dimensions of Asian hedging strategies, as evidenced by East and Southeast Asian cases, offer practical models that Serbia can adapt to its unique context. By learning from these

examples, Serbian policymakers can better navigate the challenges of balancing relations with China and the EU while maintaining strategic autonomy.

Serbia's hedging strategy has several underpinnings, grounded chiefly in its slow, if not stalled membership talks with the European Union. Beyond Chapter 23 regulating the respect of the rule of law – a significant hurdle for all candidate states – Serbia is in major contention with the EU on two fundamental issues defined in chapters 31 and 35 of the EU-Serbia negotiations framework (Mitić 2024b). Under Chapter 35, Serbia's EU accession process is conditioned by the issue of the status of the province of Kosovo and Metohija and the so-called "process of normalization" between Belgrade and Priština. With the majority of EU countries recognizing the "unilateral declaration of independence of Kosovo" in flagrant violation of international law, Serbia has leaned towards the Russian Federation and China as main backers in the UN Security Council. In turn, under Chapter 31, which calls for alignment with the EU Common Foreign and Security Policy, Serbia has refused to impose sanctions against Moscow or accept any restrictive measure or critical declaration against Beijing. Beyond negotiations chapters, the EU has also struggled with internal "enlargement fatigue", particularly in the aftermath of the European economic and migration crises. Despite an announced reinvigoration of the process due to "geopolitical" motives following the conflict in Ukraine, by early 2025, Serbia had not opened a single negotiation chapter since December 2021. Such stalling is due to the cascading failure stemming from the abovementioned problems regarding key negotiations chapters (23, 31, 35), in addition to political opposition within several EU member countries. With the conflict in Ukraine in full fledge and EU sanctions against Russia, Serbia's hedging strategy was recalibrated to lean more firmly towards China.

De-Hedging and Bandwagoning

In a region surrounded by EU and NATO countries, amid fundamental geopolitical changes and endangered supply chains, Serbia's hedging strategy has limits. These are due to the conditionality of its EU membership talks and the tensions regarding key national issues such as the status and political-security situation in Kosovo and Metohija and Republika Srpska. Furthermore, over the last decade, Russia's and increasingly China's presence have been painted in terms of negative strategic framing as "hybrid threats" and "third-party malign influence" (Mitić 2020; Mitić 2022). While Mitić reflects on the Western framing of Russian-Serbian and Sino-Serbian cooperation, Bieber and Tzifakis focus on local agency in the Balkans, where "local governments, acting as gatekeepers, shape the role external actors can play and have been using the interests of third countries to

maximize their positions towards their own populations and other external players” (Bieber and Tzifakis 2020, 260). Thus, in a „counter-strike“ of sorts, “the political West”, particularly the EU Commission, has pushed for a „de-hedging“ strategy. In the investment world, „de-hedging“ is the process of „closing out positions that were originally put in place to act as a hedge in a trade or portfolio“, and may occur either all at once or incrementally (Chen 2022).

In international relations, the „de-hedging“ process most frequently leads to forms of alignment such as bandwagoning. As already discussed, bandwagoning lies on the opposite spectre of balancing and implies „to align with the strongest power, entrust it with one’s security, and support its foreign policy goals“ (Motin 2024, 2). However, bandwagoning implies „trusting the stronger state’s benevolence since the bandwagoner is left with a few means to resist it“ (Motin 2024, 2). Since the issue of trust is key, it is important to distinguish whether the process of „de-hedging“ is a result of internal, voluntary deliberation or foreign influence, as well as whether it is due to positive incentives/carrots or threats/sticks, albeit it can often be a mixture of both. This dilemma is linked to „wedging“ strategies – again coercive or accommodative - which intend to „move or keep a potential adversary out of an opposing alliance“ (Crawford 2021). Here, the wedges are also targeted to achieve specific results that aim to undermine various aspects of the relationship between rival alignment or hedging. Another possible option for small states is a shelter-seeking strategy whereby small states align with larger powers or international institutions to compensate for vulnerabilities in security, economy, or political autonomy (Thorhallsson 2019). Rather than striving for full independence or balancing against major powers, small states often “shelter” under the protective umbrella of more powerful actors to enhance their resilience in an anarchic international system.

Serbia’s case is quite particular. It leans on the heritage of „non-alignment“ from the times of the Socialist Yugoslavia, on „military neutrality“ declared in 2007, as well as on a „four-pillar“ (EU, Russia, US, China) foreign policy stated in 2009. Calls for „political neutrality“ by opposition actors ahead of formal entry into membership talks with the EU have been rejected by Serbia’s governing coalition, although a senior member of the governing coalition critical of EU conditionality policy has recently employed the notion. The Serbian government insists it pursues a policy of „political independence“. However, as a candidate country, under Chapter 31, Serbia is expected to align with the EU’s foreign policy declarations. A formal requirement for complete alignment is tied to the date of formal entry into membership, a caveat Belgrade frequently uses to explain its policy of refusing to align with restrictive measures against Moscow and Beijing.

Win-Win strategy

We define a win-win situation as the one in which both sides are satisfied with an agreement. It implies collaboration, as “parties that collaboratively work together to maximize their partnership’s potential value creation ultimately have more skin in the game because they have put forth the effort in defining the best overall solution” (Vitasek 2024). Reaching win-win outcomes is an enviable objective in today’s geopolitical constellation. Examples from Asia and other regions show that maintaining diversified partnerships can yield long-term benefits in terms of economic growth, political stability, and security (Callahan 2016; Glaser 2015).

Since the launch of the format, China’s President Xi Jinping has framed the Belt and Road Initiative as a “win-win”, “mutually beneficial cooperation”, and “sharing the fruits of development”, intending to build a “community of shared future for mankind” (Xi 2014; Xi 2017). This vision, in the words of Xi Jinping, encompasses “cooperative, collective and common security”, respect for multilateralism and the complexities of multipolarity, the central role of the UN, and calls for respect of “territorial integrity”, “sovereignty”, and “non-interference in internal affairs”. Furthermore, it rules against “Cold War mentality”, “zero-sum games”, “winner-takes-all”, “unilateralism”, and “law of the jungle”. It is in line with “true multilateralism”, another concept proposed by Xi, which focuses on “the principles of the UN Charter as a foundational guideline”, on extensive consultation, joint contribution, shared benefits and adapting to changes, particularly the rise of the Global South, global development and preventive diplomacy” (China Institute of International Studies 2024, 44-46).

A curious case of (de-)hedging that might become a win-win outcome is one of the key BRI projects in Europe, the Belgrade-Budapest high-speed railway. At first underestimated, it came under EU scrutiny (the Hungarian portion), resulting in a series of administrative and economic hurdles that have prolonged but not stopped the project. The construction of the Serbian leg (180 km) was completed by Russian and Chinese companies China Railways International (CRI) and the China Communications Construction Company (CCCC), while the Hungarian part is scheduled for 2026. However, the ultimate objective is to link the railway to Athens and the port of Piraeus. For China, which owns Piraeus port through the COSCO company, the completion of the route would mean a fast transport connection of its goods from one of the Mediterranean’s busiest ports into the hub of Central Europe. However, the route is part of the pan-European Corridor X (highway and railway), and the same strategic transportation reasoning could apply to EU connectivity. Thus, in February 2023, the European Commission, the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD) and Serbia

announced a joint EUR 2.2 billion financial package for the modernization of the Corridor X railway section between Belgrade and the southern Serbian city of Niš (Western Balkans Investment Framework 2023), bringing closer the completion of the Corridor 10. Thus, Serbia's China-leaning hedging strategy and the EU's de-hedging push could yield a win-win outcome for all three actors.

Methodology

To investigate Serbia's hedging strategy between China and the EU, this study adopts a mixed-methods research design that combines quantitative analysis with qualitative inquiry. The methodological approach is intended to capture both measurable trends in economic and political indicators and the more nuanced, context-specific factors that influence policy decisions. The quantitative component of the research utilizes the COMPASS dataset – a comprehensive collection of economic, political, and security-related indicators covering a broad array of international interactions from 2024. The COMPASS Risk Measure Methodology assesses and manages risks in Serbia's relations with the European Union and China across politics, security, and economics (Lađevac and Stekić 2024). Each contingency event is assigned a unique identifier and evaluated based on three key components: the likelihood of risk occurrence, the consequence of risk occurrence, and an overall risk assessment. Likelihood is measured on a five-point scale ranging from "Unlikely" to "Certain," while consequences are categorized from "Minimal" to "Catastrophic". The overall risk assessment synthesizes these dimensions into classifications of "No Risk," "Low Risk," "Moderate Risk," "High Risk," or "Critical Risk" (Lađevac and Stekić 2024). To ensure analytical precision, this study focuses only on contingencies that exhibit statistical significance through Python-based analysis. The research filters out events with weak statistical associations across the three domains by employing contingency tables, correlation tests, and regression models, allowing for a more precise evaluation of meaningful patterns and relationships rather than marginal or insignificant effects. This methodological decision ensures that the analysis focuses on the most relevant and impactful contingencies while maintaining rigor in risk assessment.

The COMPASS dataset allows for a longitudinal analysis of trends that can be correlated with shifts in Serbia's foreign policy orientation. Data cleaning and normalization procedures were applied using Python libraries such as pandas and numpy to ensure the reliability and comparability of variables across different years.

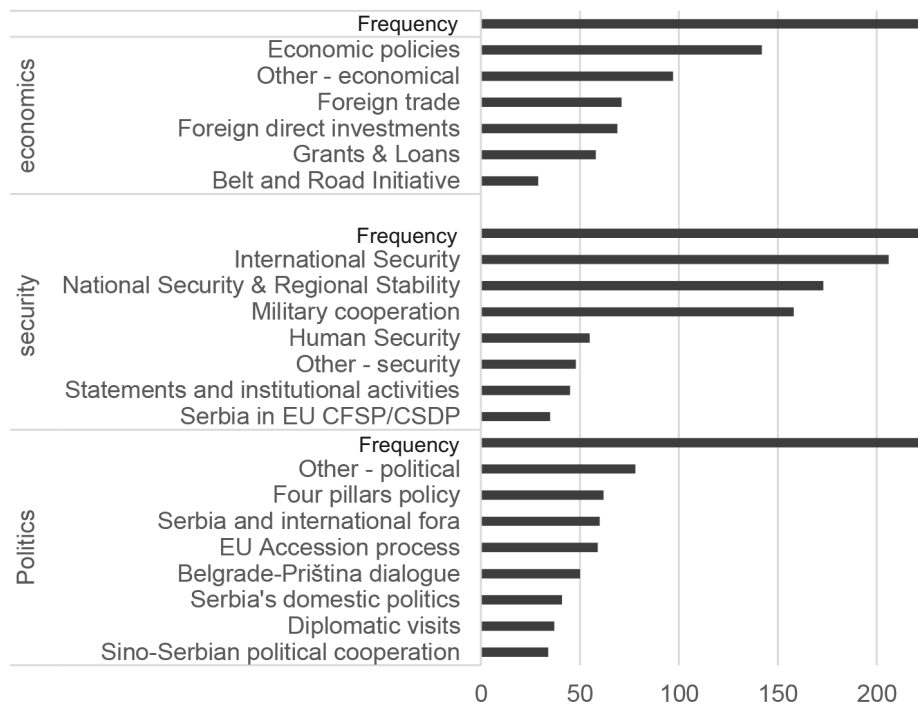
Quantitative analysis was conducted using Python's statistical and visualization libraries, encompassing several key steps. First, descriptive statistics were computed, including means, medians, standard deviations, and percentiles for relevant variables, which helped establish baseline trends. Contingency tables were then constructed to cross-tabulate political, security, and economic indicators, drawing from the COMPASS dataset to assess risk levels across these three domains. Trend analysis followed, employing time-series methods to identify shifts in contingency patterns over time, allowing us to explore how changes in political dynamics, security alignments, and economic dependencies evolve in relation to one another. Finally, correlation and regression analyses were used to evaluate the relationships among these variables, helping to assess the extent to which fluctuations in one domain correspond to shifts in the others. The qualitative analysis focused on key risk-prone contingencies in the political, security and economic spheres. It outlined the contingencies which impacted three alternative strategic orientations: Serbia's China-bound hedging approach, a de-hedging shift toward bandwagoning with the EU, and a "win-win" strategy that seeks to synergize the interests of both powers.

Results

The COMPASS Dataset registers over 700 unique contingencies associated with Serbian foreign policy strategy risks in 2024. The findings are analyzed within three core dimensions corresponding to the COMPASS project domains: political, economic, and security implications of Serbia's hedging strategy. In the economic domain, the "Economic policies" sub-group emerges as the most frequently mentioned subcategory, followed by "Other - economical", "Foreign trade", and "Foreign direct investments", while the "Belt and Road Initiative" registers the lowest frequency (Graph 1). Within the security domain, "International Security" and "National Security & Regional Stability" dominate the dataset, with "Military cooperation" also showing notable frequency, whereas subcategories such as "Statements and institutional activities" and "Serbia in EU CFSP/CSDP" display relatively lower occurrences (Graph 1). In the political domain, the highest frequency is observed in "Other-political" and "Serbia in EU CFSP/CSDP." At the same time, categories such as "Four pillars policy", "Serbia and international fora", and "EU Accession process" hold moderate significance. Conversely, "Sino-Serbian political cooperation" and "Diplomatic visits" register the lowest frequencies. The overall distribution suggests a strong focus on security-related topics, particularly in international and regional security, alongside economic policies, whereas political

discussions appear more fragmented, with emphasis on Serbia’s broader political positioning rather than specific diplomatic engagements.

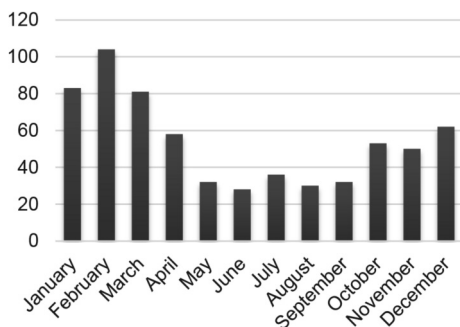
Graph 1. Frequency of contingencies in COMPASS Dataset by area/subarea for 2024



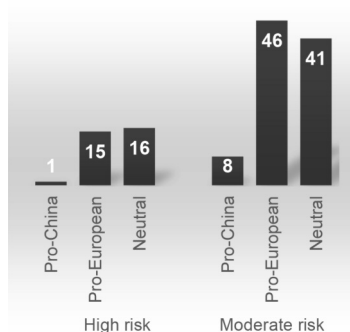
Source: Authors; according to: Lađevac et al. 2024

Graph 2 illustrates the distribution of contingencies per month in the COMPASS dataset for 2024. The data exhibits a clear seasonal trend, with the highest number of contingencies occurring in the first quarter of the year, particularly in February and March, where the frequency exceeds 100 cases. January also demonstrates a relatively high count, slightly below February and March. Following this peak, a sharp decline is observed in April, with contingency counts dropping significantly. The values remain consistently lower between May and September, fluctuating within a narrow range. From October onward, there is a moderate increase, with contingency numbers rising gradually through November and December, though they do not reach the levels observed in the first quarter (Graph 2).

Graph 2. Frequency of all contingencies per month (N=649)



Graph 3. Tonality of COMPASS hedging-related contingencies (for 2024)



Source: Authors; according to: Lađevac et al. 2024

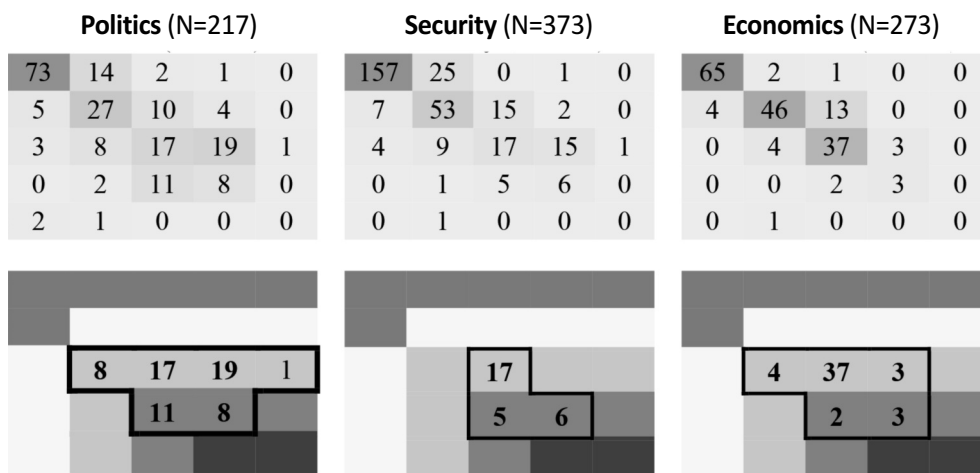
The contingency table reveals the distribution of geopolitical orientations across two risk categories: High Risk and Moderate Risk. In the High Risk category, the majority of cases fall within the Neutral (16) and Pro-European (15) groups, while the Pro-China category is minimally represented with only one case (Graph 3). In contrast, within the Moderate Risk category, there is a notable increase in the number of Pro-European (46) and Neutral (41) cases, while the Pro-China group, although still the least represented, shows a relative increase to eight cases (Graph 3). These findings indicate that Pro-European and Neutral orientations are more prevalent across both risk levels, with a greater concentration in the Moderate Risk category. The Pro-China alignment, despite its low representation overall, exhibits a slight increase as risk levels decrease. This distribution suggests a possible correlation between geopolitical orientation and risk perception, where Pro-European and Neutral stances are dominant regardless of risk level, while Pro-China alignment remains consistently lower.³

The risk matrix analysis indicates that security-related contingencies (N=373) are the most prevalent, followed by economic (N=273) and political (N=217) considerations (Graph 4). While security dominates in frequency, it exhibits relatively lower high-risk occurrences, with most cases concentrated in low-risk (157 cases) and moderate-risk (17 cases) categories and only a small subset falling into high-risk zones (5 and 6 cases). Politics, in contrast, demonstrates a higher

³ The tonality of the data was analyzed using the Python VADER Sentiment tool, ensuring an objective assessment of sentiment within the geopolitical context.

proportion of moderate (8, 17, and 19 cases) and high-risk occurrences (11 and 8 cases), suggesting greater instability within political subdomains. Economic contingencies, while significant in number, display the lowest overall risk, with most cases falling under low-risk classifications (65, 46, and 37 cases) and only a limited number categorized as high-risk (2 and 3 cases). The visual heatmaps reinforce these findings, highlighting a concentration of risk in political and security subareas, while economics remains comparatively stable (Graph 4). This distribution suggests that Serbia's hedging strategy in 2024 is primarily shaped by security imperatives, with political volatility posing a moderate to high risk, and economic factors playing a stabilizing role.

Graph 4. Risk matrix by subareas



Source: Authors; according to: Lađevac et al. 2024

One methodological limitation in this analysis is the inability to categorize all contingencies as either hedging or de-hedging China. The majority of the cases primarily relate to China or the European Union but not directly to Serbia's positioning. This makes it challenging to assign a stance of hedging or de-hedging definitively, as the context often involves broader geopolitical dynamics rather than a clear-cut position taken by Serbia specifically in relation to China. Contingency is contextualized as any phenomenon, process, event, institutional activity/statement, diplomatic visit, acquisition, trade relationship, or security incident, translated in a form of a simple statement, that can be "indexed in accordance with the rules and variables of the Compass database" (Lađevac and Stekić 2024).

Table 1. Contingencies from COMPASS Dataset

	Favours hedging towards China	Favours de-hedging towards China	Win-win
High risk	1	46	41
Moderate risk	8	15	16
Total	9	61	57

Source: Authors, based on: Lađevac et al. 2024

Is China-Serbia hedging resilient to de-hedging?

Resilience in the political domain

In the political field, we can distinguish all three outcomes in 2024. Let us first discuss events favoring the hedging strategy. First, China has supported Serbia throughout the year in multilateral forums, particularly in the UN Security Council. Such was the case during the emergency session of the United Nations Security Council when Serbian President Aleksandar Vučić emphasized the sharp humanitarian and political crisis faced by Serbs in Kosovo and Metohija. In the UN General Assembly, Beijing voted against the German-backed resolution on “genocide” in Srebrenica, a motion which was sharply criticized and fought against by Serbia. Second, Serbia supported China’s diplomatic initiative to end the conflict in Ukraine in line with the principles of Xi Jinping’s Global Security Initiative (GSI). The GSI principles are compatible with Serbia’s interests: they argue against expanding military alliances (Serbia is militarily neutral), against double standards on territorial integrity (Serbia accuses the West of supporting Ukraine’s but not Serbia’s territorial integrity), and against unilateral non-UN sanctions (two members of the Serbian government are facing U.S. sanctions).

Thus, it was not surprising to hear President Vučić assess that the Chinese-Brazilian initiative on Ukraine is “common sense” and that “the People’s Republic of China offered something that is truly the most logical, that any grown-up, collected and sane person would offer” (Danas 2024). Finally, and perhaps most strikingly, President Xi Jinping has chosen Serbia as one of the three destinations during his first European tour since the end of the COVID-19 pandemic. The elevation of relations from “comprehensive strategic cooperation” to building the “China-Serbia community with a shared future in the new era” is Beijing’s highest level of cooperation with a European country. The formulation indicated a shared

vision of the global geopolitical transition towards multipolarity: world order based on international law and the UN Charter and not a “rules-based” system based on the Western interpretation of international agreements and resolutions, which has had destructive consequences for Serbian national interests from the end of the Cold War up to today (Mitić 2024a).

This concept was also reflected in a speech held during one of the most prominent European conferences in 2024 on China’s foreign policy relations, the “Dialogues on China”, hosted by the Institute of International Politics and Economics in Belgrade, when the Minister of Foreign Affairs of Serbia Marko Djurić defined Serbia’s foreign policy, as “Strategic Independence with Serbian Characteristics” (Đurić 2024). It was an apparent reference to the formulations regarding “Chinese characteristics”. Finally, the Council for General Affairs of the European Union adopted conclusions on enlargement on December 17, including the acknowledgement of the European Commission’s assessment that Serbia is technically ready to open chapters from Cluster 3: Competitiveness and Inclusive Growth, which consists of two chapters: 16 (Taxation) and 19 (Social Policy and Employment). However, the Council decided it will revisit this issue once Serbia makes further significant progress, primarily in the rule of law and normalization of relations with Priština.

On the other hand, the EU and its leading member countries have also made moves to encourage de-hedging. Beyond moves which have clear political connotations but will be discussed in the security (Rafales deal with France) and economic (lithium deal with the EU/Germany), perhaps the key event has been the decision of President Vučić not to attend the BRICS summit in Kazan in October 2024. A ministerial delegation was sent instead, while Vučić met in parallel with a host of EU leaders, including European Commission President Ursula Von der Layen, Polish and Greek prime ministers Donald Tusk and Kyriakos Mitsotakis.

While there were no direct win-win situations in 2024 implicating Serbia, positive moves were recorded during EU-China discussions, while in March 2024, China initiated a diplomatic outreach campaign aimed at improving its relationship with the European Union, deploying a special envoy for Eurasian affairs on a shuttle diplomacy tour of several European countries and urging Brussels to prioritize common interests over differences between the two sides.

Resilience in the security domain

In the security sphere, Serbia’s hedging has been quite important since 2016. Apart from donations and a memorandum on cooperation in space technology,

Serbia had received six Chinese CH-92A armed drones, which, thanks to technology transfer, helped the country's development of its own Pegasus drone program. Later, in 2023, Serbia purchased the latest state-of-the-art CH-95 drone. Most prominently, Serbia acquired in 2022 the FK-3 air defence system. The battery of FK-3 medium-range, road-mobile, surface-to-air missiles, made by the China Aerospace Science and Industry Corporation, was delivered to Belgrade by six People's Liberation Army Air Force Y-20 transport planes. Serbia thus became the first European country to acquire Chinese weapons systems. In 2024, the focus was on a joint military exercise, attended in September by Deputy Prime Minister and Minister of the Interior Ivica Dačić, involving special units from both countries, focusing on counter-terrorism and crisis response. The exercise demonstrated operational capabilities and mutual trust but raised concerns among some EU member states and NATO allies.

Indeed, in 2024, Serbia signed a deal with France to purchase 12 Rafale warplanes from Dassault Aviation. This was a turnaround since Serbia previously focused on Russian MIGs and China's FK-3 anti-aircraft systems (Ruitenbergh 2024). French President Emmanuel Macron hailed the 2.7 billion contract as an "opening towards a strategic change" and an "opportunity for Europe" (*France* 24 2024).

Resilience in the economic domain

In the economic sphere, under the new "China-Serbia community with a shared future in the new era", the Free Trade Agreement (FTA) between the two countries came into effect on July 1, 2024. Serbia became the first country in Central and Eastern Europe to have an FTA with China and thus substantially upgraded its FTA network (Russia-led Eurasian Economic Union, Turkey, EU, CEFTA). Under the agreement, 90 per cent of the products traded between the two countries will be exempted from tariffs. For 60 per cent, the exemption took effect immediately. Thus, Serbia's exports to China reached a record high of 1.77 billion USD in the first 11 months of 2024. China remained Serbia's top single investor country with USD 1.046 billion in the first three quarters of 2024. Furthermore, the top three Serbian exporters were China-owned companies (in Bor and Smederevo). With Zijin, Serbia's top exporter, and Shanghai Fengling Renewables Co Ltd, Serbia signed a Memorandum of Understanding on EUR 2 billion investments in renewable energy facilities near Bor. The largest greenfield investment in Serbia, the Linglong tyre factory in Zrenjanin, started its mass production in October 2023. China's CMEC completed the 350-megawatt thermal power plant (Block B3 in Kostolac), the first major energy facility to be completed in Serbia in over 30 years (Lađevac et al. 2025).

With Serbia intensifying cooperation with China in the mining, energy and automotive industries, it was only a matter of time before the EU would step in with its own initiative. Thus, in 2024, under the auspices of German Chancellor Olaf Scholtz, the EU and Serbia signed an agreement on a strategic partnership regarding sustainable raw materials, battery value chains, and electric vehicles. One of its key objectives has been to limit Belgrade's energy dependence on Russia and China's access to lithium and other critical minerals in Serbia (Hodgson 2024). The EU remained Serbia's leading trading partner in 2024, with 58.6 per cent of Serbia's trade going into EU member countries. When combined, EU countries were also the top investors in Serbia (37.2 per cent). However, a decline in both trading and investment must be noted. In 2024, Serbia gained access to the EU's Growth Plan for the Western Balkans (EUR 1.58 billion for Serbia), although conditioned by 98 specific measures to be implemented. The EU also approved the Reform Agenda for Serbia, an agenda to raise growth and bring the country closer to membership. The European Investment Bank (EIB) and the EU participated in the upgrading of Serbia's electricity distribution network, while the European Bank for Reconstruction and Development (EBRD) and the EU launched initiatives aimed at green economy investments (Lađevac et al. 2025). However, the 2024 Serbia Report from the European Commission, issued in October, raised concerns about Serbia's progress in the sphere of rule of law, particularly in the fight against corruption. In December, the EU Council adopted its 15th sanctions package against the Russian Federation, targeting 32 companies for the support of the Russian military-industrial complex, including two from Serbia and seven under Chinese jurisdiction.

Nevertheless, win-win scenarios also appeared. One is the construction of the Belgrade Metro, where PowerChina was designated as the constructor and French Alstom as the supplier of trains and signalling. In 2024, Serbia signed a EUR 720 million contract with PowerChina for Lot 2 of the Metro Line 1 (Lađevac et al. 2025). Another case is the China-Europe high-speed rail centre, which opened in Inđija city and could be set to become an important hub for goods in the China-Europe supply chain.

Table 2. Political, Security and Economic contingencies under the three scenarios

	Hedging	De-hedging	Win-Win
Political	President Xi's visit to Serbia, elevation of relations to highest level in Europe, China's support in the UN SC on Kosovo, in the UN GA on the Srebrenica resolution, Serbia's support for China's initiative on Ukraine	President Vučić not going to BRICS summit in Kazan, instead meeting Von der Layen, Tusk and Mitsokatis	EU-China "shuttle diplomacy" to improve relations
Security	Joint exercises of the special forces	Purchase of 12 Rafales from France	/
Economic	FTA takes off, China largest single investor, Chinese companies top 3 exporters, new deals on green energy	MoU on Critical Minerals-Lithium, EU as a whole remains top trading partner and investor, EU acceptance of the reform agenda, EU sanctions against Serbian and Chinese companies	Belgrade Metro, China-Europe railway centre in Indija

Source: Authors

Conclusion

Risk-prone contingencies have an important impact on both hedging and de-hedging policies. China-bound hedging has been an important feature of Serbia's foreign policy due to a host of political, security and economic reasons (support on Kosovo and Metohija, Republika Srpska, military neutrality, non-harmonization with Western sanctions, unprecedented investments in infrastructure, energy and mining). However, it attracted criticism in Western circles, particularly in the European Union, which sees China as a new competitor and rival in the Balkans. This perception was further heightened in 2024, with President Xi's visit to Serbia and the elevation of bilateral relations to the highest level in Europe. By stressing the building of a joint community "with a shared future in a new era", Serbia expressed its acknowledgement, if not support, for the process of multipolarization. Furthermore, it underlined on several occasions its opposition to the securitization of globalization and to de-globalization through protectionist concepts, from "subsidy investigations" to "de-risking".

For the EU, the already complex environment grew more complicated throughout 2024 – from the effects of deindustrialization on the economies (Germany’s recession), the weakening of governing coalitions in France and Germany, Russia’s advances in the battlefields of Donbas, China’s growing presence in the EVs industry, and finally, the victory of Donald Trump in the U.S. elections. In such an atmosphere, there was an imperative to push for a de-hedging policy in the case of an “Eastward hedger” such as Serbia. Belgrade’s “unique” positions, its China-bound and Russia-bound hedging policies, had become a nuisance for both EU unity and the discursive power of Brussels vis-à-vis EU candidate countries. Throughout the year, European Union leaders rushed to press for deals enhancing de-hedging – from agreements on critical minerals (lithium) to deals on defence (Dassault Rafale). However, the main success of the de-hedging strategy has been Vučić’s decision not to attend the BRICS summit in Kazan. This was the kind of bandwagoning geopolitical signalling sought by the EU.

However, Belgrade stopped short of overcommitting. This was due to a number of new developments. In the region, pressure intensified on Republika Srpska regarding the trial of its President Milorad Dodik, triggering a potential regional crisis. Inside Serbia, massive student-led protests following the collapse of the concrete canopy of the newly reconstructed Novi Sad railway station – which killed 15 people – intensified internal political pressure on the government. Worldwide, the return of Donald Trump to the White House brought (un)expected new geopolitical developments whose impact on the region is yet to be determined.

According to a mid-2024 poll conducted by the COMPASS project, the views of Serbian citizens were cautious about remarkable turnarounds in Serbia’s foreign policy positioning in the next decade: 56.2% considered that by 2035, it would remain the same; 19.9% that it would become a member of BRICS; 11.9% an EU member but militarily neutral, and 8.8% a member of both the EU and NATO. The results also showed that 12% considered Serbia would enter the EU only by 2050, and 63% considered Serbia would never join the Union (Mitić et al. 2025).

The analysis presented herein underscores that Serbia’s hedging strategy is a delicate and complex approach to navigating the contemporary geopolitical landscape, implicating leveraging economic opportunities, security demands and political changes. It is prone to de-hedging pressures and policies, thus to uncertainty. As such, it is consistent with theoretical models of hedging that emphasize risk diversification in multipolar international systems.

In the domain of politics and economy, our study indicates that while increasing Chinese investment has a measurable impact on Serbia’s foreign policy orientation and development strategy, institutional and normative ties with the EU – alongside

substantial trade and financial support – continue to play a dominant and structurally anchoring role. This finding is significant in light of realist arguments that caution against the dangers of overdependence on a single power. Instead, Serbia's policymakers actively strive to preserve strategic autonomy by engaging with both poles. Such a policy not only maximizes economic benefits but also provides a safeguard against potential coercive pressures from any single external actor. Externally, it allows to pursue both strategic objectives – defending territorial integrity and EU integration – while internally, it provides stability to a country whose population has divergent (geo)political orientations. Economically, the win-win scenario appears most promising, with several such opportunities in the future: Chinese and EU investments in the 2027 Specialized Expo, or the high-speed railway on Corridor 10, inviting possible future cross-border interaction with Chinese investments in neighbouring EU member Hungary, such as Build Your Dreams (BYD) in Szeged, also on the route of the corridor.

While Chinese capital has fuelled infrastructural development, the risks of economic overreliance have prompted policymakers to maintain a diversified portfolio that includes robust trade and investment ties with the EU. This diversified economic strategy is essential in mitigating vulnerabilities that could arise from sudden shifts in global economic conditions, changes in China's foreign policy orientation, or effects of third actors, such as the United States under the Trump presidency.

In the security realm, Serbia's continued cooperation with European security partners suggests that economic engagement with China has not yet translated into a comprehensive realignment of defence policies. The stability of these security relationships provides an important counterbalance to potential political or economic dependencies. As such, Serbia's approach reflects a broader trend among small states, particularly in Asia, where hedging has enabled them to manage security dilemmas without compromising long-term alliances.

The study also highlights the importance of strategic flexibility and adaptive policymaking. Serbia's hedging strategy must remain responsive to both domestic and international shifts. Whether through adjustments in economic policy, recalibrations in political alignment, or enhanced security cooperation, Serbia's ability to adapt will be critical in ensuring its hedging strategy remains effective in an unpredictable global environment.

Serbia's foreign policy in the current era of multipolarization is emblematic of the challenges and opportunities faced by small states caught between competing great powers. As demonstrated through our analysis, the hedging strategy, characterized by balanced engagement with both China and the EU, offers a viable

pathway for Serbia to maximize its economic potential, maintain political autonomy, and secure its national interests. While de-hedging or bandwagoning toward a single power might yield short-term benefits, such an approach risks long-term vulnerabilities that could compromise strategic autonomy and stability. Our mixed-methods approach, integrating quantitative data from the COMPASS dataset with qualitative insights, highlights that Serbia's capacity to manage the inherent trade-offs and uncertainties will be crucial in shaping its future in a rapidly evolving international system. The study reinforced that hedging is not merely a temporary tactic but a fundamental strategic posture for states operating in a complex and fluid global environment. For Serbia, the path forward lies in preserving strategic flexibility, deepening institutional resilience, and continuously adapting to both internal and external contingencies. In doing so, Serbia can harness the benefits of diversified international engagement while safeguarding its sovereignty, exemplifying the pragmatic balancing act required in today's multipolarized world.

The article underlines consistency with key features of "hedging" in IR literature, including its central importance for small states seeking to diversify risks and avoid over-reliance in an unpredictable, multipolarized strategic environment. These states, as seen in the Serbian case, must implement a multi-faceted approach across the political, security and economic domains. Such finding are in line with Kuik, who argues that "these contradictory and mutually counteracting transactions—as opposed to single-betting approaches such as pure-balancing and pure-bandwagoning—are aimed at projecting and sustaining their non-taking-sides stance, as a way to preserve their own fallback position for as long as the future of power structure remains uncertain" (Kuik 2016, 15). The article also points to the importance of strategic flexibility and adaptability, themes which have featured in Asia-related hedging literature (Collins 2015; Kuik 2013; Schneider and Larson 2017). Finally, through concepts such as "de-hedging", the article reflects on the theme of the impact of external influence on hedging strategies of small states amid geopolitical changes (El-Dessouki and Mansour 2020, Kuik 2021; Telci and Rakipoglu 2021), and opens new avenues for analyzing implications for building agile strategic narratives and pursuing complex trade-offs in the era of multipolarization.

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**PERSPEKTIVE STRATEGIJE HEDŽINGA SRBIJE U ODNOSIMA SA KINOM I EU:
OTPORNA NA „DE-HEDŽING“?**

Apstrakt: U međunarodnom sistemu koji je, prema brojnim karakteristikama, sve više multipolaran, male države poput Srbije imaju složene strateške dileme u vezi sa konkurencijom i rivalstvom velikih sila. Ovaj rad istražuje strategiju (de)hedžinga Srbije u odnosima sa njena dva glavna pola spoljnopolitičkih preferenci – Kinom i Evropskom unijom, integrišući političke, bezbednosne i ekonomske uvide. Autori procenjuju tri alternativne strateške orijentacije: pristup hedžinga koji favorizuje intenzivnu saradnju sa Kinom, pomeranje („de-hedžing“) od Kine ka Evropskoj uniji, te kao treći – „win-win“ („svi dobijaju“) strategija koja teži sinergiji interesa obe sile. Koristeći multimetodski pristup, autori kvantitativno analiziraju izvod iz baze podataka COMPASS zajedno sa kvalitativnim procenama ključnih kontingencija, zarad procene strateškog odgovora Republike Srbije. Naši nalazi pokazuju da kontingencije sklone riziku imaju važan uticaj kako na politiku hedžinga tako i „de-hedžinga“. Oni ističu važnost prilagodljive, multipolarne spoljne politike u održavanju strateške autonomije uz maksimalizovanje ekonomskih i bezbednosnih koristi. Analiza naglašava da je strategija hedžinga Srbije delikatan i kompleksan pristup upravljanju savremenim geopolitičkim pejzažom, koja podrazumeva korišćenje ekonomskih prilika, bezbednosnih zahteva i političkih promena.

Ključne reči: strategija hedžinga, „šlepanje“, Srbija, multipolarnost, međunarodni odnosi, projekat KOMPAS.