

## **Abstract**

This bachelor thesis focuses on the so-called debt trap diplomacy of Chinese loans and investments in Montenegro. The aim of this thesis was to test the hypothesis whether the investments of the People's Republic of China, related to the construction of the Montenegrin A1 Highway (Bar – Boljare), within the framework of the Belt and Road Initiative projects, fulfill the general characteristics that may pose a risk to the Montenegrin state from a geopolitical and strategic perspective and in the long term act against the country's national interests. This thesis is unique due to the combination of qualitative and quantitative approaches. Further, by its narrow focus on Montenegro alone. In academic research related to the Belt and Road Initiative, the Western Balkans region is most commonly perceived as a homogeneous entity, often ignoring the specificities of individual countries.

The author of this paper has ideologically drawn on the methodology developed by a collective of researchers at the Center for New American Security, which author has further expanded with his own multi-criteria analysis of variance in order to maximize objectification and quantification of the results. It was found that in the examined case, it is likely not a deliberate process with the primary purpose of gaining geostrategic influence in the region. Rather, it is a case of so-called 'aggressive mercantilism', with China investing in projects that are potentially risky and unprofitable for Western banking and other institutions. Gaining a geopolitical or strategic advantage in this case is then only a possible secondary benefit related to China's capitalist practices in the region.