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CAPS MONITORING

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INTRODUCTORY WORDS BY THE DIRECTOR

In January 2026 we witnessed an interesting structural shift in global politics, which demonstrated clearly that international relations are newly shaped mainly by pragmatic, interest-driven partnerships rather than by fixed and expected alliances based on shared norms or ideology.

Unexpectedly, Europe was the main actor pushing this idea forward with its diplomatic offensive and coining new or deepening already existent relations with Asian countries.

Our new CAPS Monitoring, therefore focuses on the emergence of new strategic and economic linkages between the European Union (EU) and India, the EU and Vietnam, and on Beijing's re-engagement with middle European powers such as Canada and the United Kingdom.

The conclusion of the landmark EU-India Free Trade Agreement marks a breakthrough after years of stalled negotiations. Beyond tariff reductions and market access, the agreement signals a deeper strategic convergence rooted in supply-chain resilience, industrial cooperation, and defense dialogue. For Brussels, India is no longer viewed solely as a distant and difficult to penetrate market, but as one of the important nodes of a more diversified and autonomous European economic strategy. For New Delhi, closer ties with the EU provide both opportunities for technology transfer and a geopolitical counterweight in an increasingly polarized multipolar system.

The elevation of EU-Vietnam relations to a comprehensive strategic partnership then follows a very similar logic. Vietnam's ambitious economic reforms and its push to become a key player in semiconductor and advanced manufacturing supply chains align closely with European interests in de-risking from China.



The partnership reflects Vietnam's growing confidence as a middle power and the EU's recognition that Southeast Asia will play a decisive role in shaping global production networks.

Apart from these highlight stories, the document focuses on the constitutional reform in Kazakhstan, supply chain resilience building programs between Australia and the U.S. or border disputes between Afghanistan and Pakistan.

Thus, the CAPS Monitoring proves again its indispensable role as a guide for all Czech public and business subjects interested in the increasing dynamics of Asian geopolitics and economy.

Jan Železný, Ph.D.

Executive Director of the Center for Asia-Pacific Studies (CAPS), CEVRO University



CENTRAL ASIA

Kazakhstan takes over EAEU chairmanship

In January 2026, Kazakhstan assumed the rotating chairmanship of the Eurasian Economic Union (EAEU), outlining the agenda centered on digital transformation, removal of internal trade barriers and logistics integration. In a statement released on 31 December 2025, President Kassym-Jomart Tokayev presented artificial intelligence as a key instrument for deepening economic integration. Including its use in forecasting trade flows, monitoring regulatory developments across the bloc and assessing tariff impacts.

Tokayev also emphasized transforming the EAEU into a leading Eurasian logistics hub, highlighting its geographic role as a bridge between East and West and calling for the modernization of customs, transport and logistics infrastructure. Proposals included the development of an international transport system to reduce delays, lower costs and enhance competitiveness. At the sectoral level, Kazakhstan urged stronger innovation-driven cooperation in industry and agriculture through automation projects, competence centers and digitalization initiatives.

Externally, Kazakhstan's chairmanship aims to expand the EAEU's economic partnerships, building on recent agreements with Mongolia, Indonesia and the United Arab Emirates, with increased attention to Southeast Asia, Global South, Africa, the Arab world and regional organizations. This agenda is being launched amid relatively strong macroeconomic indicators for the bloc, which has recorded notable GDP growth over the past decade. Overall, Kazakhstan's presidency signals an effort to reposition the EAEU around technology, connectivity and outward-oriented economic cooperation.



Kazakhstan overhauls its Constitution

Kazakhstan announced an extensive reform of its Basic Law that would modify about 84 % of the current Constitution by amending 77 articles. Such a broad change should create a completely new Constitutional document with a modified preamble, sections, and updated state structures.

The strengthening of human rights protections is considered a core part of the reform, which would name the individual as the highest value of the state, including the absolutization of the right to life, enhanced guarantees for personal inviolability, protection of personal data in the digital era, stronger safeguards for honor and dignity, expanded social rights, and freedom of speech and creativity.

The draft also emphasizes judicial independence and clarifies the status of the Constitutional Court. President Kassym-Jomart Tokayev has stated that the draft will be published for public review in the popular newspapers Egemen Qazaqstan and Kazakhstanskaya Pravda, and that the final adoption of the new Constitution will be decided by Kazakh citizens in an upcoming nationwide referendum.



SOUTHEAST ASIA

ASEAN facing pressure over Myanmar and the South China Sea

ASEAN's foreign ministers gathered in Cebu at a time of increasing pressure on the bloc's ability to act cohesively and address two of Southeast Asia's most pressing issues: the unresolved conflict in Myanmar and prolonged negotiations with China over rules governing the South China Sea. The bloc has been struggling for several years to appear relevant and cohesive, and this was further complicated by last year's clashes between Thailand and Cambodia, even though a ceasefire was later reached. Myanmar remains one of ASEAN's biggest political and humanitarian challenges, as the peace plan proposed in 2021 has not managed to stop the violence or start meaningful dialogue.

At the same time, ASEAN is trying to move forward with discussions with China on a Code of Conduct intended to manage disputes in the South China Sea, where several member states have overlapping territorial claims with Beijing. The lack of progress in both Myanmar and maritime security highlights ASEAN's limited ability to enforce decisions and shows how difficult it is for the organization to maintain internal consensus in a period of increasing geopolitical competition.

Vietnam's 14th National Party Congress: The "Streamlining Revolution" and EU Strategic Pivot

Vietnam's 14th National Party Congress, held in January 2026, has launched an aggressive "shock therapy" strategy to achieve high-income status by 2045. Under General Secretary To Lam, the government is targeting 10%+ annual GDP growth through a radical "Streamlining Revolution" that includes consolidating provinces from 63 to 34 and cutting over 100,000 public sector jobs. A new "National Champion" strategy (Resolution 68) shifts focus toward creating 20 domestic conglomerates modeled after South Korean chaebols while warning inefficient state-owned enterprises of potential bankruptcy. To support this, infrastructure spending is set to increase by 34% in 2026, funding massive megaprojects such as the \$32 billion Red River Highway and expanded expressway networks.

Strategically, Vietnam has elevated its relationship with the European Union to a "comprehensive strategic partnership" as of early 2026, marking the 35th anniversary of diplomatic ties. As the EU's largest ASEAN trade-in-goods partner, Vietnam is positioning itself as a vital alternative hub for semiconductor supply chains moving out of China. However, significant risks remain, including high exposure to U.S. tariff volatility and internal challenges such as energy-intensive growth, potential social stratification, and the historical rarity of the productivity gains required by the new mandate.

SOUTH ASIA

Extended border closure at Pakistan–Afghanistan border

In January 2026 the prolonged closure of the Pakistan–Afghanistan border continued to disrupt trade, bilateral relations and mobility. The shutdown, introduced in October 2025 following security tensions and Pakistani accusations that the Afghan Taliban tolerate the Tehrik-e-Taliban Pakistan (TTP), has become the longest closure in decades. While a ceasefire was reached, major crossings remain closed to commercial traffic, severely affecting border economies in Pakistan's Khyber Pakhtunkhwa province and Afghanistan's agricultural export sector. Trade flows through Torkham collapsed, driving up food prices, increasing unemployment among transport and customs workers and disrupting Pakistani exports.

Beyond trade, the closure has increasingly affected civilians. In January, nearly 200 Pakistani students remained stranded in Afghanistan, unable to cross the Torkham border. Although a small group was temporarily allowed to cross, most students remained stuck, with expired visas, disrupted studies and unresolved humanitarian cases.

Pakistan has simultaneously continued large-scale deportations of Afghans, adding further strain. Strategically, the standoff is accelerating Afghan efforts to reduce dependence on Pakistan, while India has sought to capitalize by expanding air corridors for pharmaceuticals and essential goods. While Pakistan is structurally less dependent on Afghan trade, a prolonged closure risks entrenching instability in its western regions and weakening its long-term role as Afghanistan's primary commercial gateway.



India–UAE: Deepening Strategic and Economic Partnership

India and the United Arab Emirates have concluded a new set of agreements aimed at further strengthening their comprehensive strategic partnership. Following talks in New Delhi between Prime Minister Narendra Modi and UAE President Sheikh Mohamed bin Zayed Al Nahyan, both sides reaffirmed cooperation in trade, energy, defense and emerging technologies and set a target of doubling bilateral trade to USD 200 billion by 2032.

The agreements include a long-term deal for LNG supplies to India starting in 2028, a letter of intent on a future strategic defense partnership, and expanded cooperation in sectors such as space and food security. The UAE also signaled new investment commitments in infrastructure and development projects in the Indian state of Gujarat. The strengthened partnership reflects India's effort to consolidate key economic and strategic ties in West Asia amid ongoing regional tensions and broader geopolitical uncertainty.

India and EU: Landmark Free Trade Agreement and Strategic Deepening

The European Union and India have concluded a landmark Free Trade Agreement that will significantly liberalize trade between the two economies and create one of the world's largest free trade areas. The accord will remove or reduce tariffs on nearly all traded goods, with India expected to cut or eliminate duties on around 97% of EU exports by value, while the EU will gradually reduce tariffs on approximately 99.5% of Indian goods over the coming years. The deal opens India's traditionally protected market to European companies, most notably through a sharp reduction of tariffs on automobiles from over 100% to as low as 10% over time, alongside major cuts on machinery, chemicals, electrical equipment, spirits and wines. European firms are projected to save up to €4 billion annually in duties, while the agreement is expected to substantially increase two-way trade and integrate supply chains.

The trade pact is accompanied by broader frameworks on defense and security cooperation, skilled mobility arrangements and climate related support, indicating a comprehensive deepening of the partnership beyond commerce alone. Overall, the deal signals a major reorientation of India–EU relations toward long-term economic interdependence, closer strategic coordination and resilient supply chains.

EAST ASIA

Strategic Alignment of Italy with South Korea and Japan

Italian Prime Minister Giorgia Meloni's diplomatic tour of East Asia marked a significant deepening of ties between Europe and the Indo-Pacific, underscoring the growing indivisibility of regional security architectures. In Seoul, Meloni and President Lee Jae-myung elevated bilateral relations to a new strategic level, agreeing to forge stronger industrial synergies in high-tech sectors such as artificial intelligence, semiconductors, and aerospace. Beyond economic cooperation, the leaders committed to "complementary cooperation" in the defense industry and reaffirmed a unified stance on the complete denuclearization of the Korean Peninsula, framing the stability of the Indo-Pacific as directly linked to broader global security challenges.

In Tokyo, this strategic convergence was further institutionalized through the establishment of a "special strategic partnership" with Prime Minister Sanae Takaichi. A central pillar of this alliance is the Global Combat Air Programme (GCAP), a trilateral initiative with the United Kingdom aimed at developing a sixth-generation stealth fighter jet by 2035 to replace aging fleets. The partnership also prioritizes economic security, with both nations agreeing to reduce supply chain vulnerabilities by diversifying critical mineral sources away from Chinese dominance. This cooperation is explicitly designed to counter "economic coercion" and strengthen resilience against non-market policies disrupting global trade.

Naver's Sovereign AI Strategy: Challenging U.S. and Chinese Dominance

Naver, South Korea's leading search engine, is aggressively positioning its cloud and AI services as a "sovereign" alternative to U.S. and Chinese tech giants, specifically targeting markets in the Middle East and Southeast Asia.

Capitalizing on growing geopolitical concerns regarding data security and Washington's potential access to cloud systems, Naver offers tailored technology stacks that allow client nations to maintain greater autonomy over their digital infrastructure. To support this expansion, the company plans to invest over KRW 1 trillion (USD 690 million) in AI infrastructure this year, including the acquisition of 60,000 advanced Nvidia Blackwell GPUs and the construction of a 500MW data center in Morocco.

Naver's strategy focuses on delivering localized AI solutions—such as digital twin projects in Saudi Arabia and Thai-language models in partnership with Siam AI Cloud—arguing that hyperscalers like Google or Microsoft lack the flexibility to address specific national, cultural, and political contexts. While analysts project significant revenue potential from these initiatives, with GPU rental income expected to exceed KRW 1 trillion by 2030, skeptics question the company's ability to secure sufficient local data at scale outside its home market. Critics warn that Naver risks repeating past struggles in exporting its search engine capabilities due to a lack of established foreign databases.

Taiwan's Defense Deadlock amidst "Justice Mission 2025"

Taiwan faces a critical internal impasse as the ruling Democratic Progressive Party (DPP) struggles to pass a record USD 11.1 billion U.S. arms package through a legislature controlled by the opposition Kuomintang (KMT). While the KMT argues that such spending is fiscally irresponsible and provocative, the People's Liberation Army (PLA) has escalated its pressure campaign with "Justice Mission 2025". These unprecedented exercises featured the first confirmed rocket fire into Taiwan's contiguous zone and rehearsals for a comprehensive blockade, effectively compressing the island's defensive buffer zones and normalizing PLA operations closer to Taiwan's shores.

Surge in Japanese Bond Yields and the "Takaichi Trade"

Japan's sovereign debt market has experienced significant volatility, with yields on 40-year government bonds surpassing the 4 percent threshold for the first time since their inception in 2007. This surge to 4.2 percent is driven by market reaction to Prime Minister Sanae Takaichi's call for a snap election on February 8, intended to secure a mandate for aggressive fiscal expansionism. Investors are reacting to her proposed USD 135 billion spending package and a temporary suspension of the 8 percent consumption tax on food, fearing these measures will exacerbate Japan's already precarious debt-to-GDP ratio. This sentiment has crystallized into the so-called "Takaichi trade," characterized by a sell-off in government bonds and the yen as markets price in a loosening of fiscal discipline.

The sell-off reflects broader structural dislocations in the demand for ultra-long-term debt, as traditional strategic buyers like life insurers retreat amidst record global supply; a recent 20-year bond auction underscored this frailty, drawing weaker-than-average demand. Despite Finance Minister Satsuki Katayama's assurances at Davos that "wise spending" and growth strategies would stabilize public finances, the rising cost of Japanese borrowing is generating negative spillovers for global markets, contributing to upward pressure on U.S. Treasury yields. Analysts note that without a strategic buyer at the long end of the curve, the disconnect between the government's stimulus ambitions and market tolerance is likely to deepen.

CHINA

China's Economic Imbalance: Headline Growth Obscures Domestic Stagnation

While Beijing reported a 5 percent GDP expansion for 2025, meeting official targets, this headline figure masks a deep structural imbalance within the economy. Growth was driven almost exclusively by a resilient export sector, effectively offsetting a sharp contraction in domestic demand. In a historic shift, fixed asset investment recorded its first annual decline since the 1990s (-3.8 percent), exacerbated by a deepening crisis in the real estate market, where investment plunged by 17.2 percent.

This disparity where external strength compensates for internal fragility raises significant concerns regarding long-term sustainability. With fourth-quarter momentum slowing to 4.5 percent and demographic headwinds intensifying, the heavy reliance on global markets places acute pressure on policymakers to implement robust stimulus measures to prevent prolonged stagnation. It also questions the ability to fully implement the dual circulation economic model, which was based on the assumption of domestic demand being a significant driver of the economic growth - a model well-known from other big economies.

A Pragmatic Reset: UK and Canada Re-engage with Beijing

February marked a coordinated effort by "middle powers" to stabilize relations with China amidst growing global fragmentation. Sir Keir Starmer's visit to Beijing ended a diplomatic freeze, yielding significant commercial deliverables including a USD 15 billion investment by AstraZeneca in Chinese research and manufacturing and the entry of Octopus Energy into the local market.

In a reciprocal move designed to signal reliability to Western partners, Beijing halved tariffs on Scotch whisky—a concession valued at GBP 250 million over five years—and granted British citizens 30-day visa-free access. Simultaneously, Canadian Prime Minister Mark Carney secured a "preliminary but landmark" trade agreement allowing the import of 49,000 Chinese electric vehicles in exchange for reduced tariffs on Canadian canola and seafood. Carney framed this engagement not as a pivot away from alliances, but as a necessary adaptation to a "new world order" requiring strategic autonomy, despite domestic criticism regarding the impact on local labor.

India and China: Stabilizing Ties in a Multipolar Order

Against the backdrop of the so-called "Donroe doctrine" and U.S. retrenchment, strategic analysts observe a stabilization trend between India and China. Former Singaporean Foreign Minister George Yeo argues that the fragmentation of the global order is compelling these ancient civilizations to emerge as "countervailing forces".

With Washington's influence perceived as retreating to its near hemisphere, New Delhi is increasingly adopting a strategy of restraint and regional accommodation to prevent external powers from exploiting local fault lines. This geopolitical realignment suggests that despite periodic tensions, both nations are moving towards a steadying of ties to secure their interests in a multipolar system.



AUSTRALIA AND OCEANIA

Sovereignty Dispute over the Port of Darwin

Tensions between Canberra and Beijing have resurfaced over the strategic Port of Darwin. Prime Minister Anthony Albanese has reaffirmed his commitment to reclaiming the port from Chinese leaseholder Landbridge Group, citing overriding national interest and security concerns. In a sharp diplomatic rebuke, China's Ambassador Xiao Qian warned that Beijing is "obligated" to protect the legitimate interests of Chinese companies, explicitly hinting that forceful reclamation measures could trigger countermeasures affecting the broader USD 309 billion bilateral trade relationship.

While the Australian government prefers a commercial resolution via a private domestic buyer, it remains prepared to intervene directly, underscoring the friction between economic entanglement and sovereign security.

US–Australia Consolidation in the Rare Earths Sector

In a significant move to decouple critical mineral supply chains from Chinese influence, U.S. uranium producer Energy Fuels has agreed to acquire Australian Strategic Materials (ASM) in an all-share transaction valued at approximately USD 300 million (AUD 447 million). The announcement prompted an immediate surge in ASM's share price, reflecting investor confidence in the creation of a vertically integrated "mines-to-metal" champion.

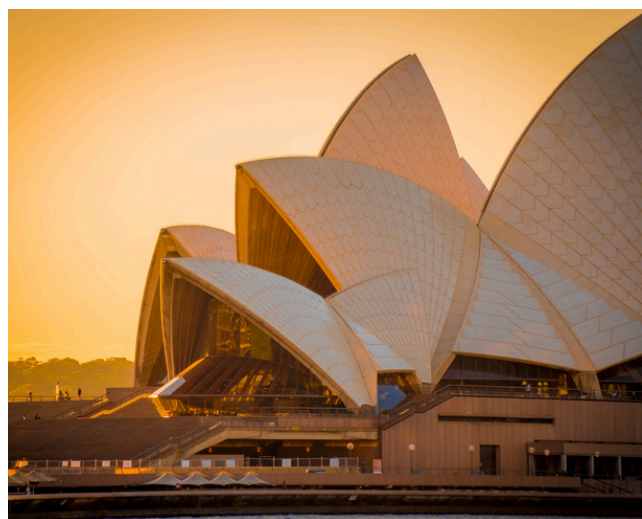
The deal combines Energy Fuels' extraction and separation capabilities in Utah with ASM's unique metallization facility in South Korea and its Dubbo mining project in New South Wales, effectively establishing the world's largest integrated rare-earth producer outside of China.

This acquisition addresses a persistent bottleneck in the Western supply chain: the conversion of mined oxides into usable metals and alloys, a niche where ASM has established technical leadership. The strategic alignment follows the October agreement between Washington and Canberra to invest nearly USD 1 billion each in diversifying critical mineral sources, a direct response to Beijing's tightening export controls on refined rare earths. By leveraging ASM's intellectual property and established downstream infrastructure, Energy Fuels aims to replicate the South Korean processing model in the United States, thereby securing independent supply lines for essential components in the defense, energy, and automotive sectors.

Last-Mile Tensions in EU–Australia Trade Negotiations

The European Union and Australia are engaged in intense "last-minute haggling" to finalize a long-delayed free trade agreement ahead of European Commission President Ursula von der Leyen's anticipated visit to Canberra in February.

The primary impasse remains agricultural market access; Brussels, politically constrained by agrarian backlash within member states following the recent Mercosur deal, has proposed annual import quotas of approximately 24,000 tonnes for beef and 20,000 tonnes for sheep. Canberra, however, is demanding nearly double these volumes, mirroring the disputes over geographical indications such as feta and prosecco that contributed to the collapse of previous negotiation rounds in 2023.



ASIA IN CZECHIA

Czech Luxury Bike Maker Festka Enters Chinese Market with First Store

Czech bespoke bicycle manufacturer Festka is opening its first monobrand concept store in China, located near Shenzhen, in partnership with a local operator who covers the full cost of the project. The company focuses on hand-crafted custom frames typically priced at CZK 150,000 - 300,000, while artistic limited editions range around CZK 500,000 - 700,000, with some top pieces reaching about CZK 1 million. Festka expects to deliver 24 artistic commissions of this type this year, while total annual production remains in the low hundreds of units, with 90% of output exported abroad.

The firm reports revenues in the lower tens of millions of Czech crowns and expects an operating loss this year due to investments in new model development. Production remains based in the Czech Republic, with components shipped to China, and the market entry is seen as a test that could lead to further expansion if successful.

Czech Iveco Plant Records Historic Output, Unconcerned About Indian Ownership Transition

Iveco Czech Republic, based in Vysoké Mýto, posted a record production year, manufacturing 5,303 buses last year - the first output exceeded 5,000 units - representing 14% year-on-year growth. Most vehicles, mainly intercity and touring coaches, are exported to Western Europe. The company, the largest bus manufacturer in the Czech Republic, is set to transition under the ownership of India's Tata Motors, with the Iveco brand to remain in place after the acquisition.

CEO David Kříž said the precise financial impact of the production record has not yet been disclosed, as results are consolidated at group level. Manufacturing runs on a single mixed assembly line producing diesel, gas, hybrid, and electric buses, with the company noting that several hundred intercity electric buses are included in output, although electrification remains slower than in the city bus segment.

CAPS INTERVIEW

Dr. Mher Sahakyan is a Founding Editor of the Routledge Research in Eurasian Geopolitics Book Series, 2024-2025 Fulbright Visiting Scholar at SAIS, Johns Hopkins University, and Director of the China-Eurasia Council for Political and Strategic Research.

His talk, entitled "Europe and Asia in a Multipolar World Order" outlined the official launch of the newly published Routledge Handbook of China's Belt and Road Initiative in Eurasia, hosted by the Center for Asia-Pacific Studies (CAPS) at CEVRO University.



What led you to start studying China in the first place, and how did studying directly in Nanjing influence your perspective?

You know, many people are interested in the West, and I have always been interested in the East. I started my BA in Oriental Studies in Armenia; at the time, it was mostly about the Middle East. But after I became interested in the Far East, when I was studying at the Diplomatic School of the Ministry of Foreign Affairs of Armenia. We had a visiting scholar, Professor Alan Wachman from the Fletcher School, who came to teach us. He was teaching us about China, and it was very interesting for me. I was also running a small business, and when I went to China for a business trip, I realised something was happening in the country. I felt a dynamic that I had never felt in other countries where I had been before. And then I decided to study Chinese. I bought a book at the airport and brought it back to Armenia to learn the Chinese language. After I saw information about the international scholarship at Nanjing University, one of the best universities in China, I applied for and won it, and went to Nanjing. It was a great opportunity to study with people from different states and to learn Chinese. Being in the country gives you more opportunities to immerse yourself in the language. And if someone is ever doing research about a country — it might be Czechia, Armenia, or China — it is better to go to that place and research there.

What are the key features that distinguish the Multipolar World 2.0 from both the post-Cold War unipolar moment and the classic forms of multipolarity we know from history?

Yes, we developed this concept in 2023 while having a debate – is the world unipolar, bipolar or polycentric? There were many, many, many other ideas. But we pushed forward this Multipolar World Order 2.0 idea, because the world is not unipolar anymore. Because of the Ukrainian war, we can see that we have more different poles. Even the Western pole is no longer united – there are even contradictions between President Trump and the European Union. Of course, they are, in many cases, working together, but they also have serious disagreements over the Ukrainian moment, the approach to China, Greenland and other issues. Therefore, in the West, we have the US, the EU, and the UK, which is no longer an EU member and is trying to play its own game.

On the Eurasian continent, we also have Russia, which is trying to regain its great-power status. It was one of the reasons that Russia started the war in Ukraine. It is, let's say, an indirect war between Russia and NATO. We have China, which is trying to have more influence in Eurasia through its Belt and Road Initiative. We have India, which is still not a great power, but it is a big power. It is a big power with an economy growing very fast, and in the future, I believe, it will play a much more important role.

And what makes this Multipolar World Order 2.0 different from other multipolar moments in history? The difference is that now we have Artificial Intelligence and cyberspace as well. If in previous times great powers competed for regions and influence, now they are competing for cyberspace and for their own places in developing AI. There are several countries, such as the US, China, and, in the future, India, that do not need allies to create poles; they have enough political, economic, military, and demographic power to be a pole on their own.

Building on that, scholars often debate when exactly the systemic shift became irreversible. Some see it as gradual, some as a structural break. So, in your view, was there a specific moment or trend that made it undeniable that we have shifted into this multipolar system, rather than just witnessing temporary disruption of US hegemony? Was there a moment?

Of course, we are not in a unipolar world order anymore, but the US will continue to play a very important role even in this Multipolar World Order 2.0, because it remains the main superpower, given its political, economic, high-tech, and military capabilities. Currently, there is another superpower – China, a young superpower that is not on the level of the US yet, given its high-tech development, but it is still growing very fast.

There are other moments as well, which we need to pay attention to, like the population moment. The population of China is going down, and soon there will be a lot of retirements in China. In the US, this moment is much more stable.

On the other hand, India is growing very quickly alongside China, and in the future it will have a larger population and more opportunities. If they solve their economic problems, they will also play a very important role, let's say in 30 to 40 years.

These states mentioned are also trying to develop high-tech industries and AI to solve problems using modern technologies, but I still believe human intellect is much stronger. Nevertheless, states that will pay attention to R & D, and education will have more opportunities for development.

In your book, you describe China as a "young superpower," which is a compelling and nuanced framing. So, in what specific areas has China already reached the level of an established superpower, and where is it still catching up?

Yes, China mostly advances through its economy because it is the strongest side of China. Chinese people are using it well – they developed the Belt and Road Initiative, and through it they are influencing economies starting from East Asia to Eastern Europe, also having influence in Africa and Latin America. They are making huge investments and paying a lot of attention to infrastructure development in different regions. Through this infrastructure development, they are connecting China with different regions like Central Asia and the Middle East. And of course, this economic power and influence in many regions, after all, also brings political influence.

Digital infrastructure and smart cities projects can create long-term technological dependence. Do you see any major risks for Eurasian states in deepening the digital interconnectivity with China?

You know there are always risks. And this applies not only to China, but also to cooperation with the United States, the EU, India, or other actors. I wouldn't focus only on China. At the same time, there are also opportunities, because many of these states simply do not have sufficient research and development capacities of their own.

Therefore, for them, working with China, the US, or the EU can be a good opportunity to develop, especially if they combine it with building their own production and R & D and by staying connected to several partners at once. The real risk arises when states consume technologies, rely on a single external power, and fail to develop their own capabilities or maintain control over what is happening. In that case, dependence can become a serious long-term risk.

What do you consider the biggest myth about the Belt and Road Initiative that is repeatedly echoed in Western media or politics?

I will say how I understand and what I know about the Belt and Road Initiative. The world needs investments. The world needs transportation development, and Eurasia needs interconnectivity. Therefore, all projects – it might be the Belt and Road Initiative, International North–South Transport Corridor, the Crossroad of Peace or the EU's Global Gateway – all are good if there is going to be real infrastructure development.

There is one main mainland transportation infrastructure, which has been used by the EU and China for trade, or for the EU and other Far Eastern states for trade; it was the Trans-Siberian Railway.

Because of the war in Ukraine, many EU member states are trying not to use Russian territory, right? There are European sanctions imposed on Russia, and Russian counter-sanctions against the EU. It is causing huge problems for European, Chinese, Japanese, and Korean businesses, as well as Czech and Armenian.

The Belt and Road Initiative is helping solve the problem of interconnectivity between European and Chinese markets through its China–Central Asia–West Asia Economic Corridor. So, infrastructure is already ready, it is working, and it is also providing opportunities for Europe to reach out to the South Caucasus, Central Asia and also China.

The dynamics across the Eurasian continent appear increasingly complex and uncertain. So, looking 10 to 15 years ahead, what are the three most important uncertainties that will shape Chinese–Eurasian relations in this multipolar world?

You know, Multipolar World Order 2.0 is unfortunately not about equality, not about peace or the kind of moment some state leaders like to talk about. "We need a multipolar world order for equality"—it is not possible. If we talk about multipolarity and Multipolar World Order 2.0, there cannot be real stability or equality, because there are very strong powers, as I already mentioned: China, the US, Russia, the EU, the UK, India, as well as middle powers Turkey and Iran, and small states that are actively trying to push forward their national interests, such as Israel or the DRPK.

So this will not bring us any kind of stability, and unfortunately, in the future, we are likely to see more conflicts, greater uncertainty in international relations, and economic problems as well. We are seeing what is happening during the US-China trade wars; they are pushing forward with tariffs, which is harming businesses and interconnectivity of the world.

So, they will try to protect their own trade zones, reorganise production for domestic needs, and limit others' access to high-tech capabilities and development. So that the other side has no chance to develop or use their research and development for their own reasons.

For this reason, unfortunately, we can see that we will have in the future a more divided world with new conflicts, where it will be very hard for small states to keep their sovereignty because they will be pressed by these great powers to choose a side. For this reason, small states need to try not to choose a side as much as possible and also to keep balance by using their relationships with different poles.

I would like to end with a question that is especially relevant for us in Europe. In your view, what is the single biggest misunderstanding Europeans still have when they think about Chinese politics?

I think there, it is needed to have a much more balanced viewpoint, and Europe needs to maintain a balance between the great powers. So, if Europe only develops relations with the US, that is also very problematic, because it needs to have relations with different poles – let's say China, Russia, India – to balance with the US.

In the past, it was like a rule that the EU always sided with the US. It was a sign of democracy; the ideological moment was uniting the US and the EU. But time has shown that it is no longer as relevant. It is not working during the time of President Trump because economic interests are now much more important. We can see that the US is not relying only on the EU, and it is so strong that it is showing that "I can go forward alone." For the EU, it is better to have much more balanced relations with China, Russia, India and other powers as well for keeping the balance.

The interview was conducted by Kateřina Kovács and Daniela Finkousová

UPCOMING EVENTS

17 February 2026: The Lunar Year of the Horse in Tradition, Economy, Politics, and Communication Strategy

The Center for Asia-Pacific Studies (CAPS) at CEVRO University cordially invites you to a lecture by the sinologist, ethnologist, and lawyer Vít Vojta entitled:

The Meaning and Use of the Asian Lunar Calendar: The Arrival of the Lunar Year of the Horse

To what extent does East Asia still live by the lunar calendar, and how does it shape everyday life, social customs, and political-economic developments across Asian countries? How is the Lunar New Year celebrated in China and in other parts of Asia with distinct traditions?

The discussion will open up the broader significance of the Lunar New Year for the contemporary world—especially its impact on business, tourism, international exchange, and the functioning of Asian markets. Alongside cultural and historical context, participants will gain insight into the importance of lunar holidays for companies, investors, policymakers, and foreign partners operating in or cooperating with Asia. The speaker draws on decades of experience from state visits of top constitutional officials, the business environment, and community and clan gatherings.

The lecture is intended for students, the academic community, and all those interested in Asia, its culture, and current socio-economic processes. The event will include time for questions and an open discussion.

Guest speaker **Vít Vojta**, a sinologist, ethnologist, and lawyer with long-standing practical experience in Asia, will offer both **cultural-historical context and practical insights** relevant to students, academics, and anyone interested in contemporary Asia.

Date: 17 February 2026 at 16:00

Venue: Room D222, Drtinova 467, Prague 5



PREVIOUS EVENTS

CAPS Opened Expert Discussion on Charity, Development and Status of Women in India

On Thursday, 15 January 2026, an open expert discussion organized by the Center for Asia-Pacific Studies (CAPS) took place at CEVRO University. The event was primarily intended for students and members of the academic community with an interest in development and social issues in South Asia.

The guest speaker was Marina Shaikh, Founder and Executive Director of the Rising World Foundation, an organization engaged in long-term charitable and development activities in India, with a particular focus on women's status and their role in social and economic development.

The discussion, entitled "Charity, Development and Women Empowerment in India," was held in English and was designed as an open academic debate. Students were encouraged to actively participate by asking questions and engaging in discussions covering both theoretical approaches to development cooperation and practical experience from the work of non-governmental organizations.

The discussion was moderated by Jan Zahradil, Chairman of the CAPS Advisory Board, and Jan Železný, Executive Director of CAPS. The moderators focused on linking academic perspectives with practical experience from development projects, as well as on the broader social context of charitable activities in India.

Drawing on her extensive professional experience, Marina Shaikh spoke not only about the strategic management and fundraising activities of the foundation, but also about her direct cooperation with local communities supported by the Rising World Foundation. The discussion addressed a wide range of topics, including poverty in India, access to basic needs for women, local specificities of Indian society, challenges faced by the non-profit sector in developing countries, and the cultural and social diversity of India. Cultural topics, such as the phenomenon of Bollywood, were also briefly mentioned.

At the conclusion of the event, Marina Shaikh accepted membership in the CAPS Advisory Board, thereby further strengthening the expert and international background of the Center for Asia-Pacific Studies. The open discussion provided students with a unique opportunity to engage directly with an expert with international experience and contributed to a deeper understanding of charitable activities, development cooperation, and women's empowerment in the Indian context.



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