Negative Brief: 3 Seas Initiative

By “Coach Vance” Trefethen

***Resolved: The United States Federal Government should substantially reform its policy towards one or more countries in Europe***

The AFF team has the US federal government fulfill the pledge of giving or loaning $1 billion to the eastern European "3 Seas Initiative" initially promised by Pres. Trump but put on hold by Pres. Biden. The money would be lent to east European countries to rebuild crumbling infrastructure left over from the communist era in order to advance their economic development. [The "3 Seas" are the Adriatic, Baltic and Black Seas - that's where the countries are located that are partnering on this investment fund.]

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Negative: 3 Seas Initiative - bad idea

DEFINITION

List of 3 Seas member nations

Three Seas Initiative capabilities in terms of diversification

of natural gas supply versus Russian Federation foreign policy

– a geopolitical approach

Aleksy Borowka 2020 (doctoral candidate at Univ. of Wroclaw, Poland) "Three Seas Initiative capabilities in terms of diversification of natural gas supply versus Russian Federation foreign policy - a geopolitical approach" Sept 2020 SCIENTIFIC JOURNAL OF THE MILITARY UNIVERSITY OF LAND FORCES <https://www.researchgate.net/publication/344719488_Three_Seas_Initiative_capabilities_in_terms_of_diversification_of_natural_gas_supply_versus_Russian_Federation_foreign_policy_-_a_geopolitical_approach> (accessed 19 Aug 2022)

policy in the region of Central-Eastern Europe. Member states of the Three Seas Initiative

include Austria, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland,

Romania, Slovakia and Slovenia

Nowadays, the Three Seas Initiative is one of the most popular concepts of international

policy in the region of Central-Eastern Europe. Member states of the Three Seas Initiative

include Austria, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland,

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Romania, Slovakia and Slovenia



INHERENCY

1. European Union already doing it

EU has already provided over 155 billion euros for east European infrastructure

Tim Gosling 2020 (journalist with Balkan Insight) 30 Dec 2020 "NAVIGATING THE THREE SEAS INITIATIVE" <https://balkaninsight.com/2020/12/30/navigating-the-three-seas-initiative/> (accessed 19 Aug 2022)

It’s little surprise, then, that Brussels remains lukewarm towards 3SI. The idea of upgrading CEE infrastructure to act as a buffer to Russia and China is nothing new – the EU has been pouring cash into that effort for years. However, as so often the case with the EU, it has been poor at marketing its achievements in an increasingly Eurosceptic region. The then-European Commission president Jean-Claude Juncker turned up to the annual 3SI summit in 2018 to give the platform Brussels’ official blessing, but he made sure to bring a [brochure](https://ec.europa.eu/commission/sites/beta-political/files/the_three_seas_initiative_summit_en.pdf) outlining how under his “Connecting Europe Facility” the EU had already provided over 155 billion euros for infrastructure projects in 3SI countries.

The EIB Plan: European Investment Bank's "Cohesion Fund"

Gorana Grgić, Đuro Kolar and Maja Bašić 2022 (Grgic - with Dept of Government & International Relations and the United States Studies Centre, Univ of Sydney, Australia. Kolar - Monash Univ., Melbourne, Australia. Basic - Dept of International Economics, Univ of Zagreb, Croatia) Journal of Southeast European and Black Sea Studies · August 2022 Infrastructure diplomacy and strategic signalling within the Three Seas Initiativehttps://www.researchgate.net/publication/362780623\_Infrastructure\_diplomacy\_and\_strategic\_signalling\_within\_the\_Three\_Seas\_Initiative/link/62fe80bfe3c7de4c34666eee/download (accessed 20 Aug 2022)(brackets added)

There have already been significant EU investments in the infrastructure in this part of the continent. Following decades of underinvestment, CEE [central and eastern Europe] has made unprecedented progress in infrastructure development; approximately 5,600 kilometres of new motorways have been built over the last two decades (Atlantic Council and PwC 2017). Given that all bar one TSI [Three Seas Initiative] member states qualify for Cohesion Fund assistance, there has been over €150 billion invested from the EU Structural Funds, with additional money made available from the Connecting Europe Facility (CEF) that prioritizes trans-European transport networks. Moreover, most of the key infrastructure projects have fallen directly under the remit of the European Fund for Strategic Investment, the so-called Juncker Plan, which is being managed by the European Investment Bank (EIB).

2. "Energy Independence" already underway

Since 2015 the EU has been funding dozens of "energy independence" infrastructure programs

Gorana Grgić, Đuro Kolar and Maja Bašić 2022 (Grgic - with Dept of Government & International Relations and the United States Studies Centre, Univ of Sydney, Australia. Kolar - Monash Univ., Melbourne, Australia. Basic - Dept of International Economics, Univ of Zagreb, Croatia) Journal of Southeast European and Black Sea Studies · August 2022 Infrastructure diplomacy and strategic signalling within the Three Seas Initiativehttps://www.researchgate.net/publication/362780623\_Infrastructure\_diplomacy\_and\_strategic\_signalling\_within\_the\_Three\_Seas\_Initiative/link/62fe80bfe3c7de4c34666eee/download (accessed 20 Aug 2022)(brackets added)

Since its launch in 2015, strengthened energy security and integrated internal electricity and gas markets have been the core pillars of the EU’s Energy Union (European Commission 2019a). Clearly, these policy objectives are inextricably linked to the national security and sovereignty of EU countries. The EU has made considerable strides in developing the appropriate regulatory framework and investing in strategic energy infrastructure to address the high risk of energy supply emergencies. Over 30 strategic energy projects have been implemented since the Energy Union’s inception, and a large number of those have focused on the most vulnerable regions, such as the CEE [central & eastern Europe] (European Commission 2019b). Furthermore, under the EU’s LNG Strategy, adopted in 2016, the European Commission committed to ensuring each member state will have access to three sources of gas – LNG, pipeline gas, and natural gas storage – by 2022 (European Commission 2016b). Furthermore, the European Commission has recently adopted the latest version of Projects of Common Interest (PCIs). These are key crossborder energy infrastructure projects for building a more integrated and resilient EU internal energy market and pursuing our energy and climate goals. This fifth PCI list comprises 98 projects: 67 projects in electricity transmission and storage, 20 in gas, six CO2 network projects and five smart grid projects.

HARMS / SIGNIFICANCE

1. A/T "China / Russia influence in Eastern Europe"

China and Russia have made themselves unpopular in Europe and hardened opposition against them

Dr. Stephen Blank 2021 (PhD; Senior Fellow at the American Foreign Policy Council. Former member of the U.S. Army War College faculty) 25 Aug 2021 " Europe’s Threat Assessments of Russia and China" <https://theasanforum.org/europes-threat-assessments-of-russia-and-china/> (accessed 20 Aug 2022)

The European Round Table for Industry, a trade lobby comprised of almost 60 CEOs and chairpersons of major Europe-based multinationals, has just called on EU leaders to push for better business terms with China and not turn away due to US pressure, despite the fact that China will almost certainly not improve terms for foreign business.This attests to the efficacy of Sino-Russian pressure in achieving the decoupling of Europe from the US. Fortunately for the West, China’s “Wolf Warriors” and Russia’s aggression have hardened opposition to their demands in most European capitals, revealing growing European disaffection with both states, even as the divisions are there for a more supple diplomacy to exploit.

Central & Eastern Europe (CEE) countries don't see any threat: They're signing up for 3SI and Chinese investment both!

Marcin Bejm and Kostadin Sirleshtov 2021. (Both are with CMS, an international business law firm. Bejm - Partner, Head of Energy & Projects; head of Infrastructure & Project Finance, Warsaw, Poland. Sirleshtov - CEE Head of Energy & Climate Change, Sofia, Bulgaria) "Central and Eastern Europe" https://cms.law/en/int/publication/cms-infrastructure-index-2021/central-and-eastern-europe

Another new source of finance is the Three Seas Initiative Investment Fund, backed by various CEE national development finance institutions. This made its first investments in 2020, buying a controlling interest in Greenergy Data Centers, a CEE data centre platform, and Cargounit, a key player in the CEE railway industry. The fund is intended to complement and strengthen the capital deployment of individual Three Seas countries and EU financial instruments. Some CEE nations have also signed up to China’s Belt and Road Initiative (BRI), although the amount of Chinese investment that has occurred various significantly between countries, with many regional BRI projects being in smaller non-EU states.

SOLVENCY

1. Key 3SI member countries don't support

Czech Republic is skeptical of 3SI - they think it promotes Poland at everyone else's expense

Tim Gosling 2020 (journalist with Balkan Insight) 30 Dec 2020 "NAVIGATING THE THREE SEAS INITIATIVE" <https://balkaninsight.com/2020/12/30/navigating-the-three-seas-initiative/> (accessed 19 Aug 2022)

Amid all this geopolitical manoeuvring, what perhaps worries proponents of the 3SI most is that despite the launch of a commercially managed investment fund, the [Three Seas Initiative Investment Fund](https://www.3seas.eu/media/news/three-seas-fund-agrees-its-first-investment), fundamental disagreement is already clear at a regional level. The idea of linking CEE from north to south is rooted in the “[Intermarium](https://en.wikipedia.org/wiki/Intermarium%22%20%5Ct%20%22_blank)” concept. This interwar plan to create a buffer against Russia’s westwards expansion was seen as Polish scheming in some quarters, and such views persist today given Poland’s huge size relative to its peers. The Czechs, in particular, have always been susceptible to suspicion over Warsaw’s role in regional initiatives such as the Visegrad Four. Poland’s ambitions of turning itself into a regional gas hub serving up US liquefied natural gas (LNG) are also eyed warily by some of its peers. In contrast to Warsaw’s enthusiasm, Prague exhibits something close to scorn for the 3SI. As well as worrying about Polish power, the Czechs – noting the omission of Germany in particular – are also wary of formalising any east-west split in the EU.

Czechs don't trust Poland

Dr. Brian F.G. Fabregue 2021 (PhD; expert in corporate law, European law and international taxation, Brian Guilhem Fabregue heads the services of the Swiss Financial Company Retreeb) 28 Feb 2021 " What future for the Three Seas Initiative?" <https://www.blue-europe.eu/analysis-en/short-analysis/what-future-for-the-three-seas-initiative/> (accessed 19 Aug 2022)

Secondly, there might be a potential rivalry between Poland, the natural leader – central and largest country in the ITS , and the other powers of the alliance.  Czech politicians in particular, have always been suspicious over Warsaw’s role in regional initiatives such as the Visegrad Four. Poland’s ambitions of turning itself into a regional gas hub serving up US liquefied natural gas (LNG) are also seen warily by some of its peers. Czechs  are also wary of formalizing any east-west split in the EU, preferring an integration with already existing Western infrastructure.

US and Poland are the only ones actually doing anything for Three Seas Initiative (TSI)

Dr. Brian F.G. Fabregue 2021 (PhD; expert in corporate law, European law and international taxation, Brian Guilhem Fabregue heads the services of the Swiss Financial Company Retreeb) 28 Feb 2021 " What future for the Three Seas Initiative?" <https://www.blue-europe.eu/analysis-en/short-analysis/what-future-for-the-three-seas-initiative/> (accessed 19 Aug 2022)

By itself, the Three Seas initiative has flaws.  First, the initiative seems to be only a Polish and US backed venture so far.  A clear infographics from the Heritage Foundation shows how over 90% of the Contributions to the TSI Funds so far are attributed from Poland the US, which shows little implication from other countries.

2. Fractured implementation

Different 3SI countries all have different priorities and policies, so they can't implement it effectively

Tim Gosling 2020 (journalist with Balkan Insight) 30 Dec 2020 "NAVIGATING THE THREE SEAS INITIATIVE" <https://balkaninsight.com/2020/12/30/navigating-the-three-seas-initiative/> (accessed 19 Aug 2022)

These differences now appear to be playing out at the project level, which – as the International Monetary Fund (IMF) noted in a recent [analysis](https://www.imf.org/en/Publications/Departmental-Papers-Policy-Papers/Issues/2020/09/25/Infrastructure-in-Central-Eastern-and-Southeastern-Europe-Benchmarking-Macroeconomic-Impact-49580) – was always a risk inherent in trying to drive a plethora of major projects across international borders. “Cross-border infrastructure projects add layers of complexity, notably related to coordination challenges, inconsistent regulatory frameworks across countries, and varied levels of governance and creditworthiness,” the IMF has warned. The complications only multiply when the contrasting approaches of governments to issues like environmental standards or digitalisation are taken into account. “It seems different states have different views on the priorities,” said Schneider, adding that Estonia is now pushing for digital infrastructure to take the lead. Others, however, remain fixated on transport and energy, which make up 83% of the current 3SI project [list](https://3seas.eu/about/progressreport).

Disagreements over crazy schemes, like 14th Century canals in the Czech Republic

Tim Gosling 2020 (journalist with Balkan Insight) 30 Dec 2020 "NAVIGATING THE THREE SEAS INITIATIVE" <https://balkaninsight.com/2020/12/30/navigating-the-three-seas-initiative/> (accessed 19 Aug 2022)

Then there are the purely domestic disagreements. Of 3SI’s 77 priority projects, the Czech Republic has provided just one: a grandiose plan to spend billions on canals. The scheme, first suggested in the 14th century, is widely condemned in Czechia as a colossal waste of time and money; few believe it will ever make it off the drawing board.

Different 3SI countries have different conflicting priorities

Dr. Brian F.G. Fabregue 2021 (PhD; expert in corporate law, European law and international taxation, Brian Guilhem Fabregue heads the services of the Swiss Financial Company Retreeb) 28 Feb 2021 " What future for the Three Seas Initiative?" <https://www.blue-europe.eu/analysis-en/short-analysis/what-future-for-the-three-seas-initiative/> (accessed 19 Aug 2022)

Another example : Hungary pushes way more towards an East-West integration than a local network than Poland. Last but not least, priorities differ from one country to another. Estonia is now pushing for digital infrastructure to take the lead. Others, however, remain fixed on transport and energy, which make up 83% of the current 3SI project list. Some of these projects come with strings attached, analysts point out. “For the Nordic and Baltic states, the infrastructure to be constructed must allow for the transit of military equipment within the region,” wrote Piret Kuusik of the Estonian Foreign Policy Institute. “Are investors prepared for the additional expense needed to follow these standards?” she wondered.

3. Already tried and failed

Programs like 3SI have already been tried before and failed

Tim Gosling 2020 (journalist with Balkan Insight) 30 Dec 2020 "NAVIGATING THE THREE SEAS INITIATIVE" <https://balkaninsight.com/2020/12/30/navigating-the-three-seas-initiative/> (accessed 19 Aug 2022) (brackets added; ellipses in original)

“The Three Seas region is all about eliminating the legacies of a divided Europe,” [said](https://www.atlanticcouncil.org/news/press-releases/us-commits-1-billion-dollars-to-develop-central-european-infrastructure/) Fred Kempe, president and CEO of the Atlantic Council, as the US pledged its 1 billion dollars. “It shows continued US determination to fulfil – to complete – the vision of Europe that is undivided, secure, free, and prosperous… and it deserves support from the European Union and all our European friends and allies” Whether that will be enough to convince them is yet to be seen, but some in the region remain unconvinced, especially as states seek a route to stimulate economic recovery from the COVID-19 pandemic without sending their fiscal balances into free fall. The next 3SI [summit](https://www.3seas.eu/) will be held in Sofia, Bulgaria in June 2021. “Governments come and go in all of these countries,” summed up [Jiri] Schneider [senior associate at the Visegrad Insight think tank and former deputy foreign minister in Prague]. “I think creating a transnational consortium of private interests to drive this initiative will be very hard. There have been many attempts to create such in energy or transport before that have failed.”

4. Energy independence goal impossible to meet

While 3 Seas claims to promote energy independence, it will fail because other sources of energy it links to are inadequate

Dr. Brian F.G. Fabregue 2021 (PhD; expert in corporate law, European law and international taxation, Brian Guilhem Fabregue heads the services of the Swiss Financial Company Retreeb) 28 Feb 2021 " What future for the Three Seas Initiative?" <https://www.blue-europe.eu/analysis-en/short-analysis/what-future-for-the-three-seas-initiative/> (accessed 19 Aug 2022)

Thus, once equipped with all these infrastructures, the Three Seas Initiative will be able to become more energy independent and this will also allow it to strengthen its weight on the front of the European stage.
The energy goal presents a lot of problematics as whole :
\*First, the US energy dependency has become impossible, as under the Biden presidency – and probably under his successors as well – America will mainly be an energy dependent country. Already in 2019, according to data from the U.S. Energy Information Administration (EIA), the U.S. imported 9.1 million barrels per day (MMb/d) of oil from about 90 countries, though at the same time it also exported 8.5 MMb/d of oil to about 190 countries.  The KeyStone XL pipeline project annulation has set problematics which will drastically lower US export capacities towards Europe. [**END QUOTE]**
\*The trend is more towards a collaboration with Russia, not against. Long term Western Europe Russian partners, such as Italy and Germany, have pushed towards the construction of larger and new pipelines. It is important to underline that German and Italian gas imports from Russia accounts together for almost half of the EU’s gas. Germany in particular, in a bid towards cleaner energy, is trying to phase out some of its coal power plants. France, while more autonomous due to its large nuclear program, has supported the Nord Stream program. **[HE GOES ON LATER IN THE CONTEXT WRITING QUOTE:]**
\*No viable alternative seems to be able to fuel the Three Seas initiatives’ energetic hunger, safe for an expansion into nuclear energy.  This is the road taken by Slovakia, for instance, and Slovakia alone. Poland, Hungary, Romania and the Czech Republic are building new nuclear power plants, but as an energy diversification bid. Lithuania has chosen by referendum to close all nuclear power plants in 2012.
\*Funds coming from the Three Seas Initiative in their own are extremely modest when compared to the EU ones.
\*And last but not least, there is no serious alternative for energy import. The second and third largest energy exporters towards Europe, Norway and Algeria, have both reached their maximum production levels.

3 Seas can't overcome geographical barriers to dependence on Russian energy for Eastern Europe

Aleksy Borowka 2020 (doctoral candidate at Univ. of Wroclaw, Poland) "Three Seas Initiative capabilities in terms of diversification of natural gas supply versus Russian Federation foreign policy - a geopolitical approach" Sept 2020 SCIENTIFIC JOURNAL OF THE MILITARY UNIVERSITY OF LAND FORCES <https://www.researchgate.net/publication/344719488_Three_Seas_Initiative_capabilities_in_terms_of_diversification_of_natural_gas_supply_versus_Russian_Federation_foreign_policy_-_a_geopolitical_approach> (accessed 19 Aug 2022)



5. More study needed

There is no real consensus yet on the nature and objectives of Three Seas Initiative

Gorana Grgić, Đuro Kolar and Maja Bašić 2022 (Grgic - with Department of Government and International Relations and the United States Studies Centre, University of Sydney, Australia. Kolar - Monash University, Melbourne, Australia. Basic - Dept of International Economics, Faculty of Economics and Business, Univ of Zagreb, Croatia) Journal of Southeast European and Black Sea Studies · August 2022 Infrastructure diplomacy and strategic signalling within the Three Seas Initiativehttps://www.researchgate.net/publication/362780623\_Infrastructure\_diplomacy\_and\_strategic\_signalling\_within\_the\_Three\_Seas\_Initiative/link/62fe80bfe3c7de4c34666eee/download (accessed 20 Aug 2022)

So far, the existing literature on the TSI has mainly focused on geopolitical, institutional and normative aspects of this platform of cooperation from a rather focused international relations perspective. For instance, some authors view it as a geopolitical tool to foster Polish security interests (Soroka and Stępniewski 2019) and address concerns in the country’s bilateral relations with Germany and Russia (Thomann 2019). On the other hand, others have emphasized how the TSI represents an arena of US-Russian and US-Chinese competition (Grochmalski et al. 2020; Grgić 2021). A related strand of literature has highlighted that the TSI aimed to diversify energy sources in Eastern Europe and lessen the dependence on crude oil and natural gas imports from Russia (Zbińkowski 2019), while some posit that the TSI serves as a forum for CEE to build leverage vis-à-vis Western EU countries and to counter the so-called ‘two-speed Europe’ idea (Górka 2018). Ultimately, the literature on the TSI is still searching for consensus on the nature and objectives of the initiative (Grgić 2021; Bartoszewicz 2021).

Ukraine War Inherency/Solvency Dilemma:
INH - Crisis motivates countries to fund energy independence themselves (don't need US funding)
SOLV- The war throws into doubt the viability of other projects due to political implications (so we need to wait and see, more study)

Gorana Grgić, Đuro Kolar and Maja Bašić 2022 (Grgic - with Department of Government and International Relations and the United States Studies Centre, University of Sydney, Australia. Kolar - Monash University, Melbourne, Australia. Basic - Dept of International Economics, Faculty of Economics and Business, Univ of Zagreb, Croatia) Journal of Southeast European and Black Sea Studies · August 2022 Infrastructure diplomacy and strategic signalling within the Three Seas Initiativehttps://www.researchgate.net/publication/362780623\_Infrastructure\_diplomacy\_and\_strategic\_signalling\_within\_the\_Three\_Seas\_Initiative/link/62fe80bfe3c7de4c34666eee/download (accessed 20 Aug 2022)

Equally not without controversy is that some of the TSI member states are Ukraine’s staunchest supporters, providers of relief, and serve as critical routes for delivery of aid, while others remain (at best) on the fence given their dependence on Russia’s hydrocarbons. In the context of the argument put forward in this article – about the importance of state-to-state signalling as a predecessor of corporate-to-corporate signalling and a reinforcer of corporate-to-corporate actions – it is plausible to speculate on several developments. First, Russia’s invasion of Ukraine will turbocharge the projects aiming to diversify sources of energy. This has already been alluded to in the official communication from both individual CEE states and the EU. Second, given the imposition of sanctions and their stickiness, it would also be reasonable to expect the projects that have been supported by Russian-owned and affiliated entities to be shelved, if not completely halted, in at least the medium term. Third, given the spillover effects the geopolitical developments have had on the perception of other competing and rival powers in the region, there might also be a decreased likelihood that projects that have their heavy involvement will be put under the greater spotlight. This primarily concerns Chinese investments throughout the CEE.

6. Other complicating factors

Political implications and lack of funding block European countries from paying for TSI projects

Gorana Grgić, Đuro Kolar and Maja Bašić 2022 (Grgic - with Department of Government and International Relations and the United States Studies Centre, University of Sydney, Australia. Kolar - Monash University, Melbourne, Australia. Basic - Dept of International Economics, Faculty of Economics and Business, Univ of Zagreb, Croatia) Journal of Southeast European and Black Sea Studies · August 2022 Infrastructure diplomacy and strategic signalling within the Three Seas Initiativehttps://www.researchgate.net/publication/362780623\_Infrastructure\_diplomacy\_and\_strategic\_signalling\_within\_the\_Three\_Seas\_Initiative/link/62fe80bfe3c7de4c34666eee/download (accessed 20 Aug 2022)

In that vein, short- to medium-term state signals tend to favour projects bankrolled by corporations and consortiums from like-minded and partner states. Moreover, in a similar time span and potentially even longer, given the demand for reconstruction funding in Ukraine, the region will feature much higher on the priorities list for all of its strategic partners (i.e., the EU, US, and the UK). The question around the availability of funding is, however, moot given the inflationary pressures and economic slowdown across the Euro-Atlantic area. Finally, for the time being, the political implications of supporting TSI at a time when some of its member states are in breach of Article 7 of the EU Treaty are completely deprioritized from discussions, particularly as they relate to EU project funding.

DISADVANTAGES

1. Tax burden offsets economic growth

Even if infrastructure generates economic growth, the taxes to pay for it reverse it

Prof. Steve Hanke 2017 (professor of applied economics and founder and codirector of the Institute for Applied Economics, Global Health, and the Study of Business Enterprise at the Johns Hopkins University) 31 Aug 2017 " Forget the Hype: Public Infrastructure Generates Waste, Fraud and Abuse" (accessed 20 Aug 2022) https://www.cato.org/commentary/forget-hype-public-infrastructure-generates-waste-fraud-abuse

In addition to cost overruns, the financing of infrastructure requires the imposition of taxes, and taxes impose costs beyond the amount of revenue raised. The excess burdens of taxation include “deadweight” distortions and enforcement and compliance costs. In short, it costs more than a dollar to finance a dollar in government spending. The best estimates indicate that, on average, it costs between $1.50 to $1.60 to raise a dollar in tax revenue.

2. Inefficient public operation of private businesses

Link: 3 Seas Initiative Investment Fund (3SIIF) is buying up private businesses in eastern Europe

Christian Roy 2021 (Investment Director, Amber Infrastructure Ltd.) Market perspective: Christian Roy, Amber Infrastructure Ltd <https://cms.law/en/int/publication/cms-infrastructure-index-2021/market-perspective-christian-roy-amber-infrastructure-ltd> (accessed 20 Aug 2022)

Projects are well underway. The Fund’s first investment in October 2020 was the acquisition of ‘Cargounit’, the largest independent locomotive leasing company in Poland. The Polish rail freight market is the second largest in Europe, after Germany, and Roy expects the market to continue to grow, with a large-scale modernisation programme underway promoting connectivity both in Poland and within the wider CEE region. The 3SIIF also made its first digital investment in November 2020, acquiring a controlling interest in ‘Greenergy Data Centers’, a CEE data centre platform. The first centre will be developed in Estonia and is expected to be the largest of its kind in the Baltic region with up to 20MW of capacity upon completion.

Impact: Lost economic benefits. Global trends over the last 40 years prove the reverse - privatization - yields bigger economic benefits

Chris Edwards 2016 (MA in economics from George Mason Univ. He was a member of the Fiscal Future Commission of the National Academy of Sciences. Director of Tax & Policy Studies at Cato Institute) 28 June 2016 " Options for Federal Privatization and Reform Lessons from Abroad" https://www.cato.org/policy-analysis/options-federal-privatization-reform-lessons-abroad#introduction (accessed 20 Aug 2022)

A privatization revolution has swept the world since the 1980s. Governments in more than 100 countries have moved thousands of state-owned businesses and other assets to the private sector. Airports, airlines, railroads, energy companies, postal services, and other businesses valued at about $3.3 trillion have been privatized over the past three decades.Privatization has improved government finances by raising revenues and reducing spending. More important, it has spurred economic growth and improved services because privatized businesses have cut costs, increased quality, and pursued innovation.