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China's Policy vis-à-vis the European Union

Interests, Context, and Implications for Europe**

"The time has come to redefine the EU's relationship with China, in the spirit of the "new Asia strategy" endorsed by the Essen European Council. Europe must develop a long-term relationship with China that reflects China's worldwide, as well as regional, economic and political influence. *Europe's relations with China are bound to be a cornerstone in Europe's external relations, both with Asia and globally. Europe needs an action-oriented, not a merely declaratory policy, to strengthen that relationship.*"¹

1 Introduction

Recent developments in EU-China relations face a paradox. For more than two decades the Union itself (as opposed to the individual member states) was the object of continued favourable treatment by China. But today it is actually possible to identify an opposite development in the EU-China relationship. Parallel to the rising interest of the EU vis-à-vis China (highlighted by its strategy papers on Asia and the PRC²), the genuine Chinese interest in the Union decreased significantly. Various reasons can be identified, which correspond to two separate developments:

- First, the EU has lost or is about to lose some of its long-time incentives which had triggered the special kind of interest displayed by the Chinese leadership;
- Second, the various endeavors by individual EU member states to enhance their own status vis-à-vis China (economically as well as politically) led to an additional weakening of China's interest in the EU itself.

¹See Commission of the European Communities, "A long-term policy for China-Europe relations", COM(95) 279 final (5.7.1995), p. 1 (italics added).

²See Commission of the European Communities, "Towards a New Asia-Strategy", COM(94) 314 final (13.7.1994); for the China strategy paper see Commission 1995, op.cit.

This paper will first look briefly at four examples that illustrate the early Chinese interest in the EU. It will then identify the context of the early as well as the present Chinese interest and highlight some of its basic characteristics. Finally, four tentative suggestions for European China policy will be presented. It should be noted that the comments in this paper will be restricted to the political dimension of PRC-EU relations, since it is in this field where most changes have taken place. Therefore economic issues will be referred to only insofar as they relate to political aspects.

2 The Early Chinese Interest in the EU: Four Examples

For more than two decades China clearly displayed a much greater interest in the EU than vice versa. Four examples shall be presented very briefly:

Early Chinese interest to establish diplomatic relations

As early as March 1971 the Chinese discreetly expressed their wish to develop relations with the Community.³ This was even before the secret visit to China by then US-Secretary of State Henry Kissinger took place, and also some time before the majority of EC member states had established full diplomatic relations with the PRC.⁴

Immediate dispatch of a Chinese ambassador to the Commission

When diplomatic relations were finally established in September 1975, the Chinese immediately accredited an ambassador to the European Commission. On the other hand, it took the EC another 13 years, until 1988, to open a delegation office in Beijing. This is noteworthy because EC delegation offices had been established in other Asian countries long before, for example in Japan in 1974 and Thailand in 1978.⁵

Two Chinese initiatives for bilateral consultations and dialogue

In the 1980s and in the 1990s at least two very important initiatives can be identified, which had been put forward by the Chinese: firstly, the establishment of regular consultations between both sides in 1983⁶, and secondly in 1994 the creation of a separate Human Rights Dialogue,

³See M.J. de Saint-Blanquat, "La république populaire de Chine face à l'Europe", in: *Revue du Marché Commun* 6/1972, p. 526.

⁴Before that time only two of the then six EC member states had established full diplomatic relations with the PRC: France (Jan. 1964) and Italy (Nov. 1970).

⁵See Commission 1994, op.cit., Annex 3.

⁶It is interesting to look at the development of this idea until its implementation. Although the formal request was formulated by the European side, according to contemporary sources the idea initially was put forward by China in talks held with the Belgian foreign minister in Beijing. Returning from China he passed on the idea to the then German presidency of the Community, which in turn took the necessary formal steps. In June 1983 the first meeting took place in Bonn within the framework of the European Political Cooperation (EPC). See Agence Europe 27.4.1983; Elfriede Regelsberger,

which was instigated at the request of the Chinese authorities.⁷

3 The Context of the Chinese EU Policy

3.1 Early Context

For the first three of the aforementioned examples it is possible to identify incentives on the Chinese side that are not related to developments within the European Community itself. Hence, they can hardly be seen as reflecting genuine Chinese interest in the EC:

- To begin with, there was the premature Chinese interest in establishing diplomatic relations with the EC. This can easily be related to the Taiwan question. Only a couple of months before, the EC had signed a textile agreement with the Republic of China. This obviously instigated a competitive attitude in the PRC.⁸
- The Chinese readiness to immediately open a diplomatic mission in Brussels, on the other hand, should be assessed against the background of the Sino-Soviet split. Strong support for the EC - and at the same time NATO - was seen as an impetus to strengthen a perceived counterweight to the Soviet Union and to ease China's own threat perception. Furthermore, via this move China could stand out against the other socialist countries that had not yet established diplomatic relations with the EC. This objective gained more prominence when China asked the EC to be taken off its list of state trading countries in the context of the trade agreement signed in 1978.⁹
- And finally, there was the initiative to establish regular consultations in 1983. This move happened to take place at the same time China started propagating its so-called "independent foreign policy", thereby implying a basic contrast to the Soviet Union as well as to the US.

It goes without saying that the leadership of any country in the world will try to adjust concrete actions to the general framework of its foreign policy. The case of China's interest in the European Union, however, is special, because the EU always served as a subordinate factor in China's overall foreign policy considerations. With regard to the Sino-Soviet conflict it is obvious that as much as this conflict added to the boosting of positive Chinese

attitudes towards the EC, the Sino-Soviet rapprochement in the late 1980s led to a clear reversal of Chinese views. It resulted in open criticism of EC policies not heard before. For example - in the very same year 1988, when the EC finally opened its delegation in Beijing, articles in semi-official journals on international affairs¹⁰ started publishing unprecedented criticism of EC policy towards the Soviet Union and Eastern Europe alleged to entail peaceful evolution.¹¹ By then, the interest in the EC as a counterweight to the Soviet Union had already vanished.

3.2 Current Context

The same characteristic of granting a certain weight to the EU, not always caused by actions taken by the Union itself, also holds true for two additional, intertwined incentives, namely "striving for a multipolar world" and "courting the EU as a counterweight to the US". Both incentives still today shape the Chinese policy vis-à-vis the EU to a significant degree.

Striving for a multipolar world

This aspect gained particular prominence early in 1997, when the design for a multipolar world was included into China's joint declarations with Russia (in April) and France (in May).¹² The involvement of France is actually most interesting. Whereas Russia - or the Soviet Union, respectively - always played a prominent role in the concept of multipolarity, individual Western European countries never did - with the notable short-time exception of Germany in the course of unification. Actually, since the early 1980s, it has always been the European Union that was to play the major role in this concept. It is a concept that serves a dual purpose for the Chinese leadership: on the one hand it should help prepare for the abolition of the bipolar world order; on the other hand, it should equally help to raise the global status of the PRC itself without the danger of being accused of seeking hegemony (this would have been the case, if China had consistently tried to achieve equal status vis-à-vis both superpowers, not to mention the lack of actual Chinese potential). In order to achieve the more modest objective, i.e. to become one "pole" among others, it was necessary to identify allies. So it is in this context that the articulated Chinese interest in the EU has to be judged. The basic ideas of this concept had been discussed openly for a long time. As early as 1981, various contributors to the aforementioned semi-official journals had actually identified the European

Westeuropa als internationaler Akteur. Die Au"senbeziehungen der Europäischen Politischen Zusammenarbeit, 1992, p. 241.

⁷Commission 1995, op.cit., p. 6.

⁸The textile agreement lasted from 1 Oct. 1970 until 30 Sept. 1973. See Harish Kapur, *China and the European Economic Community. The New Connection*, Dordrecht: Martin Nijhoff, 1986, p. 35. Prior to this, in 1964, the request by Taiwan to dispatch an ambassador to the EC-commission was vetoed by France which shortly before had established diplomatic relations with China. See *ibid.*, pp. 35-36.

⁹As a consequence of the Chinese request separate rules were adopted - albeit identical to those for other socialist countries. See Kapur 1986, op.cit., p. 52.

¹⁰For example the quarterly journal *Guoji Wenti Yanjiu* (International Studies) published by the *Guoji Wenti Yanjiusuo*, a research institute on international affairs, closely affiliated to the Chinese Ministry of Foreign Affairs. For additional information see my article "Zentrale Forschungsinstitute zur Internationalen Politik in der VR China. Eine kurze Einführung", in: C.a. 4/1996, pp. 407-413.

¹¹See for example Shi Qikang, "Xi'ou tong sulian donggoude jingji guanxi" (Economic Relations between West Europe and the Soviet Union and East Europe), in: *Guoji Wenti Yanjiu* 3/1988, pp. 26-32.

¹²See Oskar Weggel, "Strategische Partnerschaften - China eröffnet eine neue Ara des Antihegemonismus", in: C.a. 5/1997, pp. 427-433.

Community as the major driving force behind the desire to establish a multipolar world.¹³

It is interesting to see that parallel to other developments - most prominently the changes in the Sino-Soviet relationship under Gorbachev - developments in the EU itself possibly had an effect on this Chinese discussion. In 1986, the year of major breakthroughs in the European integration process (completion of the Southern enlargement and the signing of the Single European Act), significant changes in the discussion took place. From that time onward, Chinese scholars claimed that a multipolar world already partially replaced the old bipolar world order - first in economics, then in politics as well. Both times the rise of Japan and the European Union was held responsible for these developments. With regard to politics, Japan and the EU were said no longer to allow the superpowers "to make foreign policy over their heads" (*yueding waijiao*).¹⁴

Against this background it is most interesting to look at the current developments. Even for such a more rhetorical aspect, i.e. striving for a multipolar world, rather than to the EU as a whole, the Chinese leadership now turns to France for willing support for its outlook. There are two possible reasons for that: either the EU itself was not prepared to take such a step and/or - even on the rhetorical front - China has lost interest in the EU as an independent policy-making entity.

"Courting the EU as a counterweight to the United States"

There are many facets to this subject matter. In this short article, however, I can only focus on one of them: the human rights issue. No matter whether the EU and the individual member states have spoken out in an equally pronounced manner against China's human-rights record as the US did, it has up to now always been the US that received the main share of the blame. A case in point was the adoption of sanctions in 1989 and, more recently, the annual conferences of the UN Commission on Human Rights in Geneva. Although it was mostly the EU that sponsored resolutions condemning the Chinese human rights record, the blame was mainly put on the US.

It has been argued that the Chinese side was well aware of the differences between and the lack of solidarity among Western countries concerning their respective China policies. Therefore, in September 1993, the Chinese leadership took the decision to make use of these differences and to ignore future US-economic threats on the basis of the human rights situation in China.¹⁵ It is well known that in the following year the Clinton administration abandoned its previous policy to link the decision of granting MFN-status to the Chinese human rights record. It was in this context that the decision to engage in a separate Human

Rights Dialogue, instigated by the Chinese, was taken, that means, shortly after the reversal of the US China policy and after five years of continued efforts by the EU to annually sponsor a resolution on China in Geneva.¹⁶ If the aim was to avoid the adoption of a resolution, the Chinese strategy of engaging in such a dialogue seems to have been very successful.

Of course, one should not overestimate the importance of such a dialogue, neither in a positive nor in the negative way. This holds particularly true for the Geneva case. An aspect which should not be overlooked in this context is the pursuit of varying economic diplomacies and the growing competition among the individual EU member states, particularly since 1993.

This relates to the important economic dimension of this relationship. There is certainly no need to go into details about the preliminaries and the Geneva conference itself.¹⁷ But it should be mentioned that for two years in a row the position of the European negotiating team has been seriously hampered - in 1996 by the visit of Chinese Premier Li Peng to France, and one year later by the visit of French President Jacques Chirac to China. Both visits took place towards the end of the Geneva sessions and both times major business contracts were believed to be at stake, in particular concerning Airbus industries.¹⁸ The results of the 1997 Geneva conference are, to say the least, deplorable against the background of the envisaged Common Foreign and Security Policy (CFSP) of the Union. The lack of solidarity among the memberstates left Denmark almost alone with the task to sponsor the resolution and to face the threat of political as well as economic sanctions from the Chinese government.¹⁹

Hence, in this case, Chinese interests did not reside in a strong Union, but to the contrary it was the Union's internal weakness that actually made it possible for the Chinese to successfully link politics and economics.

But, to be sure, China did not completely change its attitude vis-à-vis the EU and now wishes only for a "weak" Union. The Chinese concept of a multipolar world is clearly based on the assumption that global power will in the future primarily be the offspring of so-called "comprehensive national strength" (*zonghe guoli*). In the Chinese view - again referring to the study of the semi-official journals on international affairs - none of the European states alone is regarded as being strong enough to compete with the US or Japan. Along with the growing needs for Western capital and know-how the EU gained additional importance as an economic counterweight and possible alternative to the economic superpowers USA and Japan. This had been referred to in particular in the course of the EU setting up the Single European Market.²⁰

¹⁶It should be noted that EU officials involved in this dialogue are well aware of the motives behind the Chinese interest. Author's information.

¹⁷For details see "Europäer uneins über die Behandlung Chinas", *Ü2*, in: C.a. 3/1997, p. 204.

¹⁸See FAZ 16.5.1997.

¹⁹In the course of the Geneva conference Chinese Foreign Ministry spokesman Shen Guofang warned Denmark that the Sino-Danish relations could be "severely damaged in the political or economic and trade areas." See *CND (China News Digest)* 10 April 1997.

²⁰See for example: Jiang Jianqing/Wu Tianbo, "Ougongti neibu shichang jianshe yu oumei guanxi" (Establishment of an EEC Inter-

¹³For example Guo Fengmin, "Xi'ou guojia waijiao zhengcede jiben sixiang" (Basic Ideas behind the Foreign Policies of West European Countries), in: *Guoji Wenti Yanjiu* 2/1981, p. 32.

¹⁴Among many others see for example Ran Longbo, "Lun xi'ou lianhe" (On Unification of Western Europe), in: *Xi'ou Yanjiu* (West European Studies) 4/1986, p. 2.

¹⁵See Kay Möller, "Was treibt Chinas Aussenpolitik? Motive und Methoden", *SWP-IP* 3022, 1997, p. 15; and *FEER* 7.10.1993, pp. 12-13.

Apart from this, another reason for genuine Chinese interest in the EU of course stems directly from the areas in which the Community has gained exclusive control, namely trade relations (including the anti-dumping regime) and as a negotiating partner within the process of China's WTO accession. The latter may as well serve as a case in point for the aforementioned incentive of "courting the EU as a counterweight to the US".²¹

4 Five Cornerstones of China's EU Policy

There are five aspects that can be referred to as the cornerstones of the Chinese interest in the EU:

The EU as a simultaneously strong and weak institution

In sum, the Chinese leadership has a twofold and seemingly contradictory interest in the EU. On the one hand, it wishes for a strong and united EU as an alternative in economic cooperation and as a possible counterweight in global politics to the sole remaining superpower, the US. On the other hand, the Chinese leadership is interested in an EU that is weakened by internal competition, for it can take advantage of the gaps in economic diplomacy and, in particular, make use of the rivalry that has sharpened since the 1990s among EU member states.

The EU as a powerful institution

In areas where the EU has gained sole responsibility - e.g. trade issues - or where the EU, or its member states, respectively, has taken up a common position, China shows a genuine interest in the EU. China obviously adapts (only) to Realpolitik. This holds true in the economic field as well as in the field of politics. A case in point is the Chinese interest to engage in a separate dialogue on Human Rights with the European Union as a result of the continuous effort by the EU in Geneva in the early 1990s.

The EU as a minor actor

The articulated Chinese interest in the EU was and still is largely determined by China's strategic interests vis-à-vis other global actors. Over a long time this was the Soviet Union, today this is mainly the US. It is only natural that China seeks to use the existing differences in the transatlantic relations to its own favour.

The EU as a "political card"

Over a period of more than two decades China has articulated a great interest in the EU as an important factor

nal Market and Relations between Western Europe and the United States), in: *Guoji Wenti Yanjiu* 4/1989, pp. 19-24,31; Wu Tianbo, "Ougongti dashichang jianshezong tong ribende jingji guanxi" (On European Community's Economic Relations with Japan in Setting-up of an Internal Market), in: *Guoji Wenti Yanjiu* 2/1990, pp. 45-51.

²¹Among many other articles on the issue see for example Michaela Eglin, "China's entry into the WTO with a little help from the EU", in: *International Affairs*, vol.73, 3/1997, pp. 489-508.

within the framework of its various global concepts, such as most recently the concept of a multipolar world. In these concepts the Union was accorded a significant role. For the late 90s, however, it may well be argued that the Union has even lost out on the rhetoric front, for it was France and not the EU that signed a common declaration including the endeavor for a multipolar world.²²

The EU as a source of development aid

Last but not least, China is interested in the sustained flow of EU development aid and technological assistance (including projects such as the European Business School, the Center for Biotechnology, etc.). But the question should be raised, whether the interests in these projects display a genuine interest in the EU itself or are simply viewed as a supplement to the development aid given by the individual EU member states.

5 Tentative suggestions for Europe's China policy

The above analysis of the context of China's EU policy gives rise to at least four tentative suggestions on the European approach towards China. They can be summarized as follows:

- Making use of the articulated Chinese interest in a strong European Union;
- Acting on the basis of solidarity;
- Strictly separating economics and politics;
- Resisting the "Chinese temptation".

Making use of China's articulated support of a strong European Union

China is a country in which the leadership has continuously placed much emphasis on the use of words in politics.²³ With regard to the various concepts put forward by the Chinese leadership to present a holistic global view, it can be argued that this equally holds true for China's dealing with the outside World. The concept of multipolarity had been mentioned before.²⁴ Especially in the case of the European Union it should be possible to make use of the long-lasting Chinese commitment to a strong Union. Chinese attempts to circumvent European unity by applying a tactic of playing EU member states off against each other should be opposed. Among other arguments, the EU and its member states should point to these frequently raised Chinese demands to develop a strong and powerful Union, although these demands usually referred

²²This is not - as some participants in the workshop argued - to advocate a move by the European Union towards a similar declaration. Rather it is to advocate the renunciation of such moves by individual member states.

²³Michael Schoenhals wrote a most intriguing book on this issue, however, mainly referring to domestic politics. See his *Doing Things with Words in Chinese Politics. Five Studies*, Berkeley: University of California Press, 1992.

²⁴Others would include the "Theory of the Intermediate Zones" (put forward in 1964) and the "Theory of the Three Worlds" (1974).

to EU's policy vis-à-vis the US. The most important requisite to achieve this, however, would be a common foreign policy towards China and, above all, solidarity among the member states.

Acting on the basis of solidarity

The EU could learn from ASEAN and apply the association's so-called "front state principle"²⁵, i.e. consistently act on the basis of solidarity among member states. The Union itself just recently felt the meaning of this principle, when ASEAN canceled a conference with the Union. Rather than to comply with the EU's demand that Burma, the youngest member state of ASEAN, should not be allowed to participate, ASEAN canceled the conference entirely.²⁶ Such a demonstration of solidarity should serve as an example also to EU policies vis-à-vis China in order to avoid a second Denmark incident. In this context it is less important whether the EU sponsors a resolution or decides not to do so. It is more important that once a common position had been taken, this position should not be made subject to negotiations of individual member states with China.

Strictly separating economics and politics

In particular since 1989, the Chinese leadership has continuously demanded a strict separation of economics and politics. The Denmark incident, however, clearly demonstrated that it is actually the Chinese leadership who uses its economic potential to achieve political goals, and formulates economic and political threats to sanction political actions.²⁷ When facing Chinese threats to cancel business projects on the grounds of European political moves, e.g. in Geneva, the EU and its individual member states should as well refer to China's own demands to separate both spheres.

*Resisting the "Chinese temptation"*²⁸

There are two dimensions to this point. First, the European Union as a whole should try to influence France, but other "possible candidates" such as Germany and Great Britain as well, not to move ahead to establish special relationships with China. This can certainly be flattering for the nation state, but will harm the interests of the European Union as a whole. And, to be sure, joint declarations are no substitute for real power but rather serve as a function in China's attempts to play EU member states off against each other.

Second, making full use of the Chinese interest in the EU as a counterweight to the US would raise huge problems for the Union. Although on the one hand it might serve short-term interests of the Union, on the other hand this will at the same time jeopardize the EU's long-term

interests - not only with regard to the transatlantic relationship but also with regard to its relations with China. Actions that are solely based on short-term thinking will not help the EU to gain the respect of the Chinese leadership. Such respect, however, will be necessary, in order to become a truly accepted partner of the People's Republic of China.

The frequently mentioned case of the current French policy vis-à-vis China can serve as an example for gaining, at least on a short-term basis, respect through "non-compliance". After June 1989, France's relations with China were deteriorating significantly with France for a short time becoming the home of the Chinese democracy movement in exile and French arms sales to Taiwan in the early 1990s. But soon after France had issued its own Asia initiative in February 1994, the situation changed rapidly. China has chosen France to be the center piece in its strategy vis-à-vis Western Europe. Hence, it was in Paris where Jiang Zemin publicly announced the four principles of China's relations with Western Europe (not the European Union!). Additionally, France had become the main target for lobbying, in order to avoid a resolution in Geneva. Then, in early 1997, France openly blocked the European Union's stance towards sponsoring the resolution in Geneva. Finally, the Joint Declaration for a "long-term, comprehensive partnership" was signed.²⁹ It remains to be seen whether in the long run the current French policy vis-à-vis China will prove successful for France and surpass the declaratory level. Such a policy, however, will prove to be detrimental for European Union's own objectives to gain more leverage in the bilateral relationship.

With its "Long-term policy for China-Europe relations" the European Commission presented a very promising outline for its relations with China. Many of the concrete proposals and projects (including the aforementioned European Business School or the program for Chinese lawyers, and others) will prove extremely helpful to promote Europe's economic interests as well as China's domestic development. But it will be a long-term project if it is to enhance the profile of the EU in this relationship. In order to achieve this objective, it will be necessary to resolve at least some of the aforementioned problems.

The Chinese leadership will accept and will adjust to a strong and united EU, if the Union itself decides to move in that direction. At present, there are many indications suggesting that this acceptance will equally hold true in case that such a strong Union occasionally will act against Chinese interests.

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²⁵See Kay Möller, "European Strategies vis-à-vis China: Myth and Reality", paper prepared for Ost-West-Kolleg's Conference on "China's International Role", Brühl 6-9 March 1997, p. 16.

²⁶See *Süddeutsche Zeitung* 13.11.1997.

²⁷See note 20.

²⁸Kay Möller used the term "temptation" in describing the Sino-German relationship, see his "Germany and China. A Continental Temptation", in: CQ, 147 (Sept. 1996), pp. 706-725.

²⁹See Sino-French Joint Declaration in *Beijing Review* 22/1997 (3. Juin 1997). The idea to publish a joint declaration during the visit of French president Jacques Chirac to China was instigated by China's Foreign Minister, Qian Qichen, during his visit to France in January 1997. Author's information.