Sieps

Swedish Institute for European Policy Studies

2015:6

The EU-China Strategic Partnership

Challenges and Prospects in a Changing World

Anna Michalski
Zhongqi Pan

THE EU´S EXTERNAL RELATIONS

Anna Michalski and Zhongqi Pan

The EU-China Strategic Partnership

Challenges and Prospects in a Changing World

– SIEPS 2015:6 –

Report No. 6
December 2015

Published by the Swedish Institute for European Policy Studies

This publication is available at www.sieps.se
The opinions expressed in the publication are those of the authors.

Cover design by LuxLucid
Printed by EO Grafiska AB

Stockholm, December 2015

ISSN 1651-8942
ISBN 978-91-86107-57-4

Preface

Last year, President Xi Jinping, one of the most powerful Chinese leaders in modern history, made his first ever visit to the headquarters of the European Union. Diplomatic relations between China and the EU and its forerunner date back to 1975, confirming the importance that both parties place on this relationship. This year thus marks the 40th anniversary of EU-China diplomatic relations. Over the course of these forty years, we have witnessed a profoundly changed international system. China has risen to global power status, while the EU has developed into a union of 28 member states with more political clout.

The authors of this report argue that the EU-China relationship is one of the world's most important bilateral partnerships and that it has actually improved over the last couple of years. However, the relationship has not always been smooth sailing and the two actors are in many ways substantially different. This timely report, with a somewhat different approach than other studies of EU-China relations, explores the conceptual differences between the EU and China in regard to their outlook on the world and their respective political values and what this means for the development of the strategic partnership. These differences translate into different standpoints which are exemplified by a number of areas of conflict between the EU and China: the EU's arms embargo, the EU-China human rights dialogue, and the issue of market economy status for China, for example.

Despite their differences in norms and values, two of the most important global actors do indeed manage to come together. With this publication, SIEPS hopes to contribute to a deeper understanding of this multifaceted relationship.

Eva Sjögren
Director

About the authors

Anna Michalski is Associate Professor at the Department of Government at Uppsala University, Sweden, and Research Fellow at the Europe Institute of the University of Auckland, New Zealand. She has a Ph.D. from the London School of Economic and Political Science in the UK and is a graduate of the College of Europe, Bruges. She has held positions as Visiting Professor at Fudan University, Shanghai, and lecturer at the Department of Politics at the University of Auckland. She has also worked as researcher at a number of research institutes, including the Royal Institute of International Affairs (Chatham House) in London, the Centre d'Etudes et des Recherches Internationales (CERI) in Paris, the Netherlands Institute of International Affairs (Clingendael) in The Hague and the Swedish Institute of European Policy Studies (SIEPS) in Stockholm. Between 1996 and 2001, she worked at the Forward Studies Unit of the European Commission.

Zhongqi Pan is Professor of International Relations at the School of International Relations and Public Affairs, Fudan University, where he received his Ph.D. in international relations in 1999. He teaches international politics at both undergraduate and graduate levels and in both Chinese and English. His focus of research includes international relations theory, China and the international system, China's foreign policy and strategy, China–US and China–EU relations, etc. He was seconded by China's Foreign Ministry as a First Secretary at Mission of the People's Republic of China to the European Communities in 2008–2009. He was a research fellow at the Shanghai Institute for International Studies in 2000–2005. He was a Fulbright Visiting Research Scholar to the University of California, San Diego (2012–2013), visiting scholar to Lund University (2006), the Fairbank Center at Harvard University (2004), the Henry Stimson Center (2001), and the University of Tokyo (1999–2000).

Table of contents

Executive summary

This report traces the development of the partnership between the European Union (EU) and China. The partnership was set up in the late 1990s and is today perhaps the most structured partnership between two global powers. Given the ongoing transformation of the international system in which the rise of China is a major driver of change, bilateral structured partnerships, such as the one linking China and the EU, have become increasingly important. Despite this, the EU–China strategic partnership often takes the backseat in comparison to the attention accorded to US–China relations or China's strengthening relations with Russia. Nevertheless, the strategic partnership constitutes an important dimension in Chinese and European foreign policies: For the EU and its member states, bilateral relations with China are without doubt of major significance economically, strategically and politically; and for China, the partnership with the EU fulfills a number of strategic goals linked to its rise to global status. Obviously, economic relations between the EU and China are all-important, and the quest to obtain lucrative commercial contracts with Chinese partners drives many of the EU member states' bilateral policy with China. This fundamental aspect of EU–China relations colors the strategic partnership and provides one part of the explanation as to why the partnership is upheld despite deep-seated differences in worldviews. Another explanation concerns the positions of the EU and China in the international community, and here the partnership emerges as an arena of international engagement where China's and the EU's roles as actors are shaped under the influence of deep-seated historical legacies and identities. This report addresses primarily the latter dimension by exploring the conceptual differences between the EU and China and how they impinge on the EU–China strategic partnership.

Relations between the EU–China are not always straightforward, and the partnership has gone through some low points as well as some more rosy periods. Recently, EU–China relations have improved and are now set on a more stable, some would argue more realistic, course. Improved diplomatic relations, however, cannot mask the fact that despite attempts since 2007 to replace the expired Trade and Economic Cooperation Agreement of 1985, the EU and China have thus far been unable to forge a new contractual basis for their partnership. As suggested by previous experiences, EU–China relations continue to tread a delicate balance between mutual recriminations and constructive engagement, with the deepening of the partnership being dependent on both sides showing willingness to address outstanding problems and meet the concerns of the other.

This report argues that in order to fully gauge the ramifications of the EU–China strategic partnership and hence the difficulties for China and the EU to agree on a deepened level of engagement, it is necessary to explore the conceptual

differences that mar their relations. These differences are deep-seated and tied to worldviews and perceptions of identity. From this perspective, China and the EU are obviously very different types of actors, moved by radically different ideas about the purpose of international engagement, whether of a multilateral or bilateral nature. The report explores these conceptual differences with the aim of explicating their impact on a number of unresolved issues between the EU and China, such as the EU's arms embargo, the tensions surrounding the EU–China human rights dialogue, and the EU's refusal to grant China market economy status. The conceptual differences influence the development of the EU–China strategic partnership and the likelihood of them of agreeing on a new contractual basis. Moreover, the way in which China and the EU choose to engage has wider implications for the international community's ability to handle international security crises, terrorism and international migration, and to organize global governance in areas such as climate change, financial stability, poverty and pandemics. Therefore, China and the EU's ability to handle the prevailing conceptual differences have consequences beyond their bilateral relationship as they both attempt to shape the transformation of the international system: China in the direction of multipolarity and the EU in the direction of multilateralism.

The authors of the report explore conceptual differences between the EU and China in regard to international and external norms, visions of power, and perceptions on the international system:

In regard to *the norms of sovereignty and human rights*, China and Europe usually stand at the two opposing ends of the continuum of state power. While the Europeans give priority to human rights, the Chinese give preference to sovereignty, which has resulted in contending views on the management of international security crises, military intervention in third countries, the diffusion of norms, and the purpose and outcome of the EU–China dialogue on human rights. But this does not necessarily mean that China and Europe are bound to conflict on sovereignty and human rights issues as both are capable of pragmatism as well as dogmatism, depending on the issue at stake. Evidence suggests that a measure of flexibility has been made inevitable by their interests and value-laden dilemmas.

As far as the prevailing *visions of power* are concerned and perceptions of the legitimate use thereof, China and the EU are also far apart, although both make use of different kinds of power and are quite dexterous in wielding them. China has abundant military (material) power, which it has been quite circumspect in using up until now, although the rising tensions in the East and South China Seas have recently put China's strategic intentions in the spotlight. At the same time, China has been increasingly willing to deploy Chinese military personnel of different sorts at the disposal of the United Nations (UN) in peace-keeping missions, chiefly in Africa. The EU pictures itself as a normative power and

possesses little in terms of military power, although it can draw on its member states' military resources to mount peace-keeping and civilian operations in third countries. It is, however, seen as an unwieldy actor, and part of this impression stands from its lack of strategic culture and political coherence. In terms of soft power, both the EU and China are keen on drawing the maximum benefit from their attractiveness to others. The EU rides high on its self-perception as a normative power using and diffusing universal norms and values in its international dealings, and as a security community whose political organization is open to states in other regions to emulate. Also, China has shown a great deal of interest in developing its soft power, primarily as a model for economic development but also as an alternative partner for developing countries with less intrusive obligations attached to aid, trade and investment than Western donors. China is also more prone than the EU to see soft power as a tool of statecraft and therefore uses it more or less synonymously with public diplomacy.

In terms of perceptions on *the international system* Chinese and European views differ quite substantially, as the former ascribes to a realist state-centric view inherited from classical European conceptions of the nation-state, while the EU is modeled to overcome the negative fallout of competitive nationalism and distrust among states that were at the origin of the two world wars. As the Chinese adhere to state-centric principles, such as the indivisibility of sovereignty, the nonintervention in other states' affairs and the inviolability of borders, they tend to take a cautious, noncommittal stance in international security crises, and show a high degree of sensitivity to international criticism of the human rights situation in China. The EU, in its turn, sees itself as a normative power with a mission to spread the norms and values that underpin its own inception, chiefly human rights and democracy. These contending stances have several times led to China and the European states taking opposing sides in international conflicts, and threatened to upset EU–China relations. With time, however, the EU has come to realize that China will not let itself be socialized into the liberal world order other than on its own terms, while China seems to feel increasingly comfortable as a global power in the current world order. The different stances of the EU and China in regard to the international system are encapsulated in the former's support for a multilateral system and the latter's endorsement of a multipolar system. Although these terms may be dismissed as semantics, they do guide the conduct of foreign policy in terms of principal tenets of action and strategy.

The EU and China make quite an unlikely couple. Their bilateral relationship has at times been severely strained and its fruitfulness has been questioned. Nevertheless, both the EU and China acknowledge the positive aspects of the partnership, both rhetorically as well as in action, by adding areas of cooperation and strengthening the structures of engagement. Recently, they profess a willingness to deepen the partnership, but have thus far been unable to realize any substantial breakthrough. This report enhances our understanding

of the EU–China bilateral engagement and the conceptual differences that risk standing in the way of forging a new basis of cooperation, either in the form of a Bilateral Investment Agreement, which the EU is promoting, or the Free Trade Agreement, which is what China is interested in.

1 Introduction

The European Union (EU) and China are both, in their respective ways, changing the international system. Most explored is the rise of China to global power status, which, sooner rather than later, will be on a par with the US, not only economically, but also politically. An important aspect of the transformation of the international system is the emergence of structured bilateral partnerships, of which the EU–China strategic partnership is probably the most structured among global powers. It is often the economic dimension that is held up as the most important aspect of EU–China relations. Indeed, the EU is China's biggest trading partner, while China is the EU's second largest trade partner after the United States. In 2014, the EU–China trade in goods amounted to €467 billion, while the trade in services reached €54 billion.[1] However, the EU–China partnership includes a number of other dimensions, such as social, economic and environmental sustainability, human rights, education, innovation and Research and Development (R&D), urbanization etc. The partnership also sustains the EU's and China's international cooperation on global issues, such as the nonproliferation of nuclear weapons, antipiracy, climate change, and the UN Millennium Development Goals. Given the obvious differences between the EU and China, their engagement in the strategic partnership is certainly not without problems. Despite this, both the EU and China have throughout the past 20 years professed a willingness to deepen and broaden the scope of cooperation, and this at a time when a number of internal and external factors suggest that instead they may drift apart.

China's emergence as a global actor in the last 30 years is primarily driven by a neck-breaking economic growth, which has resulted on the one hand in an unprecedented improvement in social conditions by lifting some 500 million people out of poverty since 1978, while on the other has engendered substantial income differentials, sustained urbanization and extensive environmental degradation.[2] It is undoubtedly on the back of the record levels of economic growth that China has been able to engage internationally. Apart from its permanent seat on the UN Security Council, which it inherited from the republican regime of Chiang Kai-shek in 1971, China's international engagement was primarily economic at first. Although a founding member of the World Bank and the International Monetary Fund (IMF), the People's Republic of China (RPC) could not fully benefit from its membership in these organizations before the

[1] The European External Action Service (2015) *The EU-China Comprehensive Strategic Partnership, Factsheet/Memo*. http://eeas.europa.eu/factsheets/docs/eu-china_factsheet_en.pdf. Retrieved 1 October 2015.

[2] The World Bank (2015) *China Overview*. http://www.worldbank.org/en/country/china/overview. Retrieved 8 June 2015.

right of representation was transferred from Taipei to Beijing in 1980.[3] Then in 1986, China applied for membership of the World Trade Organization (WTO) and became a member in 2001. Since the early 2000s, China has manifested itself as a comprehensive global player, engaging in an increasingly broad range of issues. Today, its influence on international politics stretches over almost all issue areas and regions in the world.

The EU cannot boast the same meteoric rise as China, and there is still much debate on whether the EU should be regarded as a global power in the first place.[4] Notwithstanding that debate, the EU has global presence and pursues the aim of coordinating the EU member states' foreign policy into a concerted stance on specific issues, sometimes more successfully than others. Indeed, the EU member states' propensity to seek bilateral agreements with China, and China's ability to make use of the EU's internal dissension, are regularly brought forward as the primary explanation for the EU's lack of strategic edge (see section 2.5). Despite the vagaries of coordinating national foreign policy, the EU has been quite successful in forging partnerships with a number of individual countries or groups of countries around the world, of which the partnership with China was, and perhaps still is, the most ambitious one with a global power. For these reasons, and others explained below, it is important to study the EU–China partnership. This is so not only in order to understand why the bilateral partnership itself has waxed and waned in the last 20 years, but also to comprehend on a deeper level the factors that drive or impede further bilateral engagement, which will, ultimately, shape the future prospects of this unlikely strategic partnership.

This report focuses on the conceptual differences between the EU and China in regard to their perceptions on political values and worldviews, and endeavors to explain the impact of these contending views on the development of the EU–China strategic partnership. The conceptual differences are important not only because they matter for the scope and nature of cooperation and its political dynamic, but also because they ultimately set the boundaries for what is possible to achieve within the strategic partnership. The justification for writing a report of this type is that conceptual differences between the EU and China are often discounted in analyses of bilateral relations and therefore do not receive the attention they merit. The explanatory power of conceptual differences is undervalued because of their intangible and elusive character, often considered as too deep-seated and intractable for an assessment of the concrete aspects of the strategic partnership. In this report, however, we argue that conceptual

[3] Pieter Bottelier (2007) "China and the World Bank: How a partnership was built," *Journal of Contemporary China*, Vol. 16(51), pp. 239–258.

[4] There is an extensive and long-standing debate on whether the EU can be treated as a traditional international actor at all, and if so, what are the specific characteristics of the EU as an external actor. These questions are addressed in section 4.4. of the report.

differences can and should be brought into an examination of the EU–China strategic partnership because they enable a deeper analysis and therefore bring forward important points of comprehension that otherwise would have been left untouched. And because an analysis of the conceptual differences contributes to our understanding of the strategic partnership, it makes us better placed to assess the partnership's wider implications and future development. In this report, we have chosen to focus on contending views and perceptions in regard to sovereignty, internal and external norms, global governance, constellations of power, and notions of foreign policy.[5] As we shall see, there are significant differences between China and the EU in regard to these concepts, which impinge on their international identity and the roles they consider appropriate to play in the emerging new world order. Despite these differences, the EU and China have forged ahead to create one of the few, maybe the most advanced, bilateral partnerships between global actors. The paradoxical nature of the push-and-pull factors of the conceptual differences is a significant aspect of EU–China relations, and should not be discarded lightly. Therefore, the focus of this report is not primarily on the more concrete sides of the EU–China strategic partnership, although it touches on several issues on the political agenda, but on the more deep-lying dimensions that make the partnership both unique and difficult to realize at the same time.

The timing of this report is important. Or rather, the context in which the evolving EU–China strategic partnership is inscribed is significant. After more than 20 years of undisputed existence, the liberal world order is now being challenged by the shifting balance of power among major international players and by the dynamic development of global agendas. The rise of China is part of the fundamental changes taking place in the international system that, alongside other trends, play into the molding of a new world order. Among these, we find the West's military overstretch and the loss of the moral high ground in the wake of the American invasion of Iraq in 2003, the consequences of the financial and economic crisis, and the severe instability in the southern and eastern Mediterranean, which constitute but a few important pieces in this complex puzzle.

The implications of this transformation are only slowly becoming clearer as the central features of the evolving international system emerge. One such feature

[5] The reason for choosing these concepts are that they encapsulate the differences in the outlooks and behavior of the EU and China as international actors and therefore their understanding of the ultimate *raison d'être* of the structured relationship. Other scholars might have chosen to focus on the economic relations between China and the EU, or on identifying each actor's (national) interests to assess the underlying reasons for the development (or lack thereof) of the EU–China strategic partnership. We wanted, however, to go beyond material factors to analyze the perceptions of the EU and China of themselves, each other and the international system. By basing our analysis on ideational factors such as norms, ideas and roles, the approach of this report lies close to systemic constructivism, which considers the social interaction among states as a fundamental feature of the international system.

is the higher degree of diversity in terms of the number of states with global importance, culture and level of social and economic development, which will now have to be accommodated, implying that the acceptance of the principles and norms of the liberal order cannot be taken for granted any longer. China's place in the new world order as one of the two great powers is crucial and to that effect its relations with the US are under constant scrutiny by academics and practitioners. Despite having set up a strategic partnership already in the early 2000s, the relations between China and the EU are seldom ascribed the same significance and their dynamics are therefore less well-known. However, the EU–China bilateral relationship is important as a part of the wider picture of the reshaping of the world order, in which a host of bilateral and regional arrangements are emerging, and therefore our ambition in this report is to contribute to filling this knowledge gap.

This report is a joint endeavor by the authors who share the same general aim of exploring the conceptual differences that underpin EU–China relations. However, the drafting of individual chapters was entrusted to a single author who bore the principal responsibility for the content of that particular chapter. This being the case, each author makes a point of exploring both Chinese and European perspectives in the individual chapters, and ground their analysis of the conceptual differences on both Chinese and European standpoints as expressed in official as well as academic sources.

The report is organized into an introductory chapter, followed by three content chapters and a concluding chapter. In chapter 2, Anna Michalski explores the historical development of the relations between China and the EU from the early 1970s to the first ever visit by a Chinese president to the institutions of the EU in March 2014. In addition, the chapter presents a brief analysis of the state of affairs in the main areas of contention between the EU and China, namely the EU's embargo on the export of arms to China, the refusal of the EU to grant China market economy status, and the tensions surrounding the EU–China human rights dialogue. In chapter 3, Zhongqi Pan explores some areas characterized by persistent deep conceptual differences between China and the EU and its member states. In regard to sovereignty and human rights, Pan argues that China and Europe usually stand at the two opposing ends of the continuum. While the Europeans give priority to human rights, the Chinese give preference to sovereignty. But this does not necessarily mean that China and Europe are bound to conflict on sovereignty and human rights issues. Both China and Europe are pragmatic as well as dogmatic. A measure of flexibility has been made inevitable by their interests and value-laden dilemmas. In chapter 4, Michalski conducts an analysis into the differences between the EU and China in terms of their views on the international system, the sources and deployment of power and their contending visions of the world order. Moreover, the chapter discusses the differences between China and the EU in terms of international actors and the implications of these differences on the conduct of foreign policy.

In the last chapter, the report concludes by considering the wider significance of EU–China relations from a global perspective and addresses the challenges that lie ahead for the strategic partnership and why and how it should be strengthened.

2 EU–China Relations in Perspective

The bilateral relationship between the EU and China is important from a global perspective, regardless of whether we consider it from a geostrategic, liberal or normative vantage point. However, the EU–China relationship is characterized by an enduring paradoxical quality in that the two actors, who are in many ways each other's antipodes, were dependent on each other's recognition as international actors to secure their respective ascendancy to global standing. This mutual dependence tied the EU and China together in the first decades of the bilateral relationship, but is now changing in character driven by the profound transformation of the international system as well as significant internal developments in Europe and China. Notwithstanding the source or trajectory of these changes, they deeply affect the EU–China strategic partnership and challenge its future development.

Because the EU–China strategic partnership has entered a more dynamic stage, in which the conceptual gaps that continue to mar EU–China relations will take on an increasing importance, it is necessary as a first step to spell out the main phases through which the bilateral relationship has evolved. And as a second step, we will briefly revisit the main areas of contention between the EU and China in order to get a fuller picture of their impact on the future of the EU–China strategic partnership and the challenges that they give rise to.

2.1 The establishment of formal relations

At the end of the regime of Mao Zedong and the long spell of relative isolation, China gradually started to reach out internationally. Following the official recognition of the People's Republic of China by the member states of the European Community (EC) in the early 1970s, the EC established diplomatic relations with China in May 1975, and the first trade agreement between the EC and China was signed in May 1978.[6] Mutual, albeit not identical, interests soon emerged between the two, as China saw Europe as a useful counterweight to the Soviet Union and the US on the global scene, while European representatives quickly realized the potential of the Chinese market were it to become accessible for international trade. Roy Jenkins (President of the European Commission 1977–1981) visited China in 1979 to pave the way for closer relations between China and the EC. His main aim was to deepen official contacts that subsequently could serve as a platform for expanding trade between the EC and China. His diaries document a meeting with Deng Xiaoping, in which the latter noted with interest the integration among nation-states in western Europe which, he

[6] Sweden was the first Western state to recognize the People's Republic of China on May 9, 1950.

believed, with time would constitute an important pole in balancing the division of power in the world. Jenkins noted in his turn the future importance of China as a global power in terms of its nuclear capacity and economic potential, and concluded that the self-interest of the West lay in assisting China's modernization process.[7]

The establishment of formal trade relations between the EC and China continued throughout the 1980s with the signing of a trade in textile agreement in 1979 granting China the status of Most Favoured Nation, and including it in the General System of Preferences in 1980, culminating with a trade and cooperation agreement in 1985. On the diplomatic side, the relations were overseen by a joint committee of officials meeting for the first time in 1979, and from 1984 there were regular consultations at the ministerial level in the framework of the European Political Cooperation – the precursor of the Common Foreign and Security Policy. The first interparliamentary meeting between the European parliament and the National People's Congress had already taken place in 1980, and, in 1988 the EC's presence in China was further consolidated by the opening of a delegation of the Commission in Beijing. It took much longer for China to reinforce its formal diplomatic presence at the EU headquarters, as a separate diplomatic representation in Brussels was not opened before 2008 (previously the Chinese Mission to the EU had been located at the Chinese Embassy to Belgium).

However, this early period in EU–China relations came to an abrupt end when, as a reaction to the Tiananmen Square protest in 1989, the EC, along with most member states, suspended diplomatic relations with China. In a declaration of June 1989, the European Council condemned "the brutal repression taking place" in Beijing and announced a number of punitive measures it considered necessary, among which the interruption of all military cooperation with China and the suspension of trade in arms were listed. At the same occasion, the European Council stated its intention to raise the issue of human rights with China in all appropriate international fora. The declaration of the European Council thus cemented the link between human rights and the EU's arms embargo, which since then constitutes one of the main tenets of the EU's policy on China and a central bone of contention in EU–China relations.[8]

Relations between the EC and China emerged in the context of the Cold War, in the shadow of the standoff between the two super powers, the US and the Soviet Union. For China, a more integrated (west) European block constituted a useful counterweight to both American and Soviet dominance, whereas for European leaders establishing advanced economic relations with China

[7] Roy Jenkins (1989) *European Diary 1977–1981*. London: Bloomsbury Publishing Ltd, pp. 446–449.

[8] European Council (1989) *Declaration on China*, Madrid 16–17 June 1989.

constituted an important goal in itself. At the time, the EC member states had neither the ambition nor the ability to take a common stance on geostrategic matters and therefore relations with China took a purely economic character.[9] As the Cold War came to an end with far-reaching changes in eastern Europe and the breakup of the Soviet Union in its wake, the role of the EU changed as the organization became the spearhead for a unified Europe and a promoter of norms on the international scene. The reinforcement of the EU's institutional structure and competence confirmed in the eyes of Chinese policymakers the Chinese vision of the EU as an emerging pole in international politics. This new strategic landscape offered opportunities and pitfalls for both China and the EU.[10]

2.2 Resumption of relations: Renewed cooperation towards a structured engagement

The punitive measures that had been taken by the EC member states both collectively and bilaterally in the wake of Tiananmen Square should be understood as a political demonstration of dismay at the handling of the protests by the Chinese leadership. However, the economic and diplomatic imperatives of restoring good relations were strong on both sides, and therefore as the Chinese leadership took steps to demonstrate its willingness to improve the human rights situation in the country, the EC and its member states decided to re-establish formal relations. Already in October 1990, the EC Council announced that relations with China should resume gradually through a number of pragmatic steps. It made clear that there would be no change to the EC's stance on the arms embargo, a statement that indicated that EC member states were not prepared to lift the national bans on arms export at this stage.[11]

In the early years of the 1990s the internal change in China and Europe continued unabatedly. China's quest for modernization through economic growth was set on a firm course by Deng Xiaoping's famous tour of the southern provinces (Guangzhou, Shenzhen and Zhuhai) in 1992, confirming China's opening-up policy (introduced in 1978, initiating the move to open up China to foreign investment), which had been under attack by left-wing fractions of the Communist party in the wake of the Tiananmen Square protest. In Europe, European integration was boosted by the adoption of the Maastricht Treaty in 1993, which created the European Union and endowed the Union with greater powers, consolidated various aspects of the internal market and strengthened

---

[9] Nicola Casarini (2006) *The Evolution of EU-China Relationship: From Constructive Engagement to Strategic Partnership*. Occasional paper no. 64. Paris: Institute for Security Studies; Lirong Liu (2012) "The evolution of China's EU policy: From Mao's intermediate zone to a strategic partnership based on non-shared values," *Journal of European Integration History*, pp. 11–23.

[10] European Parliament, *Fact Sheets 6.3.10. China*. http://www.europarl.europa.eu/facts_2004/6_3_10_en.htm. Retrieved 27 May 2015.

[11] EEAS (2014) *EU China Chronology*. http://eeas.europa.eu/china/docs/chronology__2014_en.pdf. Retrieved 28 May 2015.

its capabilities in the area of external relations. For the EU, the accession of Finland, Sweden and Austria in 1995, along with the decision in principle to enlarge to a number of countries in central, eastern and south-eastern Europe at a later stage, foreshadowed the EU's future standing as a global player. In line with the EU's enhanced powers in foreign policy, the Commission launched a communication in June 1994 on a new Asia strategy, arguing that the EU needed to strengthen the Union's economic presence in Asia.[12] Although the communication foresaw an engagement with Asian states also in areas of security and development, it made clear that the rationale for turning the attention to Asia lay in the continent's formidable growth prospects and warned about the detrimental impact on the European economy were it to be excluded from the most dynamic Asian markets. It also announced the EU's intention to contribute to the strengthening of democracy, the rule of law and human rights in Asia, but without making it conditional on cooperation or mentioning any specific Asian countries.

The 1994 strategy on Asia was followed up by a number of bilateral strategy papers and in 1995 the Commission launched a communication on a long-term policy towards China, the first of its kind.[13] In the communication, the Commission argued that it was imperative for the EU to develop a long-term strategy towards China, prompted by the impact of China's rise in the global economy, international security and the prospects for sustainable development worldwide. The Commission staked out a future course of EU–China relations by placing it in a framework of political consultation, an ongoing management of trade relations and a strong European support for China's involvement in areas of international cooperation, such as international trade, security, economic coordination and environmental protection. It also promised to lend specific support to China's bid for membership of the WTO. The strategy envisaged was marked by a concern for the challenges that China was facing in view of its neck-breaking development, and a realization that the international community would have to accommodate China's rise in a variety of ways. At the same time, the EU reiterated its commitment to human rights and fundamental freedoms and tied China's espousal of human rights and political liberal values to the long-term social and political stability in the country. It is interesting to note that this communication proposed the setting up of a special human rights dialogue between the EU and China, which was subsequently launched in late 1995 with the support of the EU member states and the European Parliament. On the diplomatic level, the most important step of the Commission's communication was to advance the concept of a comprehensive strategy towards China built on a framework of recurring dialogues, standing meetings and formal cooperation agreements in a number of areas that aimed to go beyond economic and trade

[12] European Commission (1994) *Towards a New Asia Strategy*. COM (1994) 314 final.
[13] European Commission (1995) *A Long-term Policy for China-Europe Relations*. COM (1995) 279 final.

issues. The EU also offered its assistance in areas of expertise (sustainable development in social and environmental terms) and of concern (human rights, political freedoms and rule of law).

The burgeoning partnership met with some considerable success at this stage, chiefly because it remained essentially pragmatic and because both sides had quite clear views on the interests they intended to pursue within the partnership. For China, the intensified cooperation with the EU provided support for its bid to become a member of the WTO. On a general level, it was important to the Chinese leadership that China was considered a valuable global partner to the EU for reasons of internal economic and social stability.[14] For the EU, it not only confirmed its newly gained, but still uncertain, standing as a global player, but also provided a privileged channel to engage with China in matters of trade and economic development and raised the EU's profile in China. The EU's insistence on improving human rights and political freedoms in China had, at this stage, not yet become an irritant in the relationship as the EU was content with bringing China to the table for discussions on such matters without expecting immediate change, while China in its turn was willing to engage in noncommittal dialogue on the subject.

The intensification of EU–China relations was confirmed in the Commission's Communication of 1998, which launched a comprehensive partnership between China and the EU.[15] For China, the move was motivated by the Communist party leadership's strong endorsement of market reform and global integration at the National Congress of the Communist Party in 1997, its constructive role in overcoming the Asian financial crisis the same year and, generally, its more assertive foreign policy towards neighboring countries.[16] On the European side, the imminent launch of the euro, the enlargement to the countries in central and eastern Europe and the ratification of the Amsterdam Treaty further strengthened the EU's capabilities in the area of foreign and security policy, and prompted the EU to seek a more visible presence in international politics. The communication coincided with a noticeable strengthening of the EU–China partnership on the political level by the setting up of annual summits. To this effect, the first summit was held in London in April 1998, chaired by the British prime minister Tony Blair (holding the chair of the EU presidency), and attended by Jacques Santer, President of the European Commission, and Zhu Rongji, Premier of the People's Republic. The creation of a standing political dialogue at the highest level has since then become one of the more visible aspects of the EU–China partnership,

---

[14] Xinning Song (2011) "Challenges and opportunities in EU-China relations." In Roland Vogt (ed.) *Europe and China. Strategic Partners or Rivals?* Hong Kong: Hong Kong University Press, pp. 19–36.

[15] European Commission (1998) *Building a Comprehensive Partnership with China*. COM (1998) 181 final.

[16] David Shambaugh, (2004/05) "China engages Asia: Reshaping the regional order," *International Security*, Vol. 29 (3), pp. 64–99.

taking the form of summit diplomacy which both the EU and China practice as proof of their standing in the international system.

2.3 The brief honeymoon and subsequent awakening to a more realistic engagement

The period between 2003 and 2005 has been dubbed the "honeymoon" of EU–China relations.[17] During these years, the partnership was extended to a number of new sectoral dialogues (on industrial policy, intellectual property rights and strategic issues), and buttressed by a number of bilateral agreements on the Galileo satellite navigation program, illegal immigration and trafficking of human beings, customs, nonproliferation and arms control, R&D on the peaceful use of nuclear energy and climate change, as well as memoranda of understanding on tourism, and employment and social affairs. The partnership's political framework was furthered strengthened with a twice-annual EU–China Ministerial Troika, an annual EU–China Strategic Dialogue at the level of deputy foreign ministers, recurrent meetings of the political directors and regular briefings of EU heads of missions (EU delegation and member states' embassies) by the Chinese foreign minister in Beijing. In addition, the EU–China Human Rights dialogue continued on a twice-yearly basis.

Despite the progress in bilateral diplomacy and practical cooperation, the Commission's report of 2001 on the implementation of the EU–China partnership recognized that "China is not always an easy partner," and that the EU's insistence on human rights "affect and strain" relations at times, and for these reasons the effectiveness and coordination of the existing political framework should be strengthened.[18] As in earlier communications, the report concluded that it was in the EU's interest to assist China's integration into the international multilateral system and that the EU should offer its considerable expertise and experience in the many areas where China was encountering challenges. However, the language on human rights and democracy was considerably toned down in comparison to previous reports, now couched in terms of assisting China's transition into an open society underpinned by the rule of law and respect for human rights. Efforts to introduce democracy at the local level were noted and seen as small steps in the right direction, but without mentioning the EU's overall mission to spread democracy to China.[19] Two years after this downbeat implementation report, the Commission released an updated strategy paper on China, subsequently endorsed by the member states in the Council. This communication, entitled "A maturing partnership – shared interests and challenges in EU–China relations" was motivated by the need to confirm the importance of the EU–China partnership in view of

[17] David Shambaugh (2004) "China and Europe: The emerging axis," *Current History*, September.

[18] European Commission (2001) *EU Strategy Towards China: Implementation of the 1998 Communication and Future Steps for a More Effective EU Policy*. COM (2001) 265 final, p. 7.

[19] European Commission (2001). *EU Strategy Towards China: Implementation of the 1998 Communication and Future Steps for a More Effective EU Policy*, p. 10.

the pending enlargement of the EU, the launch of the euro and the stepped-up responsibilities of the Union on the international scene. As for China, its rapid emergence as a major global player and membership of the WTO in 2001 were seen as necessitating a stronger bilateral relationship.[20] In a separate move, the EU had already designated China as a major strategic partner in the first European security strategy,[21] and the wording was subsequently repeated in the Commission's strategy paper, which alluded to an upgrading of the partnership. Through the communication of 2003, the EU intended to send a strong signal to China of the importance it attached to their bilateral relations which should be further strengthened. The communication envisaged the EU–China strategic partnership as part of the EU's quest to integrate China further into the multilateral global order but without spelling out in more detailed terms what the strategic quality of the relations should contain or achieve.

In October 2003, China published a strategy paper on the EU, the first ever on a third party.[22] The paper bolstered the EU's attempts to build a partnership with China by reconfirming the Chinese belief in the strength of European integration, the importance of the EU as a global player and the significance of EU–China relations. The strategy also staked out some important ground rules for the partnership by asking the EU not to engage with Taiwan, Hong Kong and Macao on terms other than those of the "One-China" policy", which stipulates that there is only one China, which includes Taiwan, Hong Kong, Macao and the Mainland.[23] Furthermore, it should refrain from engaging with representatives of the Tibet government in exile and heed to the principles of mutual respect and equality in the dialogue on human rights. The strategy paper highlighted some important differences with the EU in their respective views of the international system, depicted as multilateral by the EU and multipolar by China. Also with regard to democracy, China referred to the democratization of the international system – a concept with a quite different meaning from that of the EU, which referred to the internal democratization of China in its earlier strategy papers.

---

[20] European Commission (2003) *A Maturing Partnership – Shared Interests and Challenges in EU–China Relations*. COM (2003) 533 final, p. 3.

[21] Council of the European Union (2003) *A Secure Europe in a Better World. European Security Strategy*, Brussels, 12 December.

[22] Ministry of Foreign Affairs of China (October 2003, Beijing) *China's EU Policy Paper*. http://china.org.cn/e-white/20050817/index.htm. Retrieved 28 May 2015.

[23] The "One-China" is an important principle for the PRC as it stipulates that there is only one legitimate Chinese government, despite the fact that the government of the Republic of China (ROC) on Taiwan also claims to represent China. The "One-China" policy implies that states that seek diplomatic relations with the PRC cannot simultaneously have diplomatic relations with the ROC. They must be broken off before full diplomatic relations can be initiated with the PRC. For example, the US acknowledged the "One-China" principle in 1972 and broke off diplomatic relations with the ROC in 1979 in order to establish diplomatic relations with the PRC, thus enacting the "One-China" policy.

Although the strategy papers of 2003 are meant as tokens of the mutual interests and desire of the EU and China to forge a lasting relationship, they also highlight the existence of conceptual differences in terms of their respective perspectives on the international system, the diffusion of norms, and the acceptable degree of intrusiveness in an engagement among partners. Also important in China's strategy paper on the EU are the requests directed to the EU that it lifts the arms embargo of 1989 and acquiesces to China's wish to be recognized as a market economy. These demands, although appearing quite straightforward at a first glance, are surrounded by a high degree of sensitivity and a number of strategic considerations (see below). The lifting of the arms embargo was seriously considered by the EU in 2003–2005 but the process came to an abrupt end in 2005 when the EU refrained from lifting the ban after intense American pressure. This incident demonstrated to the Chinese that the EU was less independent than it had initially been perceived by the Chinese and therefore less valuable as a strategic partner, at least in the sense of constituting a counterbalance to the dominance of the US in an international system based on multipolarity. It also proved to the Chinese that the EU's bilateral relation with the US was of a primary nature compared to that with China, which was of a secondary importance despite the fact that the EU had taken the initiative to forge a strategic partnership with China and that no such partnership exists between the US and the EU. The debacle surrounding the repeal of the arms export ban spelt the beginning of a contentious period in EU–China relations, soon followed by the controversies in connection with the Olympic Games in Beijing in 2008, and national leaders' meetings with the Dalai Lama in 2008–2009. In particular, the French president Nicholas Sarkozy's meeting with the Tibetan spiritual leader in December 2008 while holding the presidency of the EU upset the Chinese leadership and caused it to cancel the EU–China summit in November 2008.

So when the financial and economic crisis hit Europe in the autumn of 2008, EU–China relations were at an all-time low. The rosy years of the beginning of the decade had been turned into mutual recriminations and dashed expectations of what the strategic partnership could and should deliver. For the EU, the Chinese rebuttal of the ambitious stance of the EU in the international climate negotiations in Copenhagen 2009 marked another disappointment. Also, the lack of progress in the negotiations launched in 2007 on a new partnership and cooperation agreement did not bode well for future relations. The lack of progress on economic and trade matters with China was intensely frustrating for the EU, which for a number of years had experienced a widening trade deficit with China. In the wake of the economic crisis in 2008, relations had become increasingly difficult to sustain and gave rise to increasingly strident calls for protectionist measures.

2.4 The strategic partnership in the wake of the economic and financial crisis

The implications of the economic and financial crisis and the ensuing sovereign debt crisis for the international standing of the EU are severe. The crisis, which was global in reach, hit hardest those countries whose national financial systems were the most exposed to the international financial markets and whose economic competitiveness was faltering. For the EU, the inbuilt asymmetry of the Economic and Monetary Union (EMU) and the constraints imposed by the single currency meant that it was particularly vulnerable to the shocks emanating from the financial markets. At the height of the sovereign debt crisis, the eurozone was in desperate need of international financial investors to buy sovereign bonds and underwrite the loans taken on the international financial market to finance the rescue packages to Greece, Ireland, Spain and Portugal and others. Today, in the aftermath of the crisis, the EU needs economic growth in order to improve the precarious social situation in a number of eurozone economies. In both these respects, China has turned out to be an important partner for the EU and a new basis for their relationship is being shaped as a result. In some ways the tables have been turned in that the EU now seems to need China more than China needs it, although on the diplomatic level, good relations with the EU is still very important for China and the European market retains its attractiveness in terms of trade and direct investment opportunities. Despite the financial and economic crisis, China's economic growth has continued unabatedly, although in the summer of 2015 the Chinese economy went through some major corrections due to its adjustment from an export-oriented economy to one more oriented towards internal consumption.[24] Its rise as a predominant global player in economic terms was confirmed in 2011 when it overtook Japan to become the world's second largest economy after the US. In 2014, the share of US GDP expressed in purchasing power parity (PPP) was 16% of the world's total on a par with China. The International Monetary Fund (IMF) estimations for 2020 indicate that the US share of global GDP will have dropped to 15% while China's share will have increased to almost 19%. However, the economic strength of the US compared to China in relation to the size of the population gives a very different picture, as in 2014 the US GDP per capita stood at almost 53,000 US$ and was predicted to rise to over 67,000 in 2020, while China's GDP per capita stood at 7,500 US$ in 2014 and was predicted to rise to 11,500 US$ in 2020.[25]

However, it is not only the weight of the Chinese economy that is putting its mark on the international system, since China is confirming its standing as an international actor in diplomatic terms by taking an increasingly active

[24] Paul Hodges and Daniel de Blocq van Scheltinga, "China's collapsing stock market underlines need for New Normal reforms," *The Financial Times*, 27 July 2015.

[25] The data, including predictions, are derived from the IMF online resources. All data quoted in current prices. http://www.imf.org/external/pubs/ft/weo/2015/01/weodata/index.aspx. Retrieved 28 May 2015.

part in a number of international crises and protracted security challenges. In international crises where China has taken a reluctant or opposing stance, such as on Syria or the United Nations Framework Convention on Climate Change (UNFCCC) negotiations in Copenhagen 2009, its sheer size and diplomatic clout have turned it into an international player whose views cannot be ignored.

The changing relations in relative power of the EU and China have affected the relationship in various ways, and in the process put it on a more realistic footing.[26] The EU–China summit in Nanjing in 2009 marked a low point in their relations. In the joint communiqué of November 2009, the EU stated its support for "China's peaceful development and respect for China's sovereignty and territorial integrity" and reaffirmed its "commitment to the one-China policy."[27] Since then, relations have gradually improved and in November 2013 China and the EU agreed on the *2020 Strategic Agenda for Cooperation* (see below).[28] The document highlights the intensification of the partnership in a number of areas, such as trade and investment, scientific progress and innovation, agricultural and rural development, urbanization, climate change and environmental protection. It has also been expanded to new areas, such as international security, regional development and stability in Africa, and nuclear safety. The partnership is underpinned by a dense network of bilateral consultations, as well as regular talks on the margins of summits of regional and international organizations. The partnership has become more clearly structured around a number of high-level dialogues (human rights, strategic matters and security, economic matters and trade, and people-to-people exchange) and a number of sectoral dialogues (22) which address questions of common concern within each respective area of cooperation, ranging from competition policy, intellectual property rights and civil aviation to education, food safety, employment and social affairs.

In parallel to the strengthening of the dialogue on the political and civil servant levels, the tone of engagement has shifted. The EU's insistence on human rights has been toned down quite considerably and its promotion of internal democracy in China has disappeared from official declarations.[29] The EU–China human rights dialogue is still considered a valuable forum for exchange and is set to continue on the basis of equality and mutual respect.[30] Indicative of the

[26] Nele Noesselt (2012) "Chinese Perspectives on International Power Shifts and Sino–EU Relations (2008–2011)", GIGA Working Paper 193, GIGA Hamburg; Thomas Renard and Sven Biscop (eds) (2012) *The European Union and Emerging Powers in the 21st Century: How Europe can Shape a New Global Order*. Farnham: Ashgate; Zhimin Chen (2012) "Europe as a global player: A view from China's perspective," *Review of International Affairs*, Vol. 20(2), pp. 7–30.

[27] Council of the EU (2009) *Joint Statement of the 12th EU–China Summit*, Nanjing, 30 September. 16845/09 (Presse 353).

[28] European Union and China (2013) *EU–China 2020 Strategic Agenda for Cooperation*. http://eeas.europa.eu/china/docs/20131123_agenda_2020__en.pdf. Retrieved 28 May 2015.

[29] Herman Van Rompuy (2013) *Remarks by the President of the European Council, Herman Van Rompuy Following the 16th EU–China Summit*, EUCO 241/13, Presse 495.

[30] *EU–China 2020 Strategic Agenda for Cooperation*.

changing framework of interaction, the then president of the European Council, Van Rompuy, stressed the partnership's importance on a global level along with the interdependent quality of EU–China relations, in particular in terms of economic growth and financial stability in the eurozone.[31]

To capitalize on improved relations, China updated its strategy paper on the EU in 2014. The paper designates the EU as an important strategic partner in China's efforts to "pursue peaceful development and multi-polarity" and a key partner for achieving "industrialization, urbanization, IT application and agricultural modernization." The partnership with the EU is seen as an "integral part of China's efforts to build long-term, steady and healthy relations with major powers and a priority in its foreign policy." However, despite the encouraging statements on the EU and mutual cooperation, China makes amply clear in the strategy paper what it expects of the EU if the latter wishes to maintain good relations with China. Above all China expects that the EU shows respect for the "One-China" policy and adheres to these principles in contacts with Taiwanese people and in regard to Taiwanese authorities. It also demands that the EU and its member states abide by the "One country, two systems" policy in regard to Hong Kong and Macau, and "handle Tibet-related issues on the basis of the principle of respecting China's sovereignty, independence and territorial integrity and non-interference in China's internal affairs."[32]

During the past 20 years, EU–China relations have gone through highs and lows. Two aspects stand out as significant. The first is that the relations have survived (and recently appear to be thriving again) between such different parties. This is remarkable given their dissimilar constitutions, contrasting worldviews and unequal power capabilities. The second is the remarkable shift of relative power and standing of the EU and China. Initially, the EU adopted a quite condescending attitude towards China, offering lessons and pointing out weaknesses in China's modernization effort. Particularly irksome for China was the EU's insistence on the link between democracy and political rights and freedoms on the one hand, and sustainable development on the other. Today, however, it is China that offers the EU support to handle the fallout of the sovereign debt crisis and provides a rare endorsement of European integration and the EU's standing as a global player. Paradoxically, the EU–China relations appear to have taken a more strategic turn in the last five years as political consultations on international security issues have intensified and cooperation on issues such as Iran's nuclear capabilities or piracy on the waters off Africa's Horn has met with some success. Whether the new-found realism is due to the

---

[31] Herman Van Rompuy, (2012) *Remarks by Herman Van Rompuy, President of the European Council Following the 14th EU–China Summit*, EUCO 27/12, Presse 49.

[32] Ministry of Foreign Affairs of the People's Republic of China (2014*). China's Policy Paper on the EU: Deepen the China–EU Comprehensive Strategic Partnership for Mutual Benefit and Win–win Cooperation*. No page numbering. http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1143406.shtml. Retrieved 12 November 2014.

EU's greater propensity to play by the rules set by China or whether the two have learnt to understand each other better and therefore adjusted the expectations they hold towards each other is too early to say. In order to draw conclusions to this effect, the considerable conceptual differences between the EU and China will be analyzed in the following chapters. However, before moving on to the deep-seated conceptual differences influencing EU–China relations, we will briefly review some long-standing issues that mark the partnership and continue to mar EU–China relations.

2.5 Stumbling blocks in the EU–China strategic partnership

Any observer of EU–China relations will notice that beyond heated trade disputes and recriminations of interference in internal politics, a few issues stand out as symbols of unresolved areas of disagreement, unfulfilled expectations and impediments to further progress. These issues can be seen in some ways as litmus tests for how deep-seated differences could be overcome and are therefore linked to the conceptual differences further explored in the following chapters. But as these issues are recurring and closely linked to the political agenda, they are important features in themselves and affect the day-to-day management of diplomatic relations in the EU–China partnership.

The EU's arms embargo. Ever since the resumptions of EU–China relations in the first half of the 1990s, China has asked the EU to repeal the arms embargo of 1989. The embargo was enforced as a sanction against China in the wake of the Tiananmen Square protest. However, as the EC had no formal competence in the area of security at the time, the embargo is of a political nature. It was passed in the form of a declaration of the European Council and is therefore different from the arms bans that the EU has enacted, for instance, against Iran and North Korea.[33] Were the EU to lift the ban, it would nevertheless require the consent of all the member states, including those who were not members at the time.[34] Also, because the ban was adopted in the form of a political declaration it does not specify what weapons and weapons systems are included, whether it also covers so-called dual-use goods or not and how it is to be enforced. As a consequence, EU member states interpret and enforce the embargo in quite dissimilar ways, which explains why it has failed to prevent quite extensive export of -nonlethal weapons and dual-use goods to China, chiefly from France, Germany and the UK.[35]

At the European Council summit in Brussels in December 2003, EU leaders agreed to a proposal put forward by President Chirac and Chancellor Schröder

---

[33] Jerker Hellström (2009) *EU:s vapenembargo mot Kina ur ett svenskt perspektiv*, rapport nr. 2852, FOI, Stockholm.

[34] Sweden, not a member of the EU in 1989, has a unilateral ban of arms and armament equipment to China.

[35] Sonika Gupta (2013) "EU weapons embargo and current Chinese foreign policy," *Strategic Analysis*, Vol. 37(5), pp. 581–595.

to investigate the possibility of lifting the ban. A number of arguments in favor of a lifting were put forward.[36] First, a number of positive developments in China were noted. Among these, China's economic and social modernization along with promising internal political reforms and steps towards improved human rights were pointed out, along with China's more constructive engagement in East Asia and ascendance as a power in the region. Moreover, it was widely felt that the arms embargo, which put China in the same category as Sudan, Zimbabwe and North Korea, was inconsistent with the EU's stated aim of forging a strategic partnership with China. Lifting the ban would therefore remove a considerable stumbling block on the road towards a genuine strategic partnership. Secondly, it was well-known at the time that the arms embargo was largely ineffectual in preventing arms export to China because of the varying interpretations of what it really entails in terms of enforcement on the ground. A more effective instrument to prevent the export of strategic dual-goods or lethal weaponry exists in the form of the legally enforceable Council regulation of 2000 and the EU's Code of Conduct on Arms Export of 1998, which could be upgraded and enforced for this purpose.

Along these lines, EU proceeded with an internal review of the arms export ban. Towards the end of 2004, an agreement among the member states in favor of lifting the arms ban seemed to be in reach. The EU member states were in agreement that the lifting of the ban would be conditional on China moving forward in the area of human rights by ratifying the UN Covenant on Civic and Political Rights, releasing activists who had been held prisoners since the Tiananmen Square protest and reforming the system of re-education through labour (*laojiao*[37]). In parallel, the EU would reinforce its Code of Conduct of Arms Export of 1998 and introduce a "toolbox" to further fortify these measures.[38] These measures allowed the EU member states to announce that the arms embargo was to be lifted in 2005 – a decision which also included the reticent member states, Denmark, Sweden and the Netherlands.

A few months later, however, the EU had to go back on its promise due to intense diplomatic pressure from the US, which argued that a potential rise in European arms export to China would destabilize the delicate strategic situation in the East China Sea. This caused embarrassment to the EU and angered the Chinese. Another factor weighing in on the EU's decision not to repeal the ban was China's ratification of the anti-secessionist law in March 2005, which enables China to resort to nonpeaceful means to counteract the Taiwanese independence movement in the event of a unilateral declaration of independence, as it was considered to heighten cross-Strait tensions considerably. However, there is no

[36] Casarini. *The Evolution of EU-China Relationship: From Constructive Engagement to Strategic Partnership*, pp. 31–32.

[37] China announced in November 2013 its intention to abolish the system.

[38] Hellström. *EU:s vapenembargo mot Kina ur ett svenskt perspektiv*, pp. 17 and 20.

doubt that the American pressure weighed heavily on the member states' change of mind.[39]

Since the abandonment of the plan to lift the arms embargo against China, the EU has only rarely addressed the issue in official contexts. In December 2006, The EU foreign ministers[40] reaffirmed their willingness to carry the work on lifting the arms embargo forward within the framework outlined in the Commission's communication on EU–China relations in 2006, which links the lifting of the ban to progress on human rights, cross-Strait relations (between China and Taiwan) and an improvement in the transparency of Chinese military spending.[41] For China, the EU's arms embargo constitutes a reminder of the past when China was considered a lesser state and therefore carries symbolic weight of considerable importance. At the 2012 EU–China summit, Premier Wen Jiabao stated publicly that he deeply regretted that the issue of the arms embargo had not yet been resolved.[42] In the updated strategy paper of 2014, China simply notes that "(T)he EU should lift its arms embargo on China at an early date."[43]

The EU's arms embargo and the debacle of 2003–2005 concerning the failed attempt to abolish it has had quite a considerable impact on China's view of the EU. Not only did it underscore the importance that most EU member states attached to American concerns about lifting the arms ban as it would risk undermining the strategic balance in the East China Sea, but also, by inference, the overriding importance they conferred to EU–US relations. Moreover, it also demonstrated the lack of cohesiveness and resolve of EU member states to agree to an autonomous position of strategic importance.

The market economy status. In a similar, but somewhat less charged, fashion the EU's refusal to grant China market economy status constitutes a sticking point in the relations. The issue originates from the rules applied by the US Tariff Act of 1930 in regard to countries whose economic regimes are considered lying somewhere between command economies and full market economies and which therefore necessitate special measures in order to calculate the true costs of goods originating from these countries. The US rules were subsequently adopted by other WTO members' antidumping regulations, including the EU,

---

[39] Zhimin Chen (2006) "Oumeng de Youxian Zhsnlue Xingwei Zhuti Texing yu Zhongou Zhsnlur Huoban Guanxi: Yi Jiechu Duihua Junshou Jinling Weili," ("The impact of the EU's limited strategic behaviour on EU–China relations: The case of the arms embargo",) *Guoji Guancha* (*International Review*), Vol. 5, pp. 1–10.

[40] Council of the EU (2006) *Minutes from General Affairs and External Relations*, Brussels 11–12 December. 16291/06 (Presse 353).

[41] European Commission (2006) *EU–China: Closer Partners, Growing Responsibilities*, COM (2006) 631 final.

[42] BBC (2012) "China Premier Wen Jiabao urges end to EU arms embargo." http://www.bbc.com/news/world-asia-19657940. Retrieved 14 November 2014.

[43] Ministry of Foreign Affairs of the People's Republic of China. *China's Policy Paper on the EU: Deepen the China–EU Comprehensive Strategic Partnership for Mutual Benefit and Win–win Cooperation.*

and became part of the Western-inspired international trading regime. In its accession agreement to the WTO, China agreed to be considered a non-market economy until the end of 2015, a concession that has a direct impact on the terms for settling cases of antidumping in the WTO. [44] China maintains that once the specific clause in the agreement concerning the method to investigate antidumping cases expires, the country should automatically be considered a market economy by the WTO. The EU refutes this automaticity and refers instead to the rules of the EU trade protection regime.

The granting of market economy status, therefore, hides a number of very sensitive issues linked to the existence of reciprocal conditions for trade and investment in China and the EU, the existence of which the former Commissioner for Trade, Karel de Gucht, referred to as a necessity so that European companies will be "able to operate on a more level playing field" in China.[45] Linked to the ability of the EU to remedy what are considered breaches of WTO rules by China, the market economy status issue is closely linked to the acrimonious trade disputes between the EU and China.

The EU's trade protection legislation framework distinguishes between countries that are considered market economies and those whose economies are strongly influenced by the state, and consequently grants the Commission specific powers to use the EU's trade defence instruments in relation to countries in the latter category. The decision to grant a country the status of a market economy is based on the fulfillment of specific criteria laid down in EU law, which include the state's involvement in setting market conditions, the existence and enforcement of effective regulatory frameworks, including accounting standards, and the extent to which firms convert the national currency at market rates.

Hitherto, the Commission has taken a rather strict view on the conditions of foreign (European) firms to operate on the Chinese market and the influence of Chinese authorities on central, regional or local levels on market conditions. As China has moved up the value-added chain, the competition for advanced technologies and high-value brands has intensified. However, because European companies operating in China continue to report substantial problems with erratic regulatory environments and discretionary enforcement of regulation, along with the long-standing complaints of weak enforcement of intellectual property (IP) and trademark regulation, the EU has been unwilling to settle the issue of granting market economy status to China.

---

[44] Jinshan Li (2007) "Market economy status." In Crossick and Reuter (eds.) *China–EU. A Common Future,* Singapore, World Scientific Publishing, pp. 171–177.

[45] Karel de Gucht (2014) *Implementing Change: EU–China Relations after the Third Plenum*, Speech, 10 October 2014. http://europa.eu/rapid/press-release_SPEECH-14-682_en.htm. Retrieved 28 May 2015.

On the diplomatic level, the refusal of the EU to grant China market economy status is perceived by China as a discriminatory and unjust policy, in particular as the EU has granted market economy status to Russia and other postcommunist countries in Eastern Europe. Because of recurring antidumping cases, problems encountered by European businesses operating in China and the slow progress in the negotiations on a new comprehensive trade agreement launched in 2007, it is unlikely that the EU will grant China market economy status before it is satisfied that China fulfills the obligations taken within the WTO framework.

The human rights dialogue. The twice-yearly dialogue on human rights has been going on since 1995 on an almost continuous basis. The dialogue was the first of the thematic dialogues to be set up between the EU and China and occupies a specific function in the partnership. For the EU, the dialogue fulfills an important role in its efforts to make human rights a cornerstone of European foreign policy and in structured relations with third countries. The EU has therefore preserved an important place for the dialogue on human rights despite disappointment with the progress on the ground. Also, the European Parliament has voiced concern over the fact that the dialogue has not brought much improvement in China in terms of the respect for human rights and political freedoms, and has passed a number of resolutions on well-known cases of human rights abuses, often in the framework of its yearly report on human rights in the world.[46]

Scholars have highlighted the obvious conceptual differences that exist in the EU and China on the question of human rights.[47] These are further explored in a later section of this report. What should be noted here is the function that the dialogue fulfills for the EU and China respectively and its place in the larger framework of the EU–China partnership. From this perspective, it is easy to ascertain that the dialogue is more important for the EU than for China in diplomatic terms. Because of the expectations that the normative actor status places on the EU, it would have been inconceivable for the EU not to put a human rights dialogue in place with China. For China, the dialogue is understood in a larger diplomatic setting and is acceptable as long as it remains confined to a restrained circle of experts and diplomats. Also, China sees no direct link between diplomatic dialogue and changes on the ground as internal reforms are regarded as a purely Chinese concern. The dialogue has therefore generated some frustration and thwarted expectations on the EU side as a realization gradually set in that the socialization of China into Western norms will only happen on

[46] See for instance, European Parliament (2015). *Annual Report on Human Rights and Democracy in the World, 2013*. http://www.europarl.europa.eu/EPRS/EPRS-AaG-551314-Annual-report-Human-Rights-Democracy-2013-FINAL.pdf. Retrieved 28 May 2015.

[47] Duncan Freeman and Gustaaf Geeraerts (2012) "Europe, China and expectations for human rights." In Pan (ed.) *Conceptual Gaps in China–EU Relations. Global Governance, Human Rights and Strategic Partnership*, Houndmills, Palgrave Macmillan, pp. 98–112; Chi Zhang (2012) "The conceptual gap in human rights in Europe–China relations." In Zhongqi Pan (ed.) *Conceptual Gaps in China–EU Relations. Global Governance, Human Rights and Strategic Partnership*, Houndmills, Palgrave Macmillan, pp. 83–97.

the basis of a Chinese understanding of these norms, and that China will always learn according to its own mind and with its own interests at heart.[48]

Nonetheless, the EU–China human rights dialogue constitutes an important dimension of the EU's strategy of active engagement with China. However, since the EU's first policy paper on China in 1995, the EU's diplomatic rhetoric on the human rights situation has changed quite substantially, and if considered an indication of the policy orientation of the EU on human rights, it has been transformed from depicting the EU as a change agent to a more passive stance simply noting a lack of improvement in China. For instance, in 1998, the Commission stated bluntly that "China is still far from meeting internationally accepted standards on human rights" and suggested that "if Europe wishes to have a role in this process [of creating an open society based on the rule of law] it should ...use all available channels to promote the cause of human rights in China."[49] In 2003, the Commission asserted that "Europe has a major political and economic stake in supporting China's successful transition to a stable, prosperous and open country that fully embraces democracy, free market principle and the rule of law."[50] Whereas the strategy paper of 2006, which coincided with a cooling down of the euphoric "honeymoon" period, argued that given that "progress on the ground" towards a more open society based on basic rights and freedoms has been limited, the EU "must …[continue] making the case that better protection of human rights, a more open society, and more accountable government would be beneficial to China."[51] Since the low point of EU–China relations in 2008, the EU has not adopted any unilateral strategy paper on China. The joint EU–China *2020 Strategic Agenda for Cooperation* of November 2013 laid down the basis of the EU–China human rights dialogue in terms of "[(D)eepening] exchanges of human rights at the bilateral and international level on the basis of equality and mutual respect."[52] The joint communiqué from President Xi's landmark visit to Brussels in 2014 simply states that both sides "reaffirmed the importance of the promotion and protection of human rights" and agreed to "deepen exchanges on human rights at the bilateral and international level on the basis of equality and mutual respect," which clearly indicates a more passive stance on behalf of the EU.[53]

---

[48] Chengxin Pan (2012) "Problematizing 'constructive engagement' in EU–China policy." In Ronald Vogt (ed.) *Europe and China. Strategic Partners or Rivals?* Hong Kong, Hong Kong University Press, pp. 37–57.

[49] European Commission. *Building a Comprehensive Partnership with China*, p. 9.

[50] European Commission (2003) *A Maturing Partnership – Shared Interests and Challenges in EU–China Relations*. p. 3.

[51] European Commission (2006) *EU–China: Closer Partners, Growing Responsibilities*, COM (2006) 631 final, p. 4.

[52] *EU–China 2020 Strategic Agenda for Cooperation*, p. 4.

[53] Council of the EU (2014) *Joint Statement: Deepening the EU-China Comprehensive Strategic Partnership for Mutual Benefit*, Brussels 21 March 2014.

The shift in the EU's engagement with China on human rights from a unilateral probing to a mutual undertaking, albeit on terms set by China, lies close to the wording of China's strategy paper on the EU of 2014, in which China affirms its readiness "to continue the human rights dialogue with the EU based on the principles of mutual respect and non-interference in internal affairs" and asks the EU to "attach equal importance to all forms of human rights, including civil, political, economic, social and cultural rights and the right to development, view China's human rights situation in an objective and fair manner, stop using individual cases to interfere in China's judicial sovereignty and internal affairs."[54] This statement lies close to China's long-standing assertion that the improvement in material well-being constitutes a human right that must be fulfilled before other forms of human rights can be considered, and that interference in China's internal affairs will not be tolerated.

The EU's internal lack of cohesiveness. Numerous commentators have complained about the EU's lack of cohesiveness in dealing with China as a source of major impediment to forwarding European interests in the EU–China partnership.[55] Also, the European Parliament has noted the EU member states' reluctance to allow the European External Action Service (EEAS) to coordinate common standpoints vis-à-vis Beijing and their tendency to allow national interests to take precedence over shared European interest. The parliament notes, therefore, in its resolution on EU–China relations from March 2013, that it "expects Member States to give… [the EU] delegation in Beijing a clear mandate to strengthen the EU–China Strategic Partnership by speaking with one voice to the Chinese Government, and to refrain from implementing bilateral foreign policy initiatives that may jeopardize the efforts being made by the EEAS."[56]

Although it is not the object of research in this report, the disunity with which the EU member states approach the shaping of a truly common policy toward China is seen by European commentators as "the biggest obstacle to an improved EU–China policy."[57] From the perspective of this report, which builds on an analysis of the conceptual differences between the EU and China, it appears crucial that wide circles of the European political elite share a deeper understanding

---

[54] Ministry of Foreign Affairs of the People's Republic of China. *China's Policy Paper on the EU: Deepen the China–EU Comprehensive Strategic Partnership for Mutual Benefit and Win-win Cooperation*, para. 8.

[55] John Fox and François Godement (2009) *A Power Audit of EU–China Relations*, London, The European Council of Foreign Relations, pp. 1–115; Casarini. *The Evolution of EU–China Relationship: From Constructive Engagement to Strategic Partnership;* Charles Grant and Katinka Barysch (2008) *Can Europe and China Shape a New World Order?* London, Centre for European Reform; Jonathan Holslag (2011) "The Elusive Axis: Assessing the EU–China Strategic Partnership," *Journal of Common Market Studies*, Vol. 49(2), 293–313; Sophie Meunier (2014) "Divide and conquer? China and the cacophony of foreign investment rules in the EU," *Journal of European Public Policy*, Vol. 21(7), pp. 996–1016.

[56] European Parliament (2013) EU–China Relations, Resolution of 14 March 2013 on EU–China Relations (2012/2137(INI)), P7_TA(2013)0097), para. 2.

[57] Fox and Godement (2009). *A Power Audit of EU–China Relations*, p. 21.

of the EU–China relations and the confines of future cooperation. Likewise it is important for Chinese foreign policy elite to understand the deep-seated differences of view on China's rise among national elites in EU member states. However, judging from European experts' comments, Chinese diplomats are well aware of these differences and are dexterous in exploiting them in the fray of difficult negotiations, particularly over antidumping measures and trade.[58] The strengthening of the EU's diplomatic capacity through the setting-up of the EEAS), which now handles relations with China, and an end to the system of the rotating presidency in external relations, may reduce member states' propensity to lean on EU institutions to adopt a more conciliatory stance towards China for their own gain, which could be observed for instance in the antidumping case on solar panels brought by the Commission against China, which was eventually dropped because of strong pressure by the member states led by Germany.[59]

[58] Fox and Godement (2009). *A Power Audit of EU–China Relations*, p. 8.

[59] Joshua Chaffin (2013) "EU commissioner has been outmanoeuvred by China, exposing deep weaknesses in the bloc's trade policy," *The Financial Times*, 30 June.

3 China, Europe and Normative Preferences on Sovereignty and Human Rights

Sovereignty and human rights are norms originating from Europe, enshrined in the United Nations Charter, and to which most states in the world have been socialized, including China. The interpretations of those two norms, however, vary from one state to another, between national governments and the people, and from one period of time to another. As the renowned legal scholar Lassa Oppenheim wrote a century ago "there exists perhaps no conception the meaning of which is more controversial than that of sovereignty. It is an indisputable fact that this conception, from the moment when it was introduced into political science until the present day, has never had a meaning which was universally agreed upon."[60] His comments still hold today, and are true not only for sovereignty, but also for human rights. Today, China and Europe share little in terms of their understanding of these two norms.[61]

Even so, their antagonistic approaches to sovereignty and human rights have not prevented the construction of a strategic partnership between China and Europe, although they have been the source for misunderstandings and tension. The normative gap notwithstanding, China and Europe have managed not to let their bilateral relationship grind to a halt through divergent understandings, chiefly because there is no direct strategic interest in conflict between the two. Despite political tensions flaring up periodically, close economic interdependence buttresses the strategic rapprochement between China and the EU to the point that even the norms of sovereignty and human rights become building blocks in China's and Europe's mutual engagement in their strategic partnership.

Given the importance that Europe attaches to promoting human rights and democracy, the absence of conflicting strategic interests alone cannot explain why Europe accepts China as one of its strategic partners. To answer this puzzle, this chapter explores the following questions: How big is the gap between Chinese and European understanding of the norms of sovereignty and human rights? Where do China and Europe stand on the sovereignty–human rights continuum? When is it possible for China and Europe to develop a common

[60] Lassa Oppenheim (1905) *International Law: A Treatise*, New York: Longmans Green & Co., p. 103.

[61] Jing Men (July 2011 "Between human rights and sovereignty: an examination of EU–China political relations," *European Law Journal*, Vol. 17 (4), pp. 534–550.

stance on sovereignty and human rights issues, and when is it impossible? And when and why are China and Europe flexible on normative issues at certain times, but not at others?

3.1 How do Chinese and Europeans see sovereignty?

China is more sovereign-minded than Europe. While, historically, sovereignty as a norm is what the Europeans invented and the Chinese were forced to accept, today it is what the Europeans try to bury and what the Chinese hold dear.[62] They disagree not only on whether sovereignty is still as relevant as it used to be, but also on what sovereignty implies for nation-states and their interactions in today's world. Whereas the Europeans have made efforts to redefine the concept of sovereignty according to their unique experience of regional integration, China sticks to the original meaning of the norm mainly because of its concerns about national sovereignty. A conceptual gap on sovereignty thus exists between China and Europe.

In European political discourses, the significance of sovereignty has varied over time and across countries. It is widely acknowledged that the Europeans were the first to conceptualize and codify sovereignty as a general norm to regulate relations among nations.[63] While major European powers by and large abided by the principle on their continent for much of the nineteenth century, they did not, however, do the same abroad. European states extended the competition among states to the outside world by colonial expansion in Africa, America, and Asia. Therefore the principle of sovereignty did not apply to their colonies: on the contrary, a ruthless violation of non-European countries' sovereignty was the norm. This was not without consequences. With the rest of the world having been almost entirely divided up, the aggressive competition among European countries returned to Europe, resulting in two world wars in the first half of the twentieth century. The devastation of these wars led to a profound questioning of the principle of sovereignty and it was the Europeans themselves who first came to compromise the principle of sovereignty in practice. This changing paradigm was then used by Europe's colonies as a weapon to fight against and overturn European colonialism. Most developing countries including China gained independence under the auspice of the principle of sovereignty and acquired sovereign status through membership of the United Nations. In the post-World War II period, European countries did not return to Westphalian sovereignty. Instead, they began to carve out a new way, which eventually paved the way

---

[62] The main ideas of this part have been originally published in Zhongqi Pan (2010) "Managing the conceptual gap on sovereignty in China–EU relations," *Asia Europe Journal*, Vol. 8 (2), pp. 227-43. See also, Zhongqi Pan (ed.) *Conceptual Gaps in China–EU Relations: Global Governance, Human Rights and Strategic Partnerships*, Basingstoke, U.K., Palgrave Macmillan, 2012.

[63] Hans Morgenthau (1985) *Politics among Nations: The Struggle for Power and Peace*, 6th ed., revised and edited by Kenneth W. Thompson, New York ,McGraw-Hill, , p. 294; for challenges to his argument, see, Andreas Osiander (Spring 2001) "Sovereignty, international relations, and the Westphalian myth," *International Organization*, Vol. 55. (2), pp. 25l–287.

to European integration. In the process, Europeans began to reconceptualize sovereignty,[64] and some even proposed to bury this norm all together.

Those who seek a redefinition of the concept of sovereignty along with those who claim it has become obsolete share the view that sovereignty has lost its significance because it is neither conducive to European integration nor productive in managing international relations. For instance, in 1998, the then NATO Secretary General Javier Solana argued that "the principle of sovereignty… produced the basis for rivalry, not community of states; exclusion, not integration."[65] Also, national politicians have expressed the same ideas; for instance the statement by German Chancellor, Gerhard Schröder, who declared just after the launch of the single currency in 1999 that "the introduction of the euro is probably the most important integrating step since the beginning of the unification process. … This will require us to finally bury some erroneous ideas of national sovereignty."[66] And in 2000, the then German Foreign Minister, Joschka Fischer, suggested that the notion of sovereignty had been rejected by European countries through the transfer of sovereign rights to supranational European institutions.[67] Scholars have also questioned the relevance of sovereignty in a broader sense. For example, renowned legal scholar Neil MacCormick argues that Europe is entering a "post-sovereign" era, where sovereignty as such is outdated – a view he illustrates graphically by arguing that sovereignty is "like virginity, something that can be lost by one without another's gaining it."[68] Renowned Columbia Law School professor Louis Henkin simply recommends that "we might do well to relegate the term (sovereignty) to the shelf of history as a relic from an earlier era."[69] Although important voices still defend the principle of sovereignty by arguing its continuing relevance in international political, social, economic and even cultural terms,[70] others dispute this by arguing that sovereignty may in fact be linked to unilateralism, implying that a dominant power will attempt to impose its interests and political will onto other actors in the international system.[71] Skepticism about sovereignty as an ordering principle in international politics has led Europeans to favor multilateralism in international relations instead.

In China's political discourses, by contrast, the concept of sovereignty has been

---

[64] Jens Bartelson (2006) "The concept of sovereignty revisited," *The European Journal of International Law*, Vol. 17 (2), April, pp. 463–474.

[65] Javier Solana, "Securing Peace in Europe," speech on November 12, 1998.

[66] Gerhard Schröder, "New Foundations for European Integration," speech on January 19, 1999.

[67] Joschka Fischer, "From Confederacy to Federation – Thoughts on the Finality of European Integration," speech on May 12, 2000.

[68] Neil MacCormick (1999) *Questioning Sovereignty: Law, State, and Nation in the European Commonwealth*, Oxford, Oxford University Press, pp. 95, 126.

[69] Louis Henkin et al. (1993) *International Law: Cases and Materials* (3rd edition), St. Paul, MN, West Publishing Group, p. 16.

[70] For example, see, Wouter G. Werner and Jaap H. De Wilde, (2001) "The endurance of sovereignty," *European Journal of International Relations*, Vol. 7(3), September, pp. 283–313.

[71] Dana Radler (2004) "National sovereignty – A burden on the shoulders of European members?" *The Sphere of Politics*, Vol. 112, pp. 28–32.

a key notion for many decades and will continue to be so in the years to come. China's first encounter with the norm of sovereignty was in the nineteenth century when it was invaded by Western powers. After being defeated in the First and Second Opium Wars (1840–1842 and 1856–1860, respectively), China of the Qing dynasty was forced to sign unequal treaties, cede territories to invaders, and accept the extraterritoriality of foreigners within China's borders. The misery of the "loss of sovereignty" during the "century of humiliation" saw China turn from a victim to a seeker of its own sovereignty. Since the People's Republic of China was founded in 1949, the Chinese have spared no efforts to establish its sovereign status both internally and externally, albeit with mixed results. Still today, national unification has not yet been fully achieved, with Taiwan remaining a separate entity since 1949, and the People's Republic of China not being recognized as the rightful incarnation of China before 1971, when it was recognized as sovereign by a majority of states in the world and its membership was restored in the United Nations. Because of the experience of internal and external territorial insecurity, China still today places great emphasis on the principle of sovereignty.

Contrary to Europe, China asserts that the norm of sovereignty remains the guiding principle of international relations. As early as in the 1950s China articulated the "Five Principles of Peaceful Coexistence," which are

1. mutual respect for territorial integrity and sovereignty,
2. non-aggression,
3. noninterference in internal affairs,
4. equality and mutual benefit, and
5. peaceful coexistence.

Not only have these principles been accepted as the framework under which Chinese foreign policy is conducted, they have also been proclaimed as the guidelines upon which the international order should be renewed – an argument that has special appeal for the developing world.[72] This policy line has been followed by the Chinese leadership from Deng Xiaoping, to Jiang Zemin, Hu Jintao, and Xi Jinping. The "Five Principles of Peaceful Co-existence" were stressed by Deng in his famous speech to the UN assembly in April 1974 as an important doctrine for developing international political and economic relations,[73] and, after the end of the Cold War, China again promoted the development of a multipolar world on the basis of the same principles. Contrary to European ideas challenging the continued relevance of the principle of sovereignty, Jiang argued that "as long as there are boundaries between states,

[72] Zhongqi Pan (2008) "China's changing image of and engagement in world order." In Sujian Guo and Jean-Marc F. Blanchard (eds.) *Harmonious World and China's New Foreign Policy*, Lanham, Md., Rowman & Littlefield-Lexington, , pp. 39–63.

[73] Deng Xiaoping, speech as Chairman of the Delegation of the People's Republic of China at the Special Session of the UN General Assembly on April 10, 1974.

and people live in their respective countries, to maintain national independence and safeguard sovereignty will be the supreme interests of each government and people."[74] Hu reiterated that the "Five Principles of Peaceful Coexistence" can serve well as the political foundation for world peace and security.[75] Also, Xi has emphasized the continued relevance of the five principles and pledged that China will insist on the principle of noninterference and never impose its will on any other countries.[76] Despite the debate in academic circles over whether the sovereignty principle has become obsolete or not, Chinese officials have been steadfast in arguing for the positive role that the norm of sovereignty plays within international politics. China is committed to preserving the principle of sovereignty, regarding it as a tool that weak nations can employ to secure independence and equality within the international arena, and as a check on the expansion of hegemonic powers within the international system.

Consequently, Chinese views on sovereignty present a striking contrast to those held by the Europeans. From a traditional perspective, the Chinese see sovereignty in terms of an endowed right of a state to be independent externally and supreme internally. Furthermore, the Chinese insist that sovereignty is inseparable and nontransferable. Partial sovereignty is not possible, according to the Chinese interpretation. In the Chinese worldview, territorial integrity, noninterference, independence, and equality are the sovereign rights of a state and make up an integral whole. With regard to the experiment of European integration, some Chinese agree that the EU results from a voluntary intergovernmental transfer of sovereignty by its member states,[77] while many others disagree. Mainstream Chinese sovereignty scholars contend that what member states have given up to the EU is not their sovereignty but some of their governing power (authority or rights), a process which is not irreversible.[78] However, the debate over sovereignty in China is mainly limited to academic

---

[74] Jiang Zemin, Statement at the Millennium Summit of the United Nations, September 6, 2000.

[75] See, Jintao Hu, "Unite as One and Work for a Bright Future," speech at the General Debate of the 64th Session of the UN General Assembly, September 23, 2009.

[76] Jinping Xi, "Carry Forward the Five Principles of Peaceful Coexistence to Build a Better World through Win-win Cooperation," speech at the conference marking the 60th anniversary of "the Five Principles of Peaceful Coexistence," June 28, 2014.

[77] For example, Bingran Dai (2003) "Guanyu Zhuquan Wenti de Zaisikao," [Reflections on the sovereignty issue], *Ouzhou Yanjiu* [European Studies], No. 5, pp. 25–27.

[78] See among others, Bingran Dai (1998) "Ouzhou Yitihua zhong de Guojia Zhuquan Wenti," [The sovereignty issue in European integration], *Fudan Xuebao (Sheke Ban)* [Fudan Journal of the Humanities and Social Sciences], No. 1, pp. 39–41; Wenxiu Liu (2003) "Ouzhou Guojia Zhuquan Rangdu de Tedian Yingxiang ji Lilun Sikao," [The influences of the transfer of national sovereignty of the EU countries and a theoretical analysis], *Shijie jingji yu zhengzhi* [World Economics and Politics], No. 5, pp. 23–28; Junjian Xi (2005) "Ougongti Fa de Zhigao Wushang Xing Yuanze yu Chenyuanguo Zhuquan: Maodun, Hudong yu Pingheng," [The supremacy of EC law and sovereignty of member states in European integration], *Ouzhou Yanjiu* [European Studies], No. 4, pp. 79–100; Xia Lu (2002) "Cong Ouzhou Yitihua Kan Guojia Zhuquan Gainian," [The concept of national sovereignty from a European integration perspective], *Dangdai Shijie Shehuizhuyi Wenti* [Issues of Contemporary World Socialism], No. 3, pp. 85–88.

circles: Chinese officials almost unanimously dispute the transferability of national sovereignty, particularly when China's own sovereignty issues are under discussion. Deng emphasized that "China will never allow other countries to interfere in its internal affairs," and its national sovereignty must be exercised in an independent way.[79] When discussing the return of Hong Kong to China with the British prime minister, Margaret Thatcher, he asserted that "the sovereignty issue is not negotiable."[80]

For the Europeans, sovereignty is not a term with a fixed meaning. Rather it has been redefined in response to changing historical circumstances. Generally speaking, as the norm of human rights has risen in prominence, the Europeans have become more inclined to define the concept of sovereignty through the prism of human rights and the principle of "responsibility to protect" rather than as a state's right against external interference.[81] If Europe traditionally viewed the notion of sovereignty as the absolute right of the ruler to govern within a certain territory, sovereignty is nowadays regarded as the inescapable responsibility to govern in a certain manner.[82] The redefinition of sovereignty was greatly encouraged by the report "The Responsibility to Protect" by the International Commission on Intervention and State Sovereignty in 2001, which proposed that state sovereignty should be reconceived as a responsibility to protect and promote human rights.[83] From a European point of view, sovereignty requires the nation-state to protect the economic well-being, basic human rights, and physical security of its population. As some European scholars argue, "domestically, only a legitimate authority can be considered sovereign," and "the legitimacy of sovereignty has changed from sovereignty as control to sovereignty as responsibility."[84] The Europeans do not deny the rights of a state that sovereignty entitles, including territorial integrity, noninterference, independence, and equality, but rather favor the emphasis of the responsibility that follows from sovereignty, which makes sovereign rights contingent on sovereign responsibility and subjected to international scrutiny. In the context of European integration, the redefinition of sovereignty has gone one step further in that sovereignty has come to be seen as relative and transferable, and many Europeans assert that the EU is a result of voluntary sovereignty transfer by

---

[79] Deng, Xiaoping (1993) *Deng Xiaoping Wenxuan* [Selected Works of Deng Xiaoping] (Volume III), Beijing: Renmin Chubanshe [People Press], p. 359.

[80] Ibid., p. 12.

[81] See, Daniel Levy and Natan Sznaider (2006) "Sovereignty transformed: A sociology of human rights," *The British Journal of Sociology*, Vol. 57(4) pp. 657–676.

[82] Clarence Bills, "Europe and the changing notions of sovereignty," Paper presented at the annual meeting of the ISA's 49th Annual Convention, "Bridging Multiple Divides," Hilton San Francisco, San Francisco, CA, USA, March 2008, http://www.allacademic.com/meta/p254095_index.html.

[83] The International Commission on Intervention and State Sovereignty, *The Responsibility to Protect*, Ottawa, International Development Research Centre for ICISS, 2001.

[84] Hélène Gandois, "Sovereignty as responsibility: Theory and practice in Africa," Paper presented at the annual meeting of the ISA's 49th Annual Convention, "Bridging Multiple Divides" San Francisco, CA, March 2008. http://www.allacademic.com/meta/p250558_index.html.

its member states, giving rise to notions of "pooled," "shared," or "perforated" sovereignty. Irrespective of the controversy over whether the EU is already a sovereignty entity or whether the Common Foreign and Security Policy only "gives shape to an emergent EU sovereignty,"[85] the idea that sovereignty can be shared or divided at the transnational level underpins the European legal order. At the same time, however, conventional sovereignty has not been abandoned as the EU member states retain their legal personality as sovereign entities under international law[86] and therefore "national sovereignty is still, or is still perceived to be, an essential constraint on future European political integration."[87]

3.2 How do Chinese and Europeans see human rights?

Just as with sovereignty, human rights is a norm that was invented by the Europeans and accepted by the Chinese. But unlike sovereignty, human rights is what the Chinese are trying to reconceptualize according to their own experience while Europeans hold it dear and defend its original meaning. The conceptual gap on human rights between China and Europe is therefore even more striking than the one on sovereignty.

To promote the norm of human rights, the Europeans have endeavored to build institutions both at home and abroad. At home, in the Joint Declaration by the European Parliament, the Council and the Commission on Fundamental Rights of 1977, the European Communities pledged to attach importance to the protection of fundamental rights by upholding the principles and values of the European Convention on Human Rights, adopted by the Council of Europe in 1950. The Charter of Fundamental Rights of the European Union was constituted in 2000 and became legally binding after the ratification of the Lisbon Treaty in 2009. Abroad, the EU and its member states have joined most international conventions on human rights and proactively set up the International Criminal Court in accordance with the Rome Statute.[88]

In China, the principal ideas on human rights can be derived from Confucianism, which refers to a school of conventional Chinese values and worldviews developed in ancient China, before the arrival of the modern notion of human rights, which was imported from the West in the late nineteenth century. For

---

[85] For the debate, see, M Rainer Lepsius (2000) "The European Union as a sovereignty association of a special nature," *Harvard Jean Monnet Working Paper*, Vol. 7, pp. 3–4; Stephan Stetter (2004) "Cross-pillar politics: Functional unity and institutional fragmentation of EU foreign policies," *Journal of European Public Policy*, Vol. 11(4), August pp. 720–739; Zhimin Chen and Gustaaf Geeraerts, *Ouzhou Lianmeng Duiwai Zhengce Yitihua: Bukeneng de Shiming?* (2003) [Foreign Policy Integration in the European Union: Mission Impossible?], Beijing, Shishi Chubanshe [Shishi Publishing House].

[86] Werner and De Wilde, "The endurance of sovereignty."

[87] Nicole Gnesotto (2002) "European security and defence policy: A European view." In Nicole Gnesotto, Robert Kagan, and Victor Kremenyuk, *European Security and Defence Policy: Taking Stock*, Brussels: Center for European Policy Studies, ESF Working Paper No. 8, September p. 3.

[88] General Secretariat of the Council of the European Union, *European Union and the International Criminal Court*, Brussels, May 2010, p. 33.

quite a long time, the Chinese leadership saw the norm of human rights merely as an instrument of the West to intervene in China's domestic affairs. After the founding of the People's Republic of China in 1949, and still after the reform and opening-up policy was adopted in the late 1970s, the concept of human rights was not mentioned in any official documents of the government or the Communist Party, despite coinciding with a period when the Chinese people's human rights situation improved significantly. China's attitude towards human rights started to change in the 1990s. Its first white paper on human rights was published in 1991 by China's State Council Information Office. China then signed the main United Nations human rights covenants, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights, although the former has not yet been ratified by China's National People's Congress. In 2004, a human rights clause was inserted in the Constitution, marking the first time the word "human rights" appears in an important legal document in China. The Constitution Amendment is straightforward: "the state respects and safeguards human rights." In 2009, Beijing published its first comprehensive human rights action plan.[89]

Albeit the Chinese do not reject the Western norm of human rights out of hand, they put emphasis on different rights than the Europeans. Human rights may be categorized into civil and political rights on the one hand and economic and social rights on the other. When the Europeans speak of human rights, they usually refer to civil and political rights. But for the Chinese, human rights may simply mean economic and social rights. In the Charter of Fundamental Rights of the European Union, which covers civil and political rights as well as economic and social rights, civil and political rights are defined as "the fundamental rights." In China's first white paper on human rights, however, economic and social rights were given precedence over civil and political rights, arguing that "(i)t is a simple truth that, for any country or nation, the right to subsistence is the most important of all human rights, without which the other rights are out of the question."[90] China does not deny civil and political rights just as Europe does not deny economic and social rights. But their divergent preferences on different aspects of human rights produce misunderstandings even when they appear to be talking about the same human rights issue, using the same terms. China's standard argument is that human rights are dependent on economic development and list the improvement of the living standards of the Chinese people as progress in human rights. Even though the Europeans agree that economic development may be a precursor to people's demands for human

[89] Information Office of the aState Council of China, *National Human Rights Action Plan of China (2009–2010)*, April 2009.

[90] Information Office of the State Council of China, *Human Rights in China*, White Paper, November 1991.

rights in line with the modernization theory,[91] they do not perceive economic development itself as progress in human rights. Some even assert that greater respect for human rights is a necessary precondition for economic development, a view that directly contrasts with the Chinese perspective. The EU position is a rejection of "efforts to limit the enjoyment of one set of rights on the pretext that priority attention must be given to another."[92]

The Chinese are in dispute with the Europeans not only on which rights are fundamental to humans, but also on how human rights should be approached overall. China looks into the human rights issue from a collectivist and relativist perspective, while Europe sees it from an individualistic and universalist perspective.[93] The difference in worldviews can be explained by a historical perspective as the Chinese civilization has always had a strong collectivist tradition. For China, collectivism is a core value and the priority of human rights should be given to the collective, not the individual. The Chinese even believe that individual rights should be sacrificed for the sake of collective rights, for instance the right to subsistence and the right to development. The former president of China, Jiang Zemin, once noted that collective rights "are the most important and fundamental rights for China."[94] The Europeans, on the other hand, regard the individual as being at the center of all values. Whenever they talk about human rights, they explicitly or implicitly almost invariably refer to individual rights. For instance, most rights stipulated in the Charter of Fundamental Rights of the EU are individual rights. So-called collective rights are only applicable to specific groups of individuals, such as women, children, and ethnic minorities. The Chinese concept of collective rights is thus not a correct term to the Europeans, for whom collective human rights are merely the sum of individual human rights. Therefore, from a European perspective, individual human rights are not contradictory to collective human rights and the former have priority over the latter.

With regard to the influence of social and cultural diversity on human rights, the Chinese and European positions are also at variance. Europe insists that human rights are universal in nature and argue that "human rights are not foreign to any culture" and "regardless of different cultures, social background, state of

---

[91] See, Ronald Inglehart and Christian Welzel, *Modernization, Cultural Change, and Democracy: The Human Development Sequence*, Cambridge, Cambridge University Press, 2005; Ronald Inglehart and Christian Welzel (2009) "How development leads to democracy: What we know about modernization," *Foreign Affairs*, Vol. 88(2), March/April, pp. 33–48.

[92] European Communities. *European Union Annual Report on Human Rights 1999,* Luxembourg, 1999, p. 24.

[93] Zhang Chi, "The conceptual gap on human rights in China–Europe relations." In Zhongqi Pan, *Conceptual Gaps in China–EU Relations*, pp. 83–97.

[94] Jiang Zemin, "Speech at the Luncheon Hosted by US-China Association and Five Other Associations," *Shiwuda Yilai de Zhongyao Wenxian Xuanbian* [Selected Documents Since the 15th National Congress of the Communist Party of China], Volume I, Beijing: Renmin Chubanshe [the People's Publishing House], 2000, p. 64.

development, or geographical region, human rights are inalienable rights of every person."[95] The EU thus "rejects exemptions from human rights standards based on national, cultural or religious considerations."[96] Convinced of the universality of human rights, the Europeans have little hesitation in raising human rights issues in their interactions with third countries. They thus criticize China's family planning and death penalty policies, as examples of human rights violations. China, on the other hand, insists that the human rights situation is shaped by such powerful factors as social conditions and cultural traditions, and it thus varies from one country to another. Following a relativist approach, China defends its policies of family planning and death penalty by arguing that they are specifically tailored to meet China's national situation. With social conditions improving in China, the family planning policy is now undergoing a gradual relaxation and the use of the death penalty, although still practiced, is gradually being restricted. This being the case, China does not totally deny the universality of human rights. As expressed by one scholar, the Chinese believe that the universality lies in "the subject of human rights, the contents of human rights and the common goals of human rights," rather than in the model or standards of human rights.[97]

How do perceptions of human rights compare between the general public in Europe and in China? The most authoritative source of public attitudes, the World Value Survey (WVS) throws up some interesting contrasts. The WVS has included China since the 1990s and provides valuable data on the values of both the Chinese and Europeans. Interestingly, views on human rights in China are more positive than Europeans.[98] The latest sixth wave (2010–2014) of the WVS further confirmed this analysis.[99] In response to the question about the degree to which human rights are respected in their country (Table 1), 17.9% of respondents in China answered that there is a great deal of respect for individual human rights, compared to Germany where 30.1% of the respondents believed there is a great deal of respect, followed by 15.7% in Sweden, 10% in the Netherlands, 8.5% in Spain, and 3.7% in Poland. Concerning the lack of respect for human rights, only 14.4% of the respondents in China said there was not much respect or no respect at all for human rights, a considerably lower percentage than in most European countries.

---

[95] European Communities, *European Union Annual Report on Human Rights 2000,* Brussels, 2000, p. 9.

[96] European Communities, *European Union Annual Report on Human Rights 1999,* p. 3.

[97] Lixing Wang (2003) *Renquan Lun* [Human Rights], Jinan: Shandong Renmin Chubanshe [Shangdong People's Publishing House], p. 21.

[98] Duncan Freeman and Gustaaf Geeraerts, "Europe, China and expectations for human rights." in Zhongqi Pan, *Conceptual Gaps in China–EU Relations,* p. 110.

[99] World Values Survey Wave 6 2010–2014 Official Aggregate v.20141107. World Values Survey Association (www.worldvaluessurvey.org). Aggregate File Producer: Asep/JDS, Madrid SPAIN.

Table 1 Respect for human rights in this country (%)						
	A great deal of respect	*Fairly much respect*	*Not much respect*	*No respect at all*	*No answer*	*Don´t know*
China	17,9	51,5	12,5	1,9	5,7	10,5
Germany	30,1	56,4	11,4	1,0	0,2	0,9
Netherlands	10,1	53,6	34,0	1,8	0,5	0,0
Poland	3,7	64,8	23,7	3,4	0,2	4,2
Spain	8,5	43,4	39,4	6,4	0,2	2,1
Sweden	15,7	65,4	15,4	2,0	0,3	1,2

Source: WVS http://www.worldvaluessurvey.org/WVSOnline.jsp.

However, the proportion of Chinese respondents who gave "no answer" or said "don't know" is far higher than that of their European counterparts. This indication of incertitude may be as important as the indication of certitude in assessing the Chinese perceptions of the human rights situation in China. It is anyone's guess in which category the respondents' answer would fall were the undecided or the "don't knows" to change their mind and provide a definite answer. It is also difficult to assess how Chinese attitudes to human rights will evolve because there is no clear evidence to suggest that the Chinese responses are a function of age. As table 2 shows, the proportion of Chinese with a positive view of human rights is roughly the same across the different age groups. The proportion of those with a negative view declines slightly from the younger to the elder generations, corresponding to 17.2% of those aged up to 29, 14.8% for those aged 30–49, and 12.1% for those aged 50 and above. The proportion of undecided or "don't knows" changes in the reverse order along the age groups, but only slightly.[100]

Table 2 Respect for human rights in China, by age (%)				
	Total	*Up to 29*	*30-49*	*50 and more*
A great deal of respect	17,9	15,4	17,4	20,4
Fairly much respect	51,5	54,1	52,4	48,2
Not much respect	12,5	14,2	13,2	10,3
No respect at all	1,9	3,0	1,6	1,6
No answer	5,7	4,6	5,4	7,1
Don´t know	10,5	8,8	10,1	12,4

Source: WVS http://www.worldvaluessurvey.org/WVSOnline.jsp.

[100] It should be pointed out that the WVS does not explicate the concept of individual human rights, nor define how the various degrees of respect should be understood.

3.3 Where do China and Europe stand on the sovereignty–human rights continuum?

The norms of sovereignty and human rights are closely related. But Chinese and Europeans have different understandings of the nexus of sovereignty and human rights. While some people perceive sovereignty and human rights as mutually exclusive, others see no contradiction between them. This can be traced back to the long-standing debate of the late eighteenth century on the trade-off between state supremacy and individual rights as illustrated by the standpoint of the philosopher Edmund Burke, to whom the supremacy of state sovereignty cannot be compromised by individual rights, and to that of Thomas Paine, one of the founding fathers of the United States, for whom the individual transfers sovereignty to the state government in return for protection.[101] This debate has been renewed against the backdrop of globalization and European integration. But there is a shift in the position of the Europeans, who today appear to place the supremacy with the individual and, by extension, human rights. The Chinese, on the other hand, have adopted Burke's position, although also incorporating aspects of Paine's position. If we take the relationship between sovereignty and human rights as a spectrum of continuum, we will find that China and Europe are basically standing at the two opposing ends. While the Europeans give priority to human rights and regard sovereignty to be detrimental to human rights, the Chinese give priority to sovereignty and believe that human rights can be sacrificed for the sake of sovereignty. The Europeans attempt to introduce a norm of "new sovereignty," which holds that sovereignty is violable and interference in other states' internal affairs is valid if human rights issues are at stake, whereas China is trying to defend "traditional sovereignty," which holds that human rights are a domestic matter which should be exempt from foreign interference.[102]

However, sovereignty and human rights are not viewed in isolation. The general perception of the Europeans is that individual human rights rank above state sovereignty. Internally, it is the obligation of the state to protect human rights and, therefore, the state cannot restrict people's human rights as an excuse for fulfilling the state's sovereignty concerns. If the state fails to protect human rights, the individual has the right to question the legitimacy of the government. From a European perspective, state sovereignty is not at the origin of human rights. As David Hirsh, sociologist at the University of London, puts it, "human rights are instruments that seek to limit the scope of state sovereignty. They affirm that there are certain things that independent states do not have the right to do. States may agree to enforce human rights; they may incorporate this or that human rights principle or charter into their own systems of law.

[101] Edmund Burke, *Reflections on the Revolution in France*, Oxford, Oxford University Press; Thomas Paine (1985) *The Rights of Man*, New York, Penguin Books.

[102] Ayse Kaya (2014) "The EU's China problem: b over norms," *International Politics*, Vol. 51(2), pp. 214–233.

But state national sovereignty is not the source of human rights."[103] Externally, Europeans also place human rights above state sovereignty, particularly when they are at odds. Among the various responsibilities of a state, the protection of human rights is assumed to constitute a primary obligation. If a state is either unwilling or unable to protect its populations from genocide, war crimes, ethnic cleansing and crimes against humanity, then humanitarian intervention by the international community is justified, and the conventional noninterference principle based on state sovereignty is considered invalid. The UN Secretary-General Kofi Annan's statement that "the sovereignty of states must no longer be used as a shield for gross violations of human rights"[104] is frequently quoted by Europeans to justify the redefinition of sovereignty and the adoption of the "Responsibility to Protect" doctrine. For the Europeans, the protection of human rights constitutes the source of legitimacy for state sovereignty.

The Chinese look at the relationship between sovereignty and human rights quite differently. Their general perception is that state sovereignty ranks above individual human rights. This view is in direct opposition to the view of the Europeans. But the picture is not as simple as it seems because the Chinese usually follow a both/and logic and tend to see sovereignty and human rights as a "unity of opposites." They perceive that improvements in the human rights situation could not be achieved without state sovereignty. In other words, state sovereignty is the source of individual human rights. The Chinese President Jiang Zemin stressed that "history and reality tell us that sovereignty is the only premise and guarantee of human rights within each nation,"[105] while Lixing Wang, a Chinese scholar, emphasized that "(s)afeguarding the national independence and sovereignty is the top interest for every government and people. Human rights can never exist without sovereignty."[106] While the Chinese may agree with Paine that sovereignty is the guarantor of human rights, they will disagree with him that sovereignty is something that individuals transfer to state. So the Chinese do not see the protection of human rights as the source of legitimacy for state sovereignty. At the same time as it is the state's obligation to protect its people's human rights, it is the people's obligation to support state sovereignty. However, these norms are often complementary rather than in opposition. Human rights can be best developed under the auspices of sovereignty. But whenever they are in conflict, the Chinese insist that priority should be given to sovereignty. In reference to the memories of past foreign intervention and aggression, President Jiang argued that "we must always give top priority to safeguarding our national security and sovereignty."[107] From China's perspective,

[103] David Hirsh (2003) *Law against Genocide: Cosmopolitan Trials*, London, Glasshouse Press. p. 3.
[104] Kofi Annan (1999) "Two concepts of sovereignty," *The Economist*, Vol. 352, September 18, pp. 49–50.
[105] Jiang Zemin, Statement at the Millennium Summit of the United Nations, September 6, 2000.
[106] Wang, *Renquan Lun*, p. 41.
[107] Jiang Zemin (2006) *Jiang Zemin Wenxuan* [Selected Works of Jiang Zemin] (Volume III), Beijing: Renmin Chubanshe [People Press], p. 535.

human rights could be sacrificed for the sake of sovereignty, whereas sovereignty could not be sacrificed for the sake of human rights. This is applicable not only at the domestic level, but also at the international level. China argues that "(r)espect for each country's sovereignty and non-interference in internal affairs are universally recognized principles of international law, which are applicable to all fields of international relations, and of course applicable to the field of human rights as well."[108] China disputes with Europe the principle of "responsibility to protect" and the legitimacy of interventionism. Taking noninterference as a fundamental principle in dealing with international relations, China contends that no country should intervene in the domestic affairs of another sovereign state, even for the sake of protecting human rights.

Notwithstanding divergent views on the sovereignty–human rights nexus between governmental institutions and the general public in both China and Europe, the contrast of perceptions between China and Europe at the general public level is somehow parallel to the contrast at the governmental level. What does the WVS data tell us about the priority accorded to human rights and sovereignty in Europe and China? Respondents were asked (Table 3) to give their priority among the following aims: 1) maintaining order in the nation; 2) giving people more say in important government decisions; 3) fighting rising prices; 4) protecting freedom of speech. Among the European respondents, the proportion who rate protecting the freedom of speech as their first priority varies. In Sweden, the figure is as high as 38.5%, while in Poland it is as low as 5.1%. By comparison, only 2.5% Chinese gave high priority to protecting the freedom of speech. Among the Chinese, the top priority was given to fighting

Table 3 Aims of respondent, first choice (%) [109]

	Maintaining order in the nation	*Giving people more say in important government decisions*	*Fighting rising prices*	*Protecting freedom of speech*	*No answer*	*Don´t know*
China	27,2	9,4	52,0	2,5	2,7	6,2
Germany	19,2	31,1	26,8	22,0	0,1	0,7
Netherlands	36,3	12,3	21,8	26,2	0,3	3,2
Poland	16,1	32,2	44,4	5,1	0,0	2,2
Spain	30,4	19,8	37,3	11,2	0,3	0,9
Sweden	32,1	23,2	5,1	38,5	0,2	0,7

Source: WVS http://www.worldvaluessurvey.org/WVSOnline.jsp.

[108] Information Office of the State Council of China, *Human Rights in China*.

[109] Exact wording of the question: "If you had to choose, which one of the things on this card would you say is most important?"

rising prices (52.1% of the respondents), followed by maintaining order in the nation (27.2%). Compared to China, the priority given to protecting human rights in Europe is generally very high, with the exception of Poland. The support for giving people more say in important government decisions is also much higher in Europe than in China, which indicates different preferences in regard to democracy.

Respondents were also asked to give their first preferences as to the most important aims of one's country (Table 4). Four options were offered: 1) a high level of economic growth; 2) making sure this country has strong defence forces; 3) seeing that people have more say about how things are done in their jobs and communities; and 4) making the cities and countryside more beautiful. In all European countries, as well as in China, the top priority was given to a high level of economic growth. This is understandable, given that all people are concerned about economic security, regardless of what they think about sovereignty and human rights. Nonetheless, a telling contrast appears when respondents rank other options as aims of their country. Among the Europeans, a very high percentage of respondents think that the most important aim of their country is to make sure that people have more of a say about how things are done in their jobs and communities, with 40.4% of the respondents indicating this option in Germany, 35.2% in Poland, 30.6% in Sweden, 24.6% in the Netherlands, and 20% in Spain. The proportion of Chinese that ranks this as important is only 7.9%. As a contrast, a very low proportion (less than 6%) of European respondents rate the top priority of their country as being to ensure a strong national defence, whereas 22.8% of the Chinese favour this option. It is less remarkable that more Chinese than Europeans believe that the priority should be given to making cities and countryside more beautiful. If the aim of seeing that people have more of a say about how things are done in their jobs and communities is taken as an indicator of respondents' preference for democracy and human rights, while the preference for strong defense forces is taken as a proxy for a strong belief in protecting sovereignty, it is striking that the Europeans care more about human rights than state sovereignty, and the Chinese are more concerned about state sovereignty than human rights.

The WVS data suggest that the Europeans and Chinese take diverging stances on the sovereignty–human rights nexus. In the survey's fifth wave (2005–2009),[110] respondents were asked who should decide on the issue of human rights (Table 5). A majority of respondents in Germany, Italy, Spain, and, above all, Sweden gave their preference to the UN. The proportion of people with the same answer in Poland was slightly lower, at 41.1%. The corresponding figure for the Chinese was very low, with only 18.8% of the respondents favouring decisions to be taken by the UN. Instead, 34.7% of the Chinese favored the national government as the final decision-maker on human rights. This preference is in stark contrast

[110] World Values Survey Wave 5 2005–2008 Official Aggregate v.20140429. World Values Survey Association (www.worldvaluessurvey.org). Aggregate File Producer: Asep/JDS, Madrid SPAIN.

Table 4 Aims of country: first choice (%)[111]

	A high level of economic growth	*Making sure this country has strong defense forces*	*Seeing that people have more say about how are done at their jobs and in their communities*	*Trying to make our cities and countryside more beautiful*	*No answer*	*Don´t know*
China	47,2	22,8	7,9	12,3	2,6	7,2
Germany	47,7	4,3	40,5	6,1	0,2	1,2
Netherlands	57,5	2,5	24,6	7,7	0,3	7,5
Poland	54,0	5,3	35,2	3,2	0,1	2,2
Spain	70,6	4,6	20,0	2,5	0,3	1,9
Sweden	60,6	2,9	30,6	4,6	0,6	0,7

Source: WVS http://www.worldvaluessurvey.org/WVSOnline.jsp.

Table 5 Preference for Who Should Decide: Human Rights (%)

	National governments	*Regional Organization*	*United Nations*	*No answer*	*Don´t know*
China	34,7	4,3	18,8	0,4	41,9
Germany	20,4	19,4	55,2	0,8	4,2
Italy	26,8	14,7	50,8	1,6	6,1
Poland	48,5	7,3	41,1	0,3	2,8
Spain	16,4	14,0	56,1	0,4	13,0
Sweden	16,7	9,3	71,9	2,1	0,0

Source: WVS http://www.worldvaluessurvey.org/WVSOnline.jsp.

to the European respondents, with Poland constituting an exception, who do not express a strong preference for a national approach to human rights. It is also noteworthy that the Chinese responses contained a considerable proportion (41.8%) of people who said "don't know." We cannot speculate how the distribution of the replies would change if the uncertain answers were replaced by definite ones. If they were excluded from the survey data altogether, however, the proportion of Chinese respondents who believe that human rights questions are better handled by the national government than by the UN or regional organizations would jump to more than 60%. The Chinese thus display a much stronger preference for national governments to decide on human rights, while Europeans favor the UN to play a key role.

[111] Exact wording of the question: "People sometimes talk about what the aims of this country should be for the next ten years. On this card are listed some of the goals to which different people would give top priority. Would you please say which one of these you, yourself, consider the most important?"

3.4 When can (or cannot) China and Europe stand together on sovereignty and human rights issues?

It is difficult to imagine China and Europe standing side by side as far as sovereignty and human rights issues are concerned. They do not share much regarding political values, even though they use the same value-laden concepts such as sovereignty and human rights in their political discourse. Their views on sovereignty, human rights and the relationship between the two and their normative dimension of their foreign policy is therefore at variance, even conflicting. Even so, China and Europe may still share certain notions regarding sovereignty and human rights. For example, China and Europe agree that sovereignty of individual states should be respected, that every state is obligated to protect the human rights of its population, and that the UN is the indispensable guardian of both state sovereignty and human rights. However, neither China nor Europe is as dogmatic in their interactions as their respective normative approaches would make out. Rather, both China and Europe show increasing pragmatism when facing dilemmas in dealing with sovereignty and human rights issues. When an issue is not perceived as a sovereignty issue by China, or as a human rights issue by Europe, or when such concerns are successfully resolved, they usually find a way to cooperate or at least complement each other. There are various examples, at both bilateral and multilateral levels, to illustrate cases when China and Europe can and cannot stand together on sovereignty and human rights.

Standing against each other: Taiwan, the arms embargo, Tibet, and military interventions. The Taiwan issue, which is defined by China as a sovereignty issue, has been an irritant in China's relations with Europe for quite a long time. For China, Taiwan is an absolute sovereignty concern, which explains the importance of the "One-China Principle" as a political cornerstone underpinning China–EU relations. In its policy papers on the EU in 2003 and 2014, China requested the EU to ban official contacts with Taiwanese authorities, not to support Taiwan's membership in international organizations that require statehood, and not to sell any weaponry to Taiwan.[112] The EU accepts the validity of China's sovereignty claim over Taiwan, is committed to the "One-China Policy" (different from the "One-China Principle," which is the Chinese official term and means that both Taiwan and mainland China are inalienable parts of a single sovereign China, while the "One-China Policy" may indicate that either the ROC or the PRC should be recognized as the sole legitimate representative of China),[113] and opposes Taiwan's referendum on UN membership. However, Europe generally regards the Taiwan issue as a security concern. Therefore, the EU has urged China to renounce the use of force in settling any cross-Strait disputes and condemned

[112] Ministry of Foreign Affairs of China, *China's EU Policy Paper*, Beijing, October 2003; Ministry of Foreign Affairs of China, *China's Policy Paper on the EU: Deepen the China–EU Comprehensive Strategic Partnership for Mutual Benefit and Win–win Cooperation*, Beijing, April 2014.

[113] The Taiwan Affairs Office and the Information Office of the State Council of China, *The One-China Principle and the Taiwan Issue*, White Paper, February 2000.

China's adoption of the "anti-secession law." Moreover, its member states have sold arms to Taiwan (The Netherlands in the 1980s and France in the 1990s), justified in the name of maintaining the military balance across the Taiwan Strait. These steps were condemned by China as an interference in internal Chinese affairs. As China defends its stance from a sovereignty perspective, it is frustrated because it has been unable to recruit European support for reunification. China complains that its embrace of European integration has not been reciprocated. It is mainly because the EU and its member states follow a less vocal line than the American policy on cross-Strait relations that the Taiwan issue has not caused more serious disputes in China–Europe relations, as it frequently does in China–US relations.

The EU's arms embargo against China is another ban in EU–China relations that is justified by the Europeans from a human rights perspective. Following the 1989 political turmoil in Beijing, the European Council Madrid meeting adopted seven measures against China, including an arms embargo, in order to "request the Chinese authorities to respect human rights." While the EU did try to lift the arms embargo in 2004 and 2005, it failed after protracted negotiations (see chapter 2). Human rights concerns were cited as a reason to maintain the ban, although American pressure was another certain factor.[114] What was worse from the Chinese perspective was that while the EU failed to lift the ban it nevertheless strengthened its Code of Conduct on arms export implemented in 1998 by introducing a "tool box." In the Commission's communication on EU–China relations in 2006, the EU conditioned the lifting of the ban on progress on human rights in China, cross-Strait relations and an improvement in the transparency of Chinese military spending.[115] While the EU justifies its position on the basis of human rights concerns, for China the arms embargo has nothing to do with human rights but signifies European political discrimination against China. To the Chinese, the EU is hypocritical to maintain its arms embargo against China while some of its member states would like to sell arms to Taiwan. So China keeps requesting that "the EU should lift its arms embargo on China at an early date."[116] As a result, the arms embargo has been a formidable hurdle in forming the China–EU comprehensive strategic partnership.

The Tibet issue is one of the most contentious issues in Chinese–European relations. It is perceived as a sovereignty issue by China and a human rights issue by Europe. China defines the Tibet issue from a sovereignty perspective because China believes its territorial integrity is at stake. But the EU sees the issue differently and interprets the Tibet issue as a human rights problem. Although

[114] Zhimin Chen (2006) "Oumeng de Youxian Zhanlue Xingwei Zhuti Texing yu Zhongou Zhanlue Huoban Guanxi: yi Jiechu Duihua Junshou Jinling Weili," [The impact of the EU's limited strategic behavior on EU–China relations: The case of the arms embargo], *Guoji Guancha* [International Review], Vol. 5, pp. 1–10.

[115] European Commission, "EU–China: Closer Partners, Growing Responsibilities," Brussels, 2006.

[116] Ministry of Foreign Affairs of China, *China's Policy Paper on the EU*.

the EU does not challenge China's sovereignty over Tibet – the UK even gave up its long-standing position on Tibet and finally recognized China's full sovereignty over the territory in October 2008 – Europe contends that China should do more to improve human rights in Tibet in order to legitimize its sovereignty and in this regard have directed strong criticism at China's handling of the Tibet issue, in particular after the March 14th 2008 violent protests in Lhasa. As a result, China blames the EU and individual European states for interfering in China's domestic politics, undermining China's sovereign independence in the name of human rights, and exploiting the Dalai Lama's separatism to impede China's peaceful rise. The Europeans blame China for manipulating sovereignty as an excuse, abusing Tibetan human rights, destroying Tibet's distinctive culture, and dividing European unity. [117]

Diverging positions on the sovereignty–human rights continuum with regard to the Tibet issue brought the China–EU relationship to a historical nadir in 2008. Europe reacted to the unrest in Tibet by publicly denouncing Beijing's policy, passed condemning parliamentary resolutions, attempted to boycott the Beijing Olympic Games, and received the Dalai Lama at high political levels regardless of China's opposition and repeated warnings. These actions were interpreted in China as a confirmation that Europe does not respect China's sovereignty. In response, Chinese consumers boycotted the French supermarket chain Carrefour in China, called off the scheduled 11th China–EU Summit in France in December 2008, and excluded France from a tour of several European states by Chinese Premier Wen Jiabao in January/February 2009. In return, the Europeans were embarrassed, feeling that their sovereignty was also being disrespected by China. Partially because of the Tibet issue, public perceptions of each other underwent a substantial decline in 2008–2009.[118] According to the BBC World Service poll and a corresponding analysis by the international polling bureau Globescan, the Europeans became increasingly negative toward China, with negative views rising from 46 to 70 percent in France, 50 to 68 percent in Italy, 59 to 69 percent in Germany, and 32 to 54 percent in Spain, while in China negative views towards the EU rose from 16 to 28 percent, with antagonism towards France heightened considerably as positive views dropped from 64 to 44 percent.[119]

China's conflicts with Europe over sovereignty and human rights issues are not confined to the bilateral level only. In the international arena, China and Europe

[117] Zhongqi Pan (2010) "Managing the conceptual gap on sovereignty in China–EU Relations," *Asia Europe Journal*, Vol. 8(2), pp. 227–43.

[118] Jonathan Holslag (2009) "The elusive axis: Evaluating the EU–China strategic partnership," *BICCS Asia Paper*, Vol. 4(8).

[119] BBC World Service poll, "Views of China and Russia Decline in Global Poll," February 2009, http://www.globescan.com/news_archives/bbccntryview09/ and Globescan, "Backgrounder: Country-by-Country Results," January 2009, http://www.globescan.com/news_archives/bbccntryview09/backgrounder.html.

cannot stand together when China invokes the norm of sovereignty and the principle of noninterference while Europe invokes the norm of human rights and the doctrine of "responsibility to protect." The cases of Kosovo, Libya, and Syria are telling in this regard. European countries saw the Kosovo crisis in 1999 as a humanitarian disaster, and thus supported NATO's military intervention, although it went ahead without the authorization of the UN Security Council. China, on the other hand, opposed international interference in the internal affairs of Serbia and from the very beginning threatened to veto any UN resolution that might authorize foreign intervention in the Balkans. Although China could not stop NATO's military attack, it clung to the noninterference principle. When the Libya crisis broke out in 2011, European countries resorted to the "responsibility to protect" principle to justify their military and humanitarian operations. China initially did not block UN resolution 1973, which authorized the establishment of a no-fly zone in Libya in March 2011. But later, when NATO's military intervention threatened the survival of the Libyan government, China began to condemn the international intervention on the basis of the noninterference principle. Facing the crisis in Syria, the EU adopted similar measures of humanitarian intervention as in Libya, first without considering military intervention. China, along with Russia, anticipating a possible multilateral intervention in Syria, vetoed a Western-drafted UN resolution that would have threatened Assad's regime in October 2011, and again in February and August 2012.

Standing with each other: Hong Kong, human rights dialogue, and crises in third countries. Despite the above-mentioned issues, there are also examples to show that China and Europe can get along on sovereignty and human rights issues. On the bilateral level, the return of Hong Kong and the China–EU human rights dialogue constitute two cases in which China and Europe have worked together. The return of Hong Kong was definitely perceived as a sovereignty issue by China, and to a lesser extent by the UK, which cared more about a possible extension of the lease and its continued links with Hong Kong after the return. In the original treaties, China ceded sovereignty over the territories of Hong Kong Island (1842) and the tip of the Kowloon Peninsula (1860) to Britain. In addition, Britain leased the rest of the Kowloon Peninsula (the so-called New Territories) (1898) for a period ending in 1997. At the beginning of negotiations, China took an intransigent position on its sovereignty status over Hong Kong and expected the return of the entire territory. Deng told the British government that the "sovereignty issue is not negotiable."[120] No compromise could be reached on a division of territory. But after China's sovereignty over the ceded and leased areas was acknowledged, negotiation could continue and a compromise was made possible. The final agreement allowed for a 50 years' continuation of Hong Kong's economic, legal, and social status quo, which was a significant compromise. Through Deng's design of the "One country, two

[120] Deng, *Deng Xiaoping wenxuan*, p. 12.

systems" (Hong Kong and the mainland belong to the same country, but have different political systems) solution, China acquired sovereign rights over all of its territory, while the execution of those rights was moderated by the obligations of the new agreement. Due to the fact that China's sovereignty concerns over Hong Kong were successfully removed, the return of Hong Kong went smoothly and set an example for China–UK cooperation on sovereignty issues. In a similar spirit, the British government recognized China's full sovereignty over the territory of Tibet in October 2008, and thus further smoothed China's dialogue with Europe on human rights issues.

The China–EU human rights dialogue provides another example, albeit to a lesser extent, of how China and the EU manage to work together on sensitive issues. The EU certainly perceive this dialogue as important from a human rights perspective and so does China. For the Europeans the continuous bilateral dialogue on human rights with China has effectively channeled and eased the tensions surrounding the issue. For the EU, the dialogue underpins its efforts to make human rights a cornerstone of European foreign policy towards China. China, in its turn, does not regard the dialogue on human rights as a violation of sovereignty, although China sometimes decries European countries' criticism of its handling of human rights by referring to the principle of noninterference, for example when Liu Xiaobo was granted the Nobel Peace Prize in October 2010. Inescapably, the human rights dialogue now and then turns to mutual finger-pointing instead of learning: The EU complains that China is not genuinely keen on improving its human rights record and only seeks to ward off European criticism and change the mentality of the EU. China on the other hand complains that the EU presses China incessantly for concrete results and keeps on giving China lessons. Whereas the EU would like to make human rights a mainstream issue to be included in political dialogues on all levels, including the annual summit, China regards the human rights dialogue as the most suitable channel for exchanges and cooperation in the field of human rights. But, so far, the human rights dialogue is cherished in itself by both sides. In the joint statement following President Xi's landmark visit to Brussels in 2014, the two sides reaffirmed "the importance of the promotion and protection of human rights." Furthermore, they agreed to "deepen exchanges on human rights at the bilateral and international level on the basis of equality and mutual respect, and to strengthen their human rights dialogue with constructive discussions on jointly agreed key priority areas."[121] China's 2014 strategy paper on the EU also affirms its willingness "to continue the human rights dialogue with the EU based on the principles of mutual respect and non-interference in internal affairs."[122]

[121] European Commission, "Joint Statement: Deepening the EU–China Comprehensive Strategic Partnership for Mutual Benefit," Brussels, March 31, 2014.
[122] Ministry of Foreign Affairs of China, *China's Policy Paper on the EU*.

On the multilateral and global level, China and Europe sometimes manage to cooperate or complement each other in dealing with various crises in third countries, for instance Iran, Somalia and Sudan, and in managing the global financial crisis. A case in point is the constructive cooperation between China and the EU to rein in Iran's nuclear program. Even though China kept its distance from the EU by invoking the principle of sovereignty and noninterference when the EU moved towards tougher sanctions against Iran, it did support many earlier EU-drafted UN resolutions on sanctions against that country. And therefore, notwithstanding regular complaints directed at each other, China and Europe have managed to act to some extent as partners in dealing with the Iranian nuclear crisis.[123] Another example of cooperation is the joint EU–China antipiracy operation in the waters off the Somalian coast. China first-ever participation in an international naval operation took place in the Gulf of Aden and has been interpreted by international observers as a major departure from its traditional stance on sovereignty and noninterference arguing that "(i)n addition to intervening on behalf of its economic interests, the People's Republic of China (PRC) has also shown its willingness to compromise its principles in cases of non-traditional security challenges, such as piracy off the Somalian coast."[124] However, it could also be seen as a case where China successfully removed its sovereignty concerns before joining the international antipiracy operation. In order to enable China to participate, the former Chinese Foreign Minister Qian Qichen set up a number of preconditions for the intervention. It should respect the sovereignty of the targeted countries; reside on a UN authorization; receive the prior consent of the countries concerned; and use force only as a means of last resort.[125] On the basis of these criteria, China was able to justify its involvement in UN peacekeeping operations and need not to consider them as a deviation from its noninterference principle. Allen Carlson, of Cornell University, has captured this intricate reinterpretation by arguing that "the growing interest in Beijing in portraying China as a responsible member of the international community (as opposed to a revisionist, rogue outsider) has pushed the Chinese to make more compromises on the sovereignty–intervention nexus."[126] As demonstrated by China's participation in antiterrorism, nonproliferation and antipiracy missions, China will make sure that its actions do not damage the sovereignty of the country concerned, whether it is Iran, Mali, North Korea, Somalia, Sudan, or any other.

---

[123] Fox and Godement (2009) *A Power Audit of EU–China Relation,* London: the European Council on Foreign Relations, pp. 40–41.

[124] Joern-Carsten Gottwald and Niall Duggan, "Diversity, pragmatism and convergence: China, the European Union and the issue of sovereignty." In Pan, *Conceptual Gaps in China–EU Relations*, p. 43.

[125] Qian Qichen, Statement at the 50th Session of the UN General Assembly, New York, September 17, 1995.

[126] Allen Carlson (2002) "Protecting sovereignty, accepting intervention: The dilemma of Chinese foreign relations in the 1990s," *National Committee on United States–China Relations China Policy Series*, No. 18, September.

The crisis of Darfur was initially labeled an internal matter by China, which subsequently refused to interfere in order not to upset the sovereignty of Sudan. It was thus unwilling to align itself with the EU to vote for UN resolutions critical of the Sudanese government over its handling of Darfur. The EU on the other hand saw the crisis in terms of a gross violation of human rights, strongly opposed China's "no-strings-attached" economic aid and criticized China's cooperation with the repressive regime in Sudan. Commentators in many European countries adopted a "shaming" strategy, dubbing the Beijing Olympic Games as "genocide games" because of China's attitude towards the humanitarian disaster in Darfur. The initial conflict of China and Europe on Darfur, grounded in a deep-seated incompatibility between the principles of noninterference and "responsibility to protect," was later alleviated when China changed its position and proactively got involved in solving the crisis. As argued by Daniel Large, of The School of Oriental and African Studies, London, China "blurred the boundaries of non-interference"[127] and ultimately helped to persuade the Sudanese government to give its assent to the deployment of UN peacekeeping forces on its territory.[128]

In global governance, in areas such as climate change and the financial crisis, China and the EU can also clear the potential obstacles that stem from their different normative preferences in order to work out joint solutions. China and Europe, along with many other states around the world, agree that international cooperation to deal with the climate change and financial crises is not a matter of choice, but of necessity. Europe does not perceive the management of the climate change issue from a sovereignty perspective and nor does China, and therefore the latter does not employ the noninterference principle to guide its climate change policy. Cooperation between China and the EU on climate change is mired not by their diverging stances on sovereignty or human rights, but by their conceptual gap on global governance and, more importantly, their conflicting interests. The management of the global financial crisis starting in 2008 constitutes a different case because it requires a relinquishment of national sovereignty. During and after the crisis, both China and Europe argued that international financial institutions such as the World Bank and the IMF should be reformed and strengthened and worked together in the context of the G20 in order to find solutions to the crisis. At the London summit in 2009, the G20 agreed to upgrade the Financial Stability Forum to the Financial Stability Board (FSB)[129] with the support of both China and Europe. The establishment of the FSB and the mandate given to it in London involved a significant challenge to

[127] Daniel Large (2008) "China & the contradictions of 'non-interference' in Sudan," *Review of African Political Economy*, Vol. 35(115), pp. 93–106.

[128] Jonathan Holslag (2008) "China's diplomatic maneuvering on the question of Darfur," *Journal of Contemporary China*, Vol. 17(54), February, pp. 71–84.

[129] The FSB is an international body that monitors and issues recommendations about the global financial systems. It is made up by senior civil servants of the national ministries of finance and national central banks.

national sovereignty, because it gives the international community the authority to review and regulate the financial and operational structures of private enterprises. Even though China was aware of the potentially far-reaching effects of the new organization on China's domestic regulation, it nevertheless joined the FSB, just as European countries did. Commentators, noting the cooperation between China and Europe in the context of the G20, conclude that it "indicates a similar willingness to accept a careful transfer of sovereignty to international organizations,"[130] showing that when China's concerns over sovereignty are put aside, cooperation on global economic and financial issues is possible.

3.5 When and why are China and Europe flexible on sovereignty and human rights?

Most of the time, neither China nor Europe show any flexibility in regard to their takes on sovereignty and human rights, standing as they do at the opposite ends of the continuum. The EU insists that "(h)uman rights must be at the core of all EU foreign policy,"[131] and that human rights "should be an integral, or 'mainstream' consideration in all EU external policies,"[132] while China holds sovereignty and noninterference dear as the fundamental principles directing China's foreign policy, defining "state sovereignty" as the first of China's six core national interests in the white paper China's Peaceful Development of 2011.[133] Nevertheless, both China and Europe sometimes show flexibility in dealing with specific sovereignty and human rights issues. They may therefore be pragmatic as well as dogmatic. However, the way in which flexibility or dogmatism guide foreign policy behavior or is allowed to bear on actual crises is hard to predict. One way of approaching the analysis of foreign policy outcomes is by introducing an interest variable into concrete cases, allowing us to better understand why the EU and China sometimes show flexibility, sometimes not; how they manage to balance interest and values when devising compromise solutions; and why they are at all capable of cooperation when their values are at odds in such a fundamental manner.

At the same time, looking at EU–China relations from an interest perspective is not sufficient, indeed, not even appropriate in certain cases. Positing that many instances of progress in relations between China and Europe can be explained in terms of interest, explaining setbacks in the same manner is not convincing. For example, the EU's arms embargo against China and its denial to grant China full market economy status cannot solely be explained in terms of conflicting interests. These cases signal that Chinese and European values are at odds and therefore in order to understand the many twists and turns in China–EU

[130] Gottwald and Duggan, "Diversity, pragmatism and convergence," p. 44.
[131] European Commission (1995) *A Long-Term Policy for China–Europe Relations*, Brussels.
[132] European Commission (2001) *The European Union's Role in Promoting Human Rights and Democratisation in Third Countries*, Brussels, 2001.
[133] Information Office of the State Council of China, *China's Peaceful Development*, White Paper, September 2011.

relations, we need to explore the conceptual gaps and normative divergences as well as analyzing the competing interests at play.

Another reason to introduce the interest factor into the equation of China–Europe relations is because both China and Europe need to handle carefully their value-interest dilemmas. China's engagement in Africa has been based on the noninterference principle, which has made China a welcome aid provider to regimes that would otherwise have had to accept the conditionality of international and bilateral donors.[134] China's so-called nonconditional developmental aid has provided Africa's developing countries with an alternative to the string-attached aid offered by Western countries (for instance the EU and its member states) and international financial institutions (the IMF and World Bank). However, China's insistence on the norm of sovereignty and noninterference has come at increasingly high cost to its economic interest. This paradoxical situation has been highlighted by Joern-Carsten Gottwald and Niall Duggan of Ruhr University Bochum, Germany, who argue that "(t) he principle of non-intervention functions to China's advantage only if host nations do not make decisions that affect Chinese strategic interests. If African states violate core Chinese interests, the Chinese concept of sovereignty becomes counterproductive."[135] To Uwe Wissenbach, Director-General for Development, Human and Social Development Unit, European Commission, it is clear that "(t)he question of non-interference has started to become a dilemma for China as it is engaging more and more in the international field and investing abroad including in countries which are fragile or quasi-states, where the concept of sovereignty has only a very limited meaning and may be at the mercy of a coup d'état or a heart attack."[136]

To solve this value-interest dilemma, a compromise must be found, which has resulted in China invoking the principles of mutual benefit and multilateralism as alternatives to the principle of sovereignty and noninterference. This is especially applicable in economic affairs. For example, China has been willing to cede limited sovereign rights when negotiating its membership in the WTO and joining the FSB at the G20 London summit in 2009. However, as observed by Professor Suisheng Zhao, those guiding principles may lead to inconsistencies, overlap and competition, but nevertheless provide the Chinese leaders with more options; choose one path over another, or modify one principle in relation to another.[137] Thus, Professor Adaora Osondu of Abafemi Awolowo University in Nigeria argues, even though the -noninterference principle remains

---

[134] Anver Versi (2007) "China is good for Africa," *African Business*, No. 329, p. 11.

[135] Gottwald and Duggan, "Diversity, pragmatism and convergence," p. 43.

[136] Uwe Wissenbach (2009) "The EU's response to China's Africa safari: Can triangular co-operation match needs?" *European Journal of Development Research*, Special Issue, Vol. 21(4), pp. 662–674.

[137] Suisheng Zhao (2010) "Chinese foreign policy under Hu Jintao: The struggle between low-profile policy and diplomatic activism," *The Hague Journal of Diplomacy*, Vol. 5(4), October, pp. 357–378.

unchanged, China no longer applies it consistently in its relations with Africa, and, continues: "China's insisting (switching on) or non-insisting (switching off) on non-interference policy is dictated by its primal national interest."[138] For example, China would insist on a UN authorization and the consent of the affected state as prerequisites for its involvement in UN peacekeeping operations and so be able to show flexibility on the sovereignty principle in the Darfur Crisis.[139] Alternatively, China may resort to a sovereignty-first solution in cases involving sovereignty, such as the return of Hong Kong. Once its sovereignty claims are secured, even if only nominally, China will show flexibility on the noninterference principle. This model could also be applicable to other cases involving sovereignty, such as Taiwan, and even in maritime disputes with neighboring states in the East and South China seas where China has been steadfast in its sovereign claims but permissive on joint economic exploration.

For Europe, a similar value-interest dilemma presents itself in international engagements. In Africa, for example, the European reputation as a guardian of human rights is achieved at high costs to economic interests. Since most Europeans believe that economic development and human rights improvement are correlated, they see human rights as an integral aspect of economic development, and therefore the European approach to Africa has been based on a political conditionality with an emphasis on human rights and democratization. China's recent entry into Africa presents a major challenge since it has provided African countries with an alternative solution for economic aid. As Ayse Kaya of Swarthmore College, among others, emphasizes, "Given its differing approach to the relationship between economic development and human rights, the Chinese method of engaging with Africa threatens both the EU model of development and the Union's influence on the continent."[140] In the perception of the Europeans, China' s challenge to the EU and its member states in Africa also further highlights the European value-interest dilemma in Africa.

Contrary to China, Europe is more reluctant to strike a compromise between values and interests. But, European countries do make concessions on their norms in order to secure interests. They tend to be selective on whether to resort to the principle of "responsibility to protect" in the event of a possible intervention to prevent a humanitarian disaster in a state clearly abusing human rights. Before the Libya crisis erupted in the context of the Arab Spring, the EU and its member states had not been consistent in pursuing a normative agenda in their dealings with countries around the southern shores of the Mediterranean Sea, the EU's neighborhood policy notwithstanding. Not long before the crisis erupted, the EU had lifted its economic sanctions and arms embargo in place

[138] Adaora Osondu (2013) "Off and on: China's principle of non-interference in Africa," *Mediterranean Journal of Social Sciences*, Vol. 4(3), September, pp. 225–234.
[139] Taylor Fravel, (1996) "China's attitude toward U.N. peacekeeping operations since 1989," *Asian Survey*, Vol. 36(11), November, pp. 1102–1121.
[140] Kaya, "The EU's China Problem."

against Libya because Qaddafi had promised to abandon the country's nuclear program. Moreover, premised on cooperation by Qaddafi, the EU stood ready to negotiate a new framework agreement with Libya.[141] As argued by Giselle Bosse of Maastricht University, the European rapprochement with Libya revealed that the European long-term normative goal of democratization and human rights promotion had been overridden by its short-term security concerns related to the security of energy supplies and immigration.[142] The European policy towards Libya regained its normative direction only after the eruption of the crisis when the Qaddafi regime was struggling for its survival, whereupon the EU decided to support rebels and criticized the Qaddafi regime for its cruel oppression and serious violation of human rights. The principle of "responsibility to protect" and human rights was evoked by the EU when gathering support among its member states for economic sanction and military intervention against Libya.[143] However, given their respective material interests, Italy, Malta and Cyprus were very reluctant to align with the EU's proposal for the imposition of sanctions on Libya, and Germany (together with China) abstained in the vote on the UN resolution 1973 as France and UK actively prepared for military intervention in Libya.

Generally speaking, Europe uses the principle of sovereignty as a tool more selectively, since sovereignty does not serve as a guiding principle of European foreign policy in the same way as human rights do. Not only at the EU level, but also at global level, Europe uses sovereignty as an instrument to manage interdependence, and gain influence.[144] For example, when the Ukraine crisis occurred in 2014, the EU employed the principle of national sovereignty to oppose Russia's annexation of Crimea. Catherine Ashton, then High Representative of the Union for Foreign Affairs and Security Policy, stated that the EU "deplores" Russia's decision to use military action in Ukraine, describing it as an "unwarranted escalation of tensions." She called on "all sides to decrease the tensions immediately through dialogue, in full respect of Ukrainian and international law." She added that: "The unity, sovereignty and territorial integrity of Ukraine must be respected at all times and by all sides. Any violation of these principles is unacceptable. More than ever, restraint and sense of responsibility are needed."[145]

---

[141] Yahia Zoubir (2009) "Libya and Europe: Economic realism at the rescue of the Qaddafi authoritarian regime," Journal *of Contemporary European Studies*, Vol. 17(3), pp. 401–415.

[142] Giselle Bosse (2011) "From 'villains' to the new guardians of security in Europe? Paradigm shifts in EU foreign policy towards Libya and Belarus," *Perspectives on European Politics and Society*, Vol.12 (4), pp. 440–461.

[143] Marlene Gottwald (2012) "Humanizing Security? The EU's Responsibility to Protect in the Libya Crisis," *FIIA Working Paper*, No.75, April.

[144] Erwin van Veen, (2007) "The valuable tool of sovereignty: Its use in situations of competition and interdependence," *Bruges Political Research Papers*, No. 3, May.

[145] "Statement by EU High Representative Catherine Ashton on the developments in Ukraine's Crimea," Brussels, EU External Action, March 1, 2014.

Her tone was very similar to that of the Chinese government, which condemned the extremist violence in Ukraine and urged all parties to resolve their disputes peacefully. Chinese Foreign Ministry spokesperson Qin Gang stated that China always followed the principle of noninterference in internal affairs, and therefore respected Ukraine's independence, sovereignty and territorial integrity. He requested all sides to find a solution through dialogue on the basis of international law and the norms governing international relations.[146] However, mainly because of very different interests between a pro-Russian China and a pro-Ukrainian Europe, their common value failed to bring substantial cooperation in dealing with the Ukraine crisis.

3.6 Summing-up

China and Europe take very different stances on the norms of sovereignty and human rights. They disagree not only on what sovereignty and human rights mean, but also on which one is more important and how they relate to each other. On the sovereignty–human rights continuum, China and Europe usually stand at the two opposing ends. While the Europeans give priority to human rights, the Chinese give preference to sovereignty. The normative gap on sovereignty and human rights is widening as strengthening national sovereignty bolsters China's reunification endeavors, while fortifying human rights serves European identity building and image projection in the process of further integration. Therefore conflicts between China and Europe on issues involving sovereignty and human rights will continue and the road to building a strategic partnership between China and the EU will be bumpy.

But the importance of their respective normative dimensions in relations with third countries does not necessarily mean that China and Europe are bound to conflict on sovereignty and human rights issues. Neither China nor Europe are as dogmatic as they make out in implementing their respective normative agendas. A measure of flexibility has been made inevitable by their interest concerns and value-interest dilemmas. It appears possible that, as long as there is no direct conflict of strategic interests, China and Europe are able to work together at both bilateral and multilateral levels. Their cooperation is conditioned on whether there is room for compromises on values and interests. Even though normative compromises are impossible in areas, such as the arms embargo and Tibet, where China's primary concern is over sovereignty and Europe's is over human rights, their relationship could move forward in areas, such as the human rights dialogue and crises management in third countries, where their respective normative concerns may be eased or even removed.

[146] "Foreign Ministry Spokesperson Qin Gang's Remarks on the Current Situation in Ukraine," Ministry of Foreign Affairs, the People's Republic of China, March 2, 2014.

4 European and Chinese Perspectives on the International System

The international system is changing. After 60 years of relative stability as a paradoxical outcome of the confrontational stand-off between the superpowers in the Cold War, followed by the unipolar period with the US as the sole hegemonic power, we are now entering a period of restructuring of the international system. This transformation is characterized by a relative decline of American power through the rise of new regional actors, most conspicuously China. The ongoing reconfiguration of the distribution of power in the international system is attracting a great deal of scholarly interest and debate. Hitherto, much of the debate has been centered on the relationship between the US and China as the two main protagonists in the rewriting of the global order.[147] Much less effort has been spent on understanding other bilateral relationships in the international system that also influence the conditions for international cooperation and governance. This section argues that the roles played by China and the EU in the evolving international system are equally interesting on a global level, not least because of the differences in outlook on global governance, interdependence, and the nature of the evolving global order. In a paradoxical way, the EU's and China's global roles have emerged in parallel to each other, sometimes in juxtaposition sometimes separately. Although China and the EU are in several respects each other's antithesis, their rise to global significance has played out largely in conjunction with the reconfiguration of the international systems and therefore has become a feature of this larger transformation. In order to fully gauge the ramifications of the EU–China strategic partnership, we must consider the differences in their understanding of the nature of the international system, their identities as global actors, as well as their ability and resources to influence the conduct of international politics.

4.1 China's outlook on the international system

China's inclusion in the contemporary society of states is fairly recent. Looking back in history, China entertained a rather self-isolating outlook, which centered on China as the apex of a political system built around the emperor in Beijing, surrounded by circles of more or less tightly bound vassal states. The classical *Tianxia* system (literally, "under the heaven," a system that denotes that the entire geographical world as well as the metaphysical realm of mortals are

[147] See for instance, David Schambaugh, (2013) *China Goes Global. The Partial Power*, Oxford: Oxford University Press; Henry Kissinger (2011) On *China*, London: The Penguin Book Ltd. ; David C. Kang (2007) *China Rising: Peace, Power, and Order in East Asia,* New York: Colombia University Press.

governed by universal and well-defined principles of order) and Confucius's four hierarchical relationships (ruler–ruled; husband–wife; father–son; and master–pupil) harbored a presumption of stability and order which still play an important role in the imaginary of Chinese identity and China's powercentric view of the world.[148] This depiction of classical imperial China acts as a source of inspiration for the sense of uniqueness and perceptions of exceptionalism that underpin Chinese foreign policy doctrines and scholarly debates on China's role in international politics.[149]

At the end of the nineteenth century, in a move to rid itself of foreign dominance and strengthen its right to self-determination and independence, China came to espouse the principles of the Westphalian system. The Westphalian principles of nonintervention, sovereignty and territorial integrity appealed to China's aspirations to acquire effective statehood and protection from foreign influence, whether Western or Japanese. The adoption of a Western conception of international relations was further strengthened by the consolidation of the modern Chinese state in 1949 when the Chinese Communist Party embraced the Westphalian principles as a centerpiece for the Peoples Republic's newly regained statehood and cemented a statecentric outlook that dominated China's limited engagement with the outside world in the 1950s and 1960s. Thus, China under the reign of Mao Zedong adopted a classical realist understanding of world politics that oriented China's foreign policy towards balancing the power of neighboring countries through limited wars and upholding territorial disputes, which still linger in East, South and Southeast Asia. In the 1970s, Mao also sought to balance China's relations with the Soviet Union by forging a closer relationship with the US, paving the way for China's policy of opening up to the world.[150] The Westphalian principles of territorial integrity, sovereignty and noninterference in the internal politics of other states became firmly embedded in China's foreign policy doctrine through the adoption of the *five principles of peaceful coexistence* in 1954, to which the principles of equality of states in the international system and mutual benefit of cooperation were added.[151] The *five principles of peaceful coexistence* came to coexist rather awkwardly with Chinese socialist ideology and the anticolonial discourse which deplored "the Cold War behaviour of the superpowers" and depicted China as a leader of the developing world.[152] Today, as China has acquired the status of economic world power and

[148] William A. Callahan (2008) "Chinese visions of world order: Post-hegemonic or a new hegemony?" *International Studies Review*, Vol. 10(4) pp. 749–761.

[149] Feng Zhang (2013) "Chinese exceptionalism in the intellectual world of China's foreign policy." In Rosemary Foot (ed.) *China Across the Divide*, Oxford: Oxford University Press, pp. 43–71.

[150] Andrew J. Nathan and Robert S. Ross (1998) *The Great Wall and the Empty Fortress: China's Search for Security,* New York: W.W. Norton and Company.

[151] Zhu Liqun (2010) *China's Foreign Policy Debates*, Chaillot Papers No. 121, Paris: European Union Institute for Security Studies.

[152] Quote from State Councillor Dai Bingguo's speech "Adhere to the Path of Peaceful Development," 6 December, 2010. http://china.usc.edu/dai-bingguo-%E2%80%9Cadhere-path-peaceful-development%E2%80%9D-dec-6-2010. Retrieved 2 February 2015.

takes an increasingly important role in the international security domain, its continued adherence to these fundamental principles is of importance to the wider international society.

This essentially realist outlook on international relations has been maintained throughout China's modernization and opening-up period since the 1980s. It is closely associated to the existential survival of the Chinese state, its capacity to withstand foreign influence and deter threats of internal or external forces to China's territorial integrity and national unity. The Chinese Communist Party has built on the legitimacy potential contained in the *five principles of peaceful coexistence* and on its ability to reverse the historical legacies of previous rulers' inability to defend the country against foreign aggression and occupation, which brought suffering to the Chinese people. Therefore, the party's ability to portray itself as the only actor capable of ensuring national independence and maintaining a strong state and military lies at the heart of its popular legitimacy. The appeal of these deep-seated imageries about the rise of modern China has endowed the party with popular support, taking the form of a social contract with the Chinese people.[153] It has, however, also rekindled a fervent, at times aggressive, nationalism directed at foreign governments and companies that purportedly overstep China's sovereign principles. However, the nationalistic protagonists may also turn against the political leadership if it is found wanting in fulfilling these undertakings. Among the increasingly proliferous voices in China's foreign policy environment, ultranationalists have gained an increasingly strong role in the last ten years. Their capacity to whip up national sentiments impacts on the government and the Communist leadership's ability to realize stable relations with third countries and defy strident calls to stand up to undue influence of foreign powers, which adds to a sense of the unpredictability of Chinese foreign policy.[154]

From a realist reading of the international system follows China's insistence on understanding the world as a set of competing poles. During the Cold War, Chinese rulers deplored the dominance of the Soviet Union and the US, and the Communist leadership still refers to a "Cold War mentality" to describe an overly domineering international conduct of a powerful state that does not take other countries' interests into account. With the rise of China in the last three decades, the relative dominance of the US as the world's sole hegemonic power has declined. American commentators fret over the prospect of a superpower rivalry emerging between the US and China, and ask what kind of power China

[153] Barry Buzan (2014) "The logic and contradictions of 'Peaceful Rise/Development' as China's grand strategy," *The Chinese Journal of International Politics*, Vol. 7(4), pp. 381–420.

[154] Robert S. Ross (2013) "The domestic sources of China's 'aggressive diplomacy' 2009–2010: Nationalism and Chinese foreign policy." In Rosemary Foot (ed.) *China Across the Divide,* pp. 72–93.

is likely to become once it is truly on a par with the US.[155] In this context, it is interesting to note that early in the rapprochement between the EU and China in the 1980s, the latter openly fostered the idea of a multipolar world order in which the EU would constitute a pole next to China and the US.[156] Since the end of the honeymoon period of EU–China relations, the idea of multipolarity in a constellation involving the US, China and the EU has been given a less prominent place in Chinese foreign policy thinking.[157] At the same time, Chinese leaders are ill at ease with the antagonism built into the idea of a new era characterized by bipolarity with China and the US as the main protagonists, as it risks undermining the policy of careful nonaggressive inclusion of China in the international system, entertained since the launch of the *Peaceful Rise* (a Chinese initiative referring to the peaceful development of China that will not threaten any other countries in the world) by President Hu Jintao in 2003.

The contemporary debate in China on its role in the international system is wide-ranging and many different schools of thought have crystallized.[158] At the centre of this debate lies the influential pronouncement by Deng Xiaoping from the late 1980s and early 1990s when he cautioned China against rash conduct in international politics. Deng believed that an overly forceful conduct in international politics would be contrary to China's interests and argued that China should adopt a low profile, concentrating on its own development before attempting to enhance its international status.[159] Deng's pronouncements were further elaborated by the then Chinese President Jiang Zemin in 1998, when he stated that China's foreign policy should be based on observing and conducting foreign affairs calmly, should never seek leadership, hide brightness and cherish obscurity, and get things done. The cautious stance of the Chinese leadership in the early years of the opening-up policy was based on the overriding priority of securing the country's own socioeconomic development. However, it was also premised on a perception of relative weakness and an unwillingness to get drawn into entanglements abroad, which might risk slowing down China's economic development or compromising its future status as a great power.

---

[155] See for instance, Robert S. Ross and Zhu Feng (eds.) (2008) *China's Ascent: Power, Security, and the Future of International Relations*, Ithaca: Cornell University Press; Ikenberry, G. John (2008) "The rise of China and the future of the West. Can the liberal system survive?" *Foreign Affairs*, January/February.

[156] David Shambaugh, (2004) "China and Europe. The emerging axis," *Current History*, Vol. 103(674), pp. 243–248.

[157] Zhu, *China's Foreign Policy Debates*.

[158] Schambaugh, *China Goes Global. The Partial Power*; Barry Buzan (2010) "China in international society: Is 'Peaceful Rise' possible?" *The Chinese Journal of International Relations*, Vol. 3, pp. 5-–36; Feng Zhang, "Chinese exceptionalism in the intellectual world of China's Foreign Policy."

[159] Dingding Chen and Jianwei Wang quote Deng to have stated in 1989 that China should "observe calmly, secure our position, cope with affairs calmly" (lengjing guangcha, wenzhu zhenjiao, chenzhou yingfy), in "Lying low no more? China's new thinking on the Tao Guang Yang Hui Strategy," *China: An International Journal*, Vol. 9(2), 2011, pp. 195–216, quote pp. 197–8.

Today, views diverge on whether Deng's doctrine still serves China best. Somewhat simplified these views can be divided into three camps:[160] The nationalist/realist camp believes that China is already risen to great power status and should therefore pursue its interests more forcefully, particularly in the neighboring region where it should defend its economic, territorial and political interests. This camp sees an unavoidable rivalry emerging between China and the US as the international system becomes dominated by a bipolar constellation characterized by antagonism and relative gains. The traditionalist/exceptionalist camp emphasizes instead the danger of departing from Deng's cautious principles, arguing that China is still essentially a developing country, which needs to concentrate on its own socioeconomic development, not aspiring to great power status. This camp includes both those who express traditional left-leaning views, for whom the great power imagery belongs to a "Cold War mentality" representing a departure from China's leadership of the "Developing World," as well as those who prefer a traditionalist outlook emphasizing China's exceptionalism and evoking the need for self-imposed isolation. Finally, a third camp, sometimes termed liberal, sometimes internationalist, emphasizes the necessity for China as a major international player not to shirk from the responsibility incumbent on it. It seeks to underline the importance for the world to see China's economic rise as a win–win development both for domestic and foreign interlocutors and promotes China's socioeconomic modernization as an inspiration for developing countries.

These views on China's role in the international system shift across and in between elite groupings and their popularity waxes and wanes according to internal and external developments. The political leadership has not endorsed any specific worldview but picks up on various themes, most of which constitute recurrent features in the Chinese foreign policy discourse. The most important discursive constructions or themes such as *China's Peaceful Rise/Development*, *Harmonious World*, *Socialism with Chinese Characteristics*, and *Scientific Outlook on Development* cater to several strands of Chinese worldviews and feed into perceptions of appropriate foreign policy (see section 4.3). The themes, however, do not in themselves solve the contending ideas on China's role and position in the world, but rather act as catch-all categories with inbuilt incongruences that give an enigmatic quality to Chinese foreign policy.

4.2 The EU and the international system

Just like China, the EU's presence on the international scene is fairly recent. But unlike China, whose rise as a great power may be contested but not questioned, the inclusion of the EU in the international system is fraught with uncertainty.

[160] It should be underlined that we illustrate three lines of thought present in the Chinese debate, not the views of any specific grouping, organ or institution. The division of views into three different principle lines is chosen to describe the existing differences in the Chinese debates. Others have chosen to divide contending opinions into several principle lines. See for instance, Zhang "Chinese exceptionalism in the intellectual world of China's foreign policy"; Chen and Wang, "Lying low no more? China's new thinking on the Tao Guang Yang Hui Strategy."

It is not so much the actual presence and action of the EU as much as the quality and status of its actorness that remain ambiguous. Can a community of states be considered on a par with state actors such as China, the US and India? Is the EU to replace its member states on the international level who are themselves formally sovereign states? Where and when is the EU attributed with sovereign powers by its member states, and to what extent is the delegation of power permanent or transient? The answer to these questions are rarely satisfying. The vagaries of domestic politics condition the ability of the EU to act on the international level and therefore affect the coherence and permanency of its foreign policy. There is a dual quality to the EU's action in international politics as its foreign policy is conducted both by collective representatives of the EU institutions and by national representatives of the member states. Notwithstanding the special characteristics of the EU as an international actor (see further below), it has cemented its position in the international system through its presence in international regimes, participation in long-standing negotiation frameworks and privileged partnerships with neighboring countries and regional and global powers. The strategic partnership with China is special in this regard as it constitutes one of the most structured strategic bilateral relationships that the EU entertains with a third country and certainly the most institutionalized with a great power.

The EU was originally conceived of as a security community among previously warring nation-states in western Europe and, as such, it was to become a bulwark against the aggressive nationalism and the balance of power logic that had caused two world wars to originate in Europe. European integration was therefore intended as an antidote to the negative fallout of Westphalian principles and to set in motion a new postmodern paradigm where territorial borders and sovereignty would be given a wholly new meaning. To make political integration work, European integration had to be grounded on a community based on law, equality among states and permanent negotiation guaranteeing that in the long run all members stood to gain from cooperation. Although political integration among European states should be seen primarily as an internal objective, it had from its inception also an external objective inherent in the aim of regional integration in western Europe. The early European community gained geopolitical significance during the Cold War as an outpost of the liberal world order against autocratic communist regimes in eastern Europe and the Soviet Union. The importance of liberal values was therefore cemented into the constitution of the EU, although paradoxically it was not before the end of the Cold War that the EU became a conscious promoter of such values and norms. All these qualities make the EU as much an outcome of the liberal world order as an actor within it. They constitute the logic with which the EU approaches the international system and explain why it attempts to shape it in a way that corresponds to its own constitutive norms and principles.[161] The liberal imperative that underpins the normative ideals

[161] Ian Manners (2002) "Normative power Europe: A contradiction in terms?" *Journal of Common Market Studies*, Vol. 40(2) pp. 235–258.

of the European integration project is in part the glue that holds the member states together, in part the determinant of its external policy. Built into the EU's constitution it also renders the EU institutions inept at playing power politics in the same manner as state actors and therefore makes them shun the great power logics in favour of a functionalist conception of international relations.

It is on these grounds we should understand the EU's insistence on the creation of an international system based on multilateralism, not multipolarity. In the early days of integration the EU's capacity for external action was largely confined to international trade. However, with the profound geopolitical changes in Europe in the wake of the Cold War, the EU extended its international presence to most dimensions of international politics, even though its actual reach as an international actor remained uneven and patchy. Throughout the 1990s, ambitions to identify and define the EU's common interests in the realm of international politics remained thwarted, primarily because of member states' sensitivities. In the early 2000s, in the wake of the US invasion of Iraq, which deeply divided the EU member states, the European security strategy was released as a means to bolster the EU as an international actor and strengthen the sense of purpose among the member states.[162] The strategy is premised on a broad definition of security and acknowledged the importance of attacking the root causes of instability and conflict, primarily defined in terms of poverty and a lack of human security. It also outlined the European vision of an international order based on effective multilateralism and on well-functioning international institutions and regimes, rule-based global governance and the adherence to and respect of international law. The 2003 security strategy codified the principles of multilateralism and laid out the conditions for international cooperation practiced by the EU in relations with third countries and international organizations. As such, they constitute the backbone of policies such as enlargement, development and humanitarian aid, post-conflict reconstruction and the promotion of values such as human rights and democracy. The EU's endorsement of multilateralism as a general principle for international cooperation was also aimed at bolstering international law, multilateral trade, multilateral climate regimes and other rule-bound functional regimes on the international level. Underlying the EU's principles for international cooperation, we find an acceptance of the world as characterized by deep interdependence, a dose of idealism in the belief in the diffusion of norms and ideas, and a postmodern vision of the EU as a precursor to a cosmopolitan world order.

Since 2003, when the security strategy was adopted, the EU has worked on strengthening the principles of multilateralism by writing it into the Treaty of the European Union art. 21 in the form of a principled objective of EU external

[162] Council of the European Union, *A Secure Europe in A Better World. European Security Strategy*, Brussels, 12 December 2003. http://www.consilium.europa.eu/uedocs/cmsUpload/78367.pdf. Retrieved 20 February 2015.

relations: "the Union shall… promote an international system based on stronger multilateral cooperation and good global governance." The institutional capacity of the EU in the area of foreign and security policy has been reinforced by strengthening the role of the High Representative and by setting up the EEAS. It has, however, been less successful in dealing with the ambiguities concerning the external representation of the EU and addressing the lack of cohesiveness in the vertical (between the national and the European levels) and horizontal (among policy areas on the European level) conduct of foreign and security policy.[163] In parallel to the implementation of the reforms of the European external policy, the international system has changed quite dramatically in the direction of polarity, with the rise of China and the increasingly aggressive Russia and with clear signs of a weakening potential for conducting effective multilateralism as advocated by the EU, as witnessed for example in the botched negotiations on the United Nation's Framework Convention on Climate Change UNFCCC in 2009 and the inability to bring the Doha Round to a successful conclusion. This development constitutes a challenge to the EU and its underlying claim of working to influence the development of the international system in the direction of multilateralism. The eurozone crisis has forced the EU to seek support among its global partners and in the process it has had to find new platforms of engagement that reconcile contending visions of the global order. This dilemma was addressed by the former president of the European Commission, Manuel Barroso, who recognized the growing multipolarity in the world but nevertheless attempted to make the case for multilateralism by arguing that it is "the right mechanism to build order and governance in a multipolar world, and the European Union is well placed to make a decisive contribution."[164] The ordering of multilateralism as an instrument to meet the challenges of a multipolar world but not a principal characteristic of that order is particularly striking in the EU's relation to China. The former president of the European Council, Herman Van Rompuy recognized the importance of the EU–China partnership as a "key element for the global architecture" noticing that the EU and China have entered "the age of inter-dependence."[165] Also the joint EU–China 2020 Strategic Agenda for Cooperation from 2013 emphasizes multipolarity and interdependence as characteristics of the new world order and a basis for cooperation between the EU and China to solve global challenges. Interestingly, the document depicts the EU and China as important global actors whose ability to coordinate between themselves on a range of issues and promote multilateralism constitutes a step towards a "just and equitable" international

[163] Piotr Maciej Kaczyński, *Swimming in Murky Waters. Challenges in Developing the EU's External Representation*, FIIA Briefing Papers 88, Helsinki: Finnish Institute of International Affairs, 2011.
[164] José Manuel Barroso, "The European Union and Multilateral Global Governance," *RSCAS Policy Papers*, 2010/01, 18 June 2010, pp. 1–3.
[165] Herman Van Rompuy, *Remarks by Herman Van Rompuy, President of the European Council, Following the 14th EU–China Summit*, EUCO 27/12, 14 February 2012, pp. 1–2.

order and efficient global governance.[166] Were China and the EU capable of building cooperation on the basis of multilateralism and coordinated global governance as a cornerstone of the international order, it would not only imply a shared understanding of these concepts but also that each believes that their bilateral relations bring something to their core interests and to their respective visions of the future world order. In the case of the EU, this approach rests on a belief that a successful inclusion of China into structures of global governance enhances multilateralism in spite of the manifest polarity of the international order.

4.3 What kind of actor? China as a player in global politics

China's increasing engagement economically, politically and culturally with the wider world is described in terms of its rise as a great power. In other words, China's rise will result in a transformation of the international system and a rebalancing among major powers. This begs the question: what kind of power will China become and how will it set about projecting this power? Certain scholars have downplayed the impact of China's evolving status in the international system, arguing it should be regarded as a "partial" power because of its inability to strategically shape the international system to its own advantage.[167] Others have concluded that because China's rise is bound to result in a rebalancing of power in the international system, and due to its increasing resources and capabilities, China will become a "revisionist" power, i.e. wanting to shape the international system to its advantage.[168] Others again claim that exactly how China evolves as a power is contingent on its interaction with existing ideas, rules and structures at the international level, and the way in which this experience is understood by important elite groups in China and internalized with their own views of China's rise.[169]

In order to analyze the dominant ideas on China's rise in the Chinese discourse, we turn to the official overarching doctrines for how China envisions its engagement with the wider world. It has been pointed out that these framework doctrines, chiefly the *Peaceful Rise/Development* and *Harmonious Society* (referring to the maintenance of social stability and balance by removing social injustice and inequality), contain a number of inbuilt contradictions and that therefore China lacks an overarching grand strategy as a great power.[170] However, these contradictions are interesting in themselves as they are indicative

[166] *EU–China 2020 Strategic Agenda for Cooperation*. http://www.eeas.europa.eu/china/docs/eu-china_2020_strategic_agenda_en.pdf. Retrieved 14 November 2014.

[167] Schambaugh, *China Goes Global. The Partial Power*.

[168] John J. Mearsheimer (2001) *The Tragedy of Great Power Politics*, New York: W.W. Norton Company Ltd.

[169] Jeffrey W. Legro (2007) "What China will want: The future intentions of a rising power," *Perspectives on Politics*, Vol. 5(3), pp. 515–534.

[170] Shi Yinhong "China's new leadership: Balancing tensions in foreign policy," 20 March, 2014. http://www.china.org.cn/opinion/2014-03/20/content_31846745.htm. Retrieved 29 April 2015.

of how China sees itself and the challenges it is facing.[171] Moreover, its ability to contain these contradictions within a fairly cohesive foreign policy say a great deal about its capability as an international actor and its ability to shape strategies that will enable it to integrate into the international system. The most coherent vision for China's rise was spelt out in a white paper in 2005 entitled *China's Development Road*.[172] The white paper articulates a link between China's socioeconomic development and its integration into the international economy, which is perceived as beneficial for a continued global economic growth – a 'win–win' situation for all states – as well as being fundamentally cooperative and nonaggressive in character. The paper reiterates a number of recurrent themes of China's engagement with the international society, stressing the deep interdependencies in which its rise is inscribed, and the Chinese view of the world as peaceful and harmonious. Overall, the *Peaceful Rise/Development* doctrine must be seen as China's bid to assuage the fears that its rise to global status has stirred with a number of countries, both in the region and further afield, by the means of recurrent assurances that China develops its economic and political status with peaceful intentions, and that the logic of economic interdependence renders it supportive of global regimes and the efficient functioning of global markets. Given the continuous references in official statements to the principles, themes and ideas of China's identity as expressed in *Peaceful Rise/Development*, it is clear that the doctrine sets the boundaries for the officially sanctioned imaginary of China and its role on the international scene.

The *Peaceful Rise/Development* doctrine has been criticized, however, for announcing at best an incoherent, and, at worst, a deceptive vision of China's role in the international system.[173] To this effect, the incompatibility between China's insistence on its contribution to a peaceful and harmonious world and its strained relations with neighboring countries in east or southeast Asia has been noted, and so have the tense relations with the US in relation to Taiwan and in the East China Sea. Also the doctrine's 'win–win' assertion rings hollow considering that China's growth model is premised on an intense exploitation of natural resources at home and abroad, a dogged pursuit of national economic advantages by unfavorable treatment of foreign firms on the Chinese market, and lax enforcement of intellectual property rights. And, China's pledge to uphold democracy, equality, justness, tolerance and dialogue among civilizations on an international level is difficult to square with its unforgiving attitude to political dissidents, certain ethnic and religious minorities, and towards Taiwan. Deconstructing the components of China's imaginary, a number of inconsistencies emerge in the way China articulates its international role-conception which, in turn, influences how China is perceived and explains to a certain extent the

[171] Buzan "The logic and contradictions of 'Peaceful Rise/Development' as China's grand strategy."
[172] The State Council of the PRC http://en.people.cn/200512/22/eng20051222_230059.html. Retrieved 20 February 2015.
[173] Chen and Wang, "Lying low no more? China's new thinking on the Tao Guang Yang Hui Strategy."

attitudes of other actors towards China. On a principled level, great powers are known to articulate self-conceptions that are internally incoherent, often at odds with the perceptions of others. Arguably, great powers have much greater leeway in articulating self-understandings or international imageries that are built on uneasy juxtapositions of internally incoherent components without damaging their ability to take actions at an international level.

If we instead look at China in terms of foreign policy actor, we see much more coherent patterns emerge. Firstly, the *Peaceful Rise/Development* doctrine is predicated on the overriding objectives of maintaining China's territorial integrity and economic development, which is necessary for ensuring societal development and stability. On this basis, the Communist party is legitimized in the public's eye and predestined to fulfill the principled goal of maintaining power in the foreseeable future.[174] Secondly, foreign policy actions are devised to ensure that the conditions for global economic interaction are upheld, and that the interdependencies that are created in the process are properly managed. To this aim, China has become increasingly active on the international scene in the last decade, slowly breaking with the tradition of adopting an isolationist stance on international issues. China's foreign policy is therefore geared towards becoming an integral part of international regimes and an indispensable diplomatic actor in international politics. This shift is visible in China's active stance in regional organizations in Asia and around the Pacific; its quest to forge strategic partnerships with important global players; engage in international security, as witnessed for instance in the naval operation around Africa's Horn or in Africa; and avail itself of the rules of international regimes such as the WTO or the UNFCCC, while attempting to shape them according to its interests. As of late, China appears to have adopted a more active policy in creating international organizations in areas where its inclusion has been blocked. The setting up of the Asian Infrastructure Investment Bank (AIIB) can therefore be seen as a reaction to its frustration with the drawn-out reforms of the World Bank, the IMF and the Asian Development Bank, which will, if enacted, raise China's standing in these institutions on a par with its weight in the global economy. These reforms are effectively barred by the US Congress with no change in sight at the time of writing.[175]

China is now an indispensable diplomatic actor.[176] It has a global reach and capability to influence the conduct of international relations. Because of the Communist party's monopoly of power, it is also often held to be a resourceful

---

[174] Buzan "The logic and contradictions of 'Peaceful Rise/Development' as China's grand strategy", p.13.

[175] *The Guardian*, "Support for China-led development banks grows despite US opposition," 14 March, 2015. http://www.theguardian.com/world/2015/mar/13/support-china-led-development-bank-grows-despite-us-opposition-australia-uk-new-zealand-asia Retrieved 28 April 2015.

[176] Shambaugh, *China Goes Global. The Partial Power*, p. 45.

actor,[177] one that with confidence communicates foreign policy doctrinal developments, as witnessed by the release of white papers and the lively debate on international relations in China.[178] However, the extent to which the political regime is able to exert control over foreign policy is increasingly questioned and thereby its ability to maintain the careful balance between vigorously pursuing China's interests on an international level and assuage alarmist accounts of China's rise by behaving as a responsible partner. This development, which has been identified at the origin of a loss of grip on the foreign policy of official China, is the relative recent emergence of a strident form of nationalism. It harks back to foreign powers' historical mistreatment of China and the necessity to defend China's rising power in territorial and political terms.[179] Chinese scholars explain the rise of virulent nationalism as the unintended effect of the regime's replacement of Marxist ideology with nationalism in the 1980s and 1990s, which struck a chord with various audiences. Today, nationalist sentiments are articulated and disseminated by a new class of "netizens" who discuss foreign affairs and international issues on the increasingly extensive Chinese blogosphere.[180] Recent issues, such as territorial disputes, military standoffs or political wrangles in which China has become embroiled, involving neighbors such as Japan or third countries such as the US, France and Norway, have escalated as a result of nationalist agitation on the web. The conduct of China in these instances is believed to have taken a more uncompromising turn after pressure was put on the regime by nationalist netizens. The nationalistic displays on social media strengthened the hand of the Chinese military in the standoffs with the US and Japan and egged on the Chinese public to demand climb-downs by third states.[181]

Thus far, China has been quite successful in maintaining a fairly cohesive foreign policy. However, in line with the pluralization of Chinese society, the shaping of China's foreign policy is influenced by an increasing number of actors whose ability to impact on official discourses and decision-making varies across issues

---

[177] Anne-Marie Brady, "Chinese foreign policy: A new era dawns," *The Diplomat*, 17 March, 2014. http://thediplomat.com/2014/03/chinese-foreign-policy-a-new-era-dawns. Retrieved 29 April 2015.

[178] David Shambaugh "International relations studies in China: History, trends, and prospects," *International Relations of the Asia-Pacific*, Vol. 11(3), pp. 339–372.

[179] Yingjie Guo (2004) *Cultural Nationalism in Contemporary China. The Search for National Identity under Reform*, London: RoutledgeCurzon.

[180] Zhu estimates that by mid-2011 the Chinese netizen population numbered 485 million, constituting the world's largest Internet community, in "Chinese foreign policy: External and internal factors," *China: An International Journal*, Vol. 9(2), 2011, pp. 185–194.

[181] The incidents referred to concern the capture of a Chinese fisherman by the Japanese navy close to the disputed islands of Senkaku/Diaoyu in 2010, and the tension surrounding US armament sales to Taiwan as part of the US commitment to assist Taiwanese military capabilities. The case of France concerns the issue of the disabled Chinese athlete who was attacked in Paris by Tibetan activists while carrying the Olympic torch and the case of Norway regards the decision to award the Nobel Peace Prize to the political activist Liu Xiaobo in 2010.

and over time.[182] Much has been made of the recent development of virulent nationalism and its diffusion through the ever-expanding Internet community and has led to predictions that China's foreign policy may take on a more hostile orientation in the future. This also highlights the need for the analysts to take into consideration the competitive nature of China's foreign policy environment and the contending views held by various fractions of the Communist party, the People's Liberation Army, various organizational, bureaucratic and economic interests, ideological advocacy groups and engaged citizens.

4.4 What kind of actor? The EU as an international actor

The emergence of the EU as an actor in the international system has attracted a great deal of interest. However, the atypical character of the EU, being neither a state nor an international organization, has sparked debate over how far it is able to display cohesiveness and efficiency, and whether it is able to pursue coherent foreign policy given that common interests are premised on prior agreement among its member states. The difficulties of the EU to fulfill the lofty ideals and goals that it sets out in the founding treaties as well as in declarations, démarches and policy papers, have been referred to in terms of a 'capability-expectations gap' in foreign policy, which has beset the EU for a number of years.[183]

Because of the special circumstances concerning its inception, the EU was early on conceived of as a normative power, or as in the words of François Duchêne, a key adviser to Jean Monnet, the father of European unification, *une puissance civile*, built on the notion that ideas matter in international relations, and that norms may be promoted and spread as a form of power.[184] The notion of the EU as a normative power picked up speed in the 1990s because of the strengthening of its internal capacity to spread liberal values and norms as part of the enlargement to countries in Central and Eastern Europe. This idealist-liberal understanding of the EU as a central foreign policy actor in the 1990s emphasizes the importance of the EU's ability to act through normative persuasion and value projection pursued internally (in the EU treaties' aims and objectives), regionally (through political conditionality linked to enlargement and engagement with the neighborhood) and globally (through the UN human rights doctrine and in the millennium goals).[185] These largely declaratory instruments could not explain why and to what end such powers were bestowed upon the EU by member states in the first place. Realist accounts put forward an alternative explanation by pointing to the implications of the security vacuum that opened

[182] Linda Jakobson and Dean Knox, *New Foreign Policy Actors in China*, SIPRI Policy Paper, No. 26, 2010, Stockholm: SIPRI.

[183] Christopher Hill (1993) "Capability-expectation gap or conceptualising Europe's international role," *Journal of Common Market Studies*, Vol. 31(3), pp. 305–328.

[184] François Duchêne (1973) "The European Community and the uncertainties of interdependence." In Max Kohnstamm and Wolfgang Hager (eds.) *A Nation Writ Large? Foreign-Policy Problems before the European Community*, London: Macmillan.

[185] Karen Smith (2014) *European Union Foreign Policy in a changing World*, 3rd edition, Cambridge: Polity Press.

up in Europe in the wake of the Cold War, in which the EU was given the task to project stability to East Central Europe thereby becoming the vehicle for the member states' "milieu-shaping" goals in the region (i.e. attempting to influence the conditions, such as the acceptance of international law or the building of international regimes, in the surrounding environment to enhance one's security and ability to achieve one's aims).[186]

Competing explanations have continued to mark debates on the nature of the EU as an international actor. The idealist-normative understanding of European power is built on an external and an internal dimension. Internally the EU needed a set of values and norms around which the member states could rally without necessarily reconciling more narrowly defined national interests. These values and norms were written into the treaties and as such serve as the basis for a shared understanding of the EU's external identity.[187] The external dimension is, on the other hand, built on a conviction that normative power can be diffused through the EU's actions and policies. To that end, the EU has become an ardent promoter of political and civil rights in its relations to third countries, along with the principles of state building, socioeconomic development, rule of law and good governance. These values, norms and principles were systematically built into the instruments of the EU's enlargement process, as well as in association agreements and trade and cooperation agreements with third countries. Being attractive to third countries and their populations, the EU gained quite considerably in soft power through the normative content of its identity and by a conscious promotion of itself as an example of peaceful regional integration. Arguably, the EU's milieu-shaping ambitions were achieved in Central and Eastern Europe through enlargement, which extended the European security community geographically. It has been less successful in the neighborhood where the integration of the EU's norms and values into the current political, economic and social regimes is more problematic as the identity legacy to Europe is more uncertain. As a result, competing geopolitical interests have therefore been able to push back the EU's normative power.

Normative power is hard to gain but easy to undermine and eventually lose. First, the EU's self-conception as a normative power must be reinforced by its actions, and if the content or conduct of its actions are contrary to the values and norms it professes to uphold, it sustains a loss in influence vis-à-vis third countries, and its role on the international scene will be questioned.[188] Also the EU as an institution and the member states as a collective must be able to act in a cohesive manner as concerns the content of policy and the interests that are pursued. If there is too much discrepancy between the EU's institutional actors

[186] Adrian Hyde-Price "'Normative' power Europe: A realist critique," *Journal of European Public Policy*, Vol. 13(2), pp. 217–234, quote p. 226.

[187] Manners, "Normative power Europe: A contradiction in terms?"

[188] Rickard Bengtsson and Ole Elgström (2012) "Conflicting role conceptions? The European Union in global politics," *Foreign Policy Analysis*, Vol. 8, No. 1, 2012, pp. 93-108.

and the member states, the EU's credibility as a coherent actor is undermined and its policies risk becoming ineffectual. Because of this, the EU is at a constant risk of being outplayed by third countries, such as the US and China. Third countries favor forging bilateral relations with the various member states, which in turn are often willing to bypass time-consuming internal EU coordination processes and benefit from lucrative bilateral arrangements, not least with China.[189] Second, the ability of the EU to project normative power and shape international relations is dependent on the willingness of third countries to recognize the ideational power of the EU and accept the logic of the diffusion of liberal values and norms. Spreading values and norms to countries that welcome them, as in the case of Central and Eastern Europe, or to countries who are dependent on the financial or technical aid that the EU can offer, is naturally less difficult than to countries that do not agree with the EU's approach and do not need its support. For these reasons, normative power has less to offer in relation to great powers that do not care about being socialized into the specific set of norms and values professed by the EU, and are not dependent on forging closer relationships with the EU for economic aid or market access.

It is from the perspective of milieu-shaping that we can understand the EU's insistence on multilateralism and global governance in specific areas characterized by interdependence and high costs of collective mismanagement, such as climate change and international finance. The EU is an effective actor in transnational governance, particularly in areas with a strong presence of international functional regimes in which the EU institutions have been endowed with executive powers. To this aim, the EU has given strong support to China's inclusion in international organizations, such as the WTO, and worked on enlisting China's support to build stronger international norms concerning good governance, sustainable development and human security. As the EU has toned down its normative aspirations to strengthen China's respect for human rights, it has stepped up its efforts to include China in its quest to strengthen multilateralism and global governance. It is clear that the EU has actively tried to shape the international system in the direction of multilateralism and global governance. However, as the EU cannot be considered as a "world power" in a conventional sense,[190] the effectiveness of European foreign and security policy remains dependent on the receptiveness of the international system to the liberal cosmopolitan vision of the EU on the one hand and the internal cohesiveness of the EU on the other.

4.5 Contending visions of power

Given their radically different understandings of the international system, it should come as no surprise that the EU and China have different conceptions of

[189] Fox and Godement, *A Power Audit of EU-China Relations*, European Council on Foreign Relations.

[190] Jolyon Howorth (2010) "The EU as a global actor: Grand strategy for a global grand bargain?" *Journal of Common Market Studies*, Vol. 48(3), pp. 455–474. Quote, p 457.

power; its nature, projection and utility. This is certainly the case as far as hard power is concerned, but less so in regard to soft power, which both the EU and China aspire to possess.

China's military capability and resources have been strengthened considerably in the last decades and the People's Liberation Army (PLA) now counts among the world's most well resourced and extensive, both in terms of manpower – with an active personnel of roughly 2.3 million in 2010 – and in terms of military spending. In particular, the rise of China's military budget has received international attention as it now amounts to the world's second largest in absolute terms, with an annual budget of 180 billion USD in 2013, to be compared to the US, whose military budget amounted to 640 billion USD. However, rather than its size it is the steep rise in military spending that makes China stand out because of an increase in the military budget of 170% from 2004 to 2013.[191] Being a long-standing nuclear power with an extensive territorial army, China has recently striven to bolster the capacity of its navy, as witnessed by the successful launch of the aircraft carrier, *Liaoning*, in 2012, and the building of an underground naval base on the Hainan island in the South China Sea. It has also demonstrated its prowess in missile defence, antisatellite technology and cyber warfare.

The rationale behind this considerable investment in military resources, capability and weapons technology can be found in the various undercurrents of Chinese strategic thinking. A primary aim for strengthening China's military power and its capacity to project it is to bolster China's status as a rising world power. According to this thinking, it is paramount that China can stand its ground in a context of rising tensions in the East China and South China Seas, where the prospect of a standoff with Japan over a number of disputed islands and with the US on the subject of Taiwan appears increasingly likely. Similarly, China insists on procuring the means, military if necessary, to secure the passage through the Malacca Strait and, more generally, in the waters of the South China Sea, for its extensive merchant fleet in order to ensure vital transport links of natural resources, chiefly oil. China's manifest willingness to project military power and use its military might to enforce national interests, whether economic or strategic, has brought it on a collision course with several Asian states, including Japan, as well as with the US. This development is clearly inconsistent with the official doctrines, such as China's *Peaceful Rise/Development* or Deng Xiaoping's dictum of biding one's time and keeping a low profile, and have fueled confusion and suspicion of China's real strategic intentions. A contending strand of thinking emphasizes instead the need for a strong defensive military capability to secure China's territorial integrity with references to the century of humiliation and suffering under foreign rule. As one of the most forceful imageries in

[191] Data from SIPRI website: http://www.sipri.org/research/armaments/milex/recent-trends. Retrieved 26 March 2015.

contemporary Chinese self-understanding, China's existential vulnerability was endorsed by President Hu in 2004 as he outlined the principal missions of the PLA, among which he counted ensuring China's sovereignty, territorial integrity and domestic security as well as safeguarding national interests.[192] These are well-known principles, which underpin China's foreign policy doctrine and form the basis for Chinese assurances that the painful experiences of foreign occupation and dominance prevent it from harboring aggressive or expansionist ambitions. With China's mounting foreign investments, doubts linger about a possible revision of the definition of national interests prompting it to take decisive action to protect not only strategic territorial interest in the near-abroad but also commercial, possibly political, interest further afield.[193]

From the global governance/international engagement perspective it is only natural that China puts its extensive military capabilities to the disposal of the international community for peacekeeping missions and other military action under the auspices of the UN, and that such engagement should increase with time. Voices both inside and outside China argue that with its status as a world power comes the necessity to take on responsibilities commensurate with this standing.[194] China participates already quite extensively in humanitarian and disaster relief operations but its interventions have largely been limited to nonmilitary tasks, chiefly relief and engineering works. In this context, the PLA's participation in the antipiracy mission off Africa's Horn is notable and seen as a precursor to a more extensive Chinese participation in international military interventions.[195] However, the reluctance of the Chinese leadership to intervene in third countries is profound. China still regularly evokes the principle of nonintervention in the UN Security Council (UNSC) in regard to international security crises. Resolution 1973, establishing a no-fly-zone over Libya in 2011, can be seen as a partial exception to the rule, as China abstained in the vote that de facto enabled the Security Council to sanction the action. The fact that the Resolution ultimately served as the basis for more intrusive action of NATO in Libya was heavily criticized by China (along with Russia and some nonpermanent members of the Security Council) and contributed to Chinese intransigence on the issue of a humanitarian intervention in the Syrian civil war. Different perspectives both inside and outside China on the nature of Chinese hard power, both concerning its nature (defensive or offensive) and the purpose of its possible projection, color accounts of the implications of China's

[192] It is interesting to note that the foremost mission of the PLA as stated by Hu is to consolidate the status of the Communist party. Timothy R. Heath (2014) *China's New Party Paradigm: Political Renewal and the Pursuit of National Rejuvenation*, Farnham: Ashgate, see pp. 89–90.

[193] Shambaugh, *China Goes Global. The Partial Power*.

[194] Also, Chinese officials expound this view. See, for instance, the speech for Foreign Minister Yang Jiechi, 26 March 2010. http://www.lse.ac.uk/LSEAsiaForum/pdf/Yang%20Jiechi%20Speech%20(English).pdf. Retrieved 29 April 2015.

[195] Susanne Kamerling and Frans-Paul van der Putten (2011) "An overseas navy presence without overseas bases. China's counter-piracy operation in the Gulf of Aden," *Journal of Current Chinese Affairs*, Vol. 4, pp. 119–146.

rise to global status. The opaqueness of the Chinese army and its nontransparent relationship with the highest echelons of the Communist party leadership render predictions difficult, and therefore China's strategic intentions easily become the source of alarmist readings of the future.

The EU, in contrast to China, has no autonomous military capabilities and the debate on whether or not it should acquire at least a minimum of hard power to sustain post-conflict stability and peacekeeping operations, possibly even peace-enforcing missions, is far from settled. The problem can be approached from two angles: Firstly, the implications for the EU's identity as a normative actor; and secondly, the feasibility, indeed desirability, of the EU to acquire greater control over the member states' military capabilities and resources. The normative identity that the EU has cultivated carefully since the end of the Cold War resides on the contention that the memories of the destruction of past world wars have turned Europe into a postmodern state,[196] one that shuns the balance of power logic and acts in the international system in accordance to its own values and norms, which it attempts to spread to nearby states. As a normative power, Europe is just as much about what the EU is, or should be, as it is about what the EU should do. As such, it risks becoming beset by inconsistency as soon as the EU contemplates action involving military resources. Robert Cooper, an influential diplomat, has argued that in the contemporary world where states exist in different "worlds" ranging from premodernity associated with underdevelopment and chaos, to postmodernity associated with individualism and complexity, it is unavoidable that normative powers also acquire coercive capabilities.[197] The EU, which belongs to the latter group, should be prepared to protect its postmodern model of society with means resorting to the modern era and not shun military intervention in order to prevent that the chaos of failed states spills over into the postmodern world. Cooper's advocacy of the use of force to protect national interests and ways of living, even if it entails sidestepping or stretching norms and principles of international law, was heavily criticized by scholars pointing out that if an entity such as the EU, which is so heavily reliant on principles and norms of international society, adopted policies based on power politics and military engagement, its *raison d'être* and credibility as a normative actor would be seriously undermined.[198] However, the feasibility of pooling, sharing or even transferring military capabilities from the member states to the EU has proven to be a concrete stumbling block for a concerted European security policy. In 1999, the EU member states in the European Council committed themselves to put in place the necessary resources in terms of operational, logistical and planning capabilities to carry out the Petersberg tasks of peacekeeping and

[196] Peter van Ham (2002) *European Integration and the Postmodern Condition. Governance, Democracy and Identity*, Abingdon: Routledge.

[197] Robert Cooper (1996) *The Postmodern State and the World Order*, London: Demos.

[198] Thomas Diez and Ian Manners (2007) "Reflecting on normative power Europe." In Felix Berenskoetter and Michael J. Williams (eds.) *Power in World Politics*, New York: Routledge, pp. 173–188.

conflict prevention in an autonomous fashion.[199] National governments pledged quite considerable resources, which had they truly materialized, would have given the EU quite extensive capabilities to intervene in third countries. Some 15 years and a number of military and civilian missions later, the realization of an independent European security policy remains elusive. Problems persist not only in the member states' reluctance to pledge and supply resources in an adequate and timely manner when concrete missions are discussed in the EU's Foreign Affairs Council, but also in the lack of a common strategic culture among member states' armies.[200] For these reasons, the EU's past and current military and civil missions have been beset by understaffing, lack of funding, slow deployment, and an overreliance on one or possibly two larger member states to bear the brunt of the mission in terms of military and financial resources.[201]

Besides hard power, the notion of soft power has grown stronger in international politics. Indeed, in a world characterized by complex interdependence, the ability to influence others without resorting to coercive means, whether military or economic (sanctions), is a more potent and certainly less destructive way to acquire power. Ever since the book by Professor Joseph Nye of Harvard Kennedy School, *Bound to Lead* of 1990,[202] was translated into Chinese in 1992 there has been an intense interest in soft power in China, both as a theory of statecraft and in concrete ways to achieve it.[203] According to Nye's original definition, soft power is the ability to make others want what you want without the recourse to coercive means solely by the force of the state's inherent attractiveness. In China the term soft power tends to be discussed in juxtaposition with, but not separate from, cultural (soft) power and public diplomacy, and therefore Chinese soft power derives on the one hand from a distinct historical/cultural imagery, and on the other, resorts to quite instrumental ways of enhancing its standing in the world. The importance of cultural soft power was put forward by President Hu in his speech to the 17th CCP Congress in 2007, when he referred to culture as an "important source of national cohesion and creativity" to strengthen the country's capacity to deal with domestic challenges and

[199] The Petersberg's tasks comprise: humanitarian and rescue missions; conflict prevention and peacekeeping; combat forces in crisis management, including peacemaking; joint disarmament operations; military advice and assistance; and post-conflict stabilization. http://europa.eu/legislation_summaries/glossary/petersberg_tasks_en.htm. Accessed 14 April 2015.

[200] Eva Gross and Anand Menon, *CSDP between Internal Constraints and External Challenges*, ISSUE Report no. 17, Paris: European Union Institute for Security Studies, 2013.

[201] Mette Eilstrup-Sangiovanni (2014) "Europe's defence dilemma," *The International Spectator*, Vol. 49(2), pp. 83–116.

[202] Joseph S. Nye (1990) *Bound to Lead: The Changing Nature of American Power*, New York: Basic Books.

[203] Zhimin Chen and Lilei Song (2012) "The conceptual gap on soft power between China and Europe and its impact on bilateral relations." In Zhongqi Pan, *Conceptual Gaps in China–EU Relations* (ed.) Houndmills: Palgrave Macmillan, pp.50–64. See p. 51.

international competition.[204] Cultural soft power was therefore designated as one of the pillars of the development of modern China and a key component in its national strategy.[205] By linking traditional culture to the achievements of economic and social progress in contemporary China, Chinese soft power also comprises the Chinese economic model: To give it a wider and more applicable appeal, China couches its approach to socioeconomic modernization in terms of an example for developing countries to emulate. Closely linked to soft power, but not synonymous with it, is public diplomacy, which, contrary to soft power, is carried out through dedicated activities of governmental actors with the aim of strengthening the state's attractiveness. There is a great deal of interest in China in public diplomacy as it is seen as a necessary dimension in bringing its messages to the world, assuaging fears of the "China threat" in the neighborhood and further afield, and generally gaining greater influence in world affairs. Public diplomacy is therefore seen as a practical pursuit of strategic goals, at which China is considered to be "doing well, and is even ahead of many Western countries.'[206] China's public diplomacy takes many forms: Among the more conspicuous we find the efforts to enhance the diffusion of Chinese media (newspapers, newsmagazines, television and radio) on the global market by launching English-speaking outlets through a multimillion investment of public funds (in 2009 a reported 60 billion RMB was invested in the four big Chinese news corporations).[207] Other notable initiatives include the megaprojects, such as the Beijing Olympic Games in 2008 and the World Expo in Shanghai 2010, which have allowed the Chinese to showcase their prowess to the world. The field of education provides another example in the rapid expansion of the Confucius Institutes, which started in 2004 when the first institute was opened in Seoul, South Korea, through to 2011 when there were 350 institutes in various places in the world and with more being planned.[208]

Although the EU is usually considered to have little in terms of hard power, it is often held to wield considerable soft power. As such, much of its influence in international politics is believed to be connected to its attractiveness as a model of socioeconomic development, peaceful integration among nations and its normative ideals. As the EU's soft power is linked to its normative identity, the strength or persuasiveness of its soft power is directly related to the congruence

---

[204] Hu Jintao, "Report to the 17th Party Congress," 15 October 2007. http://www.chinadaily.com.cn/china/2007-10/25/content_6204663.htm. Retrieved 29 April 2015; Anna Michalski (2012) China and the EU: Conceptual gaps in soft power." In Zhongqi Pan, *Conceptual Gaps in China–EU Relations* (ed.) Houndmills: Palgrave Macmillan, pp. 65–79. See p. 67.

[205] Chen and Song, "The conceptual gap on soft power between China and Europe and its impact on bilateral relations," p. 52.

[206] Ingrid D'Hooghe (2005) "Public diplomacy in the People's Republic of China." In Jan Melissen (ed.) *The New Public Diplomacy: Soft Power in International Relations*, Houndmills: Palgrave Macmillan, 2005, pp. 88–105.

[207] David Shambaugh "China flexes its soft power," Opinion 7 June 2010. http://www.brookings.edu/research/opinions/2010/06/07-china-shambaugh. Retrieved 29 April 2015.

[208] Shambaugh, *China Goes Global. The Partial Power*, p. 245.

between the EU's values and principles on the one hand, and its behavior and actions on the other. Inconsistencies between what the EU says that it stands for and what is does have for this reason grave implications for its soft power capabilities. This poses problems for the EU in the sense that member states tend to shirk away from international (security) commitments while playing bilateral games with strategic actors in order to gain material advantages. This contributes to undermining the EU's soft power and thereby its influence in international politics. Also, the complexity and unwieldiness of the EU's decision-making and its disputed legitimacy weaken its soft power. In this sense, the EU's soft power is precarious and exposed. On the other hand, the EU also draws on the socioeconomic and technological advances of its member states and the attractiveness of Europe's historical, philosophical, cultural and scientific legacies, which indirectly enhance the EU's soft power in the eyes of foreign publics. Because of these qualities the EU has been reluctant to forge a distinct public diplomacy; in fact, the term was not used in official EU documents before the mid 2000s.[209] The EU's soft power and therefore also the articulation of its public communication to the elite and public in third countries were based on the diffusion of the EU's values, norms and principles, most forcefully in the context of enlargement of the EU, where aspiring EU members had to adopt the EU's normative model. The EU attempts to diffuse the same values and norms to neighboring states that are not negotiating for membership, but with much less success. Also, in relations with countries further afield, the EU insists on diffusing values and norms. The extent to which these are adopted and emulated is uncertain and dependent on these countries' indigenous urge for political reform rather than on the strength of the EU's policy approach. Another way for the EU to use its attractiveness is to portray itself as an example of peaceful integration of previously warring states and a model of socioeconomic modernization and democracy for other states to emulate. The representation of the EU as an advanced form of a security community has been noted, for instance, among states in southeastern Asia and Latin America, but as yet no example of intensive regional integration beyond the EU has materialized. Finally, as the soft power of the EU is dependent on its ability to achieve success in terms of economic growth and competitiveness, social cohesion and political stability, the 2010 sovereign debt crisis, the instability of the eurozone and the political, economic and social fallout of the crisis have severely affected the EU's soft power. This is not only because the EU has had less time and resources to concentrate on international affairs due to its efforts to solve the eurozone crisis, but also because the financial and economic crisis unearthed weaknesses in the integration model that threaten to undermine the very foundations of the EU.

[209] Anna Michalski (2005) "The EU as a soft power: The power of persuasion." In Jan Melissen (ed.) *The New Public Diplomacy: Soft Power in International Relations*, Houndmills: Palgrave Macmillan, pp.124–146.

4.6 Summing-up: China and the EU's strategic partnership in a multipolar system

What should we make of the EU–China strategic partnership from the perspective of a multipolar system? What role does this partnership play for each actor and what does it signify for the emerging world order?

These questions can be seen as purely rhetorical; but they may also be seen as being endowed with practical significance when reflecting on the logic according to which international relations will play out in the near future.

When China and the EU first explored the possibilities of strengthening their bilateral ties, each needed the attention of the other: China needed the EU as a partner that could help it break the international isolation it found itself in the wake of the Tiananmen Square in order to continue its opening-up strategy towards the world. Access to the European market, exchanges in the field of science and technology and experiences of combining a functioning market economy with social cohesion attracted Chinese policymakers. For China, the EU's support for a Chinese membership of the WTO and the strengthening of its position in the IMF and the World Bank was fundamentally important for its quest for inclusion in the liberal economic order. For the EU, China represented an emerging great power that was bound to have a strong impact on the European economy, not only in terms of trade, but also in the wider perspective of global competitiveness and global economic governance. The EU also realized early on that given the size of China and its neck-breaking economic growth, China's rise was going to have major implications for a number of international regimes in areas such as climate change, resource management, and social justice. The inclusion of China into international organizations and global governance was therefore seen as being in the general interest of the EU, and in line with its efforts to strengthen global economic governance and shape the international system in the direction of multilateralism. Indeed, the ambition of the EU to forge an international identity and to strengthen its position as an actor on the international scene is dependent on it being taken seriously by other great powers. Here, the EU found much more resonance in China than with the US.

Much has been made of the fact that contrary to other bilateral relations involving China, the EU and China have no fundamental strategic disputes to resolve and therefore may approach international issues with less contention and build a bilateral relationship on a nonconfrontational basis. This being the case does not imply that the deep-seated differences in the EU's and China's outlook on the international system and approach to power and global governance do not get in the way of managing bilateral relations and of finding common ground on contemporary strategic issues. The insistence of China on Westphalian principles in the conduct among states in the international system has led to irritation over European criticism of human rights abuses in China and its handling of the Taiwan, Tibet and Xinjiang issues. It has also implied

a lack of mutual understanding on how to handle certain issues, for instance climate change and the EU's arms embargo. Having pinned its hopes on China as a potential supporter for global governance and rule-bound functional multilateralism, the EU was disappointed by China's insistence on prioritizing economic development and national stability before adhering to the more lofty goals of climate preservation and human rights internally. China's willingness to seek inclusion in the liberal economic order was linked to its insistence on retaining traditional views on the prevailing great power order. This order is, for China, embedded in the UNSC as the forum for international politics in which it can control, and if necessary, slow down the advances of the liberal world order. In the 2000s, growing frustration on both sides made the EU–China strategic partnership appear increasingly ineffectual in improving bilateral relations, diffusing tensions on issues where EU and China hold fundamentally different views and contributing to create an international order capable of confronting global challenges. The slow progress in the negotiations on an upgraded trade and cooperation agreement launched in 2007 is an indication of the lingering deep-seated differences between the two.

In the last few years, however, EU–China relations appear to have found a new equilibrium. A number of developments foreshadows the underlying changes in the international system, which impact on the foreign policies of China and the EU. China's engagement with the international community has been stepped up and its willingness to take responsibility for the stability of the international system is visible in initiatives such as the antipirate mission off Africa's Horn, the mediation in the conflict in Darfur in 2007, in the 'Six Powers' constellations in the negotiations with Iran and in the six-party talks with North Korea.[210] There are indications that China's Africa policy is shifting from a studious neglect of the conduct of Chinese companies in the region and a no-strings-attached development aid, towards a more hands-on policy motivated by the significant Chinese investments and considerable number of Chinese nationals on the ground, prompting China's interest in good governance and political stability in Africa.[211] Since the international financial and economic crisis China has a real interest in engaging with the frameworks of global governance in finance and trade-related matters. It has therefore become an active player in the G20 and upped its stakes in the IMF, where it seeks a more adequate representation in terms of votes in relation to its contribution to IMF's assets. Also, in the UN's climate change negotiations China has continued to seek a solution, not least

[210] Jonathan Holslag (2007) "China's diplomatic victory in Darfur," *Journal of Contemporary China*, Vol. 17(54), pp. 71–89; Emma van der Meulen and Frans-Paul van der Putten (2009) *Great Power and International Conflict Management. European and Chinese Involvement in the Darfur and Iran Crisis*, The Hague: Netherlands Institute of International Affairs Clingendael.

[211] Jonathan Holslag (2011) "The elusive axis: Assessing the EU–China strategic partnership," *Journal of Common Market Studies*, Vol. 49(2), pp.293–313.

with the US, albeit on a much less ambitious level than that wished by the EU.[212] China's more active engagement is a logical consequence of its economic and political rise, and an expression of its urge to shape the international system to its liking. However, China has up until now played inside rather than outside the system and has not, to the degree often feared, sought to compromise the system by circumventing the rules. China's considerable global investments turn it into a necessary player, but at the same time, the high degree of interdependence forces China to also consider longer-term and less self-centered interests. China's intensified engagement with multilateral institutions is parallel to a heightened sensitivity to regional security and a continued hypersensitivity in regard to criticism of domestic affairs.[213]

The EU's resources to influence international affairs have diminished considerably in the wake of the financial and economic crisis, and its flagship project, the euro, has been severely undermined by the eurozone crisis. Despite these recent developments, the EU and its member states remain important players in the international system. Having already accepted the advent of a multipolar world, the EU is less at pains to accept the reconfiguration of the international system than the US, and therefore less inclined to view it with alarm. The EU has strengthened its institutional capacity to devise and carry out common foreign policy, which it is now put to the test in an increasingly unstable neighborhood. With the recent challenges to the global liberal regime, its values and norms by the military confrontation in Ukraine, and terrorist attacks on European territory, the EU is having to stand up for these values in an explicit manner closer to home. In this perspective, a stable relationship with China will be in the interests of the EU and the member states.

[212] Joanna I. Lewis (2013) "China's environmental diplomacy: Climate change, domestic politics, and international engagement." In Rosemary Foot (ed.) *China Across the Divide*, pp. 200–225.
[213] Eric Hyer (2015) *The Pragmatic Dragon: China's Grand Strategy and Boundary Settlements*, Seattle: University of Washington Press.

5 EU–China Relations in a Future Perspective

This report describes the development of the relations between the EU and China in the past 30 years, and discusses the unfulfilled expectations and ambitions, which to a large extent characterize this relationship despite being enshrined in one of the world's most extensive bilateral partnerships between global actors. Notwithstanding the partnership's numerous political and sectoral dialogues, memoranda of understanding and high-level summitry on the one hand, and a substantial economic interdependence on the other, the EU and China have not succeeded in agreeing to (a more advanced) replacement of the 1985 trade and cooperation agreement. The partnership remains locked in between contending strategic aims, material interests and normative outlooks, which thwart attempts to strengthen it. The aim of the report has therefore been to explicate the conceptual differences between the EU and China as to their views on the international system, the principles of internal and external norms, and the management of growing global interdependence, in order to understand the future challenges to the EU–China strategic partnership.

One could argue that it is futile to try to bridge conceptual differences between actors as dissimilar as China and the EU, as these differences stem from deep-seated cultural norms and values that cannot easily be overcome. For the same reasons, one could argue that the EU–China partnership is at best irrelevant, and, at worst, a challenge to prevailing societal models and fundamental values. However, we believe that, at a time when antagonisms among states in the international system are on the rise, national economic systems are becoming increasingly vulnerable and societies are at risk from nontraditional threats, efforts to build stable, cooperative arrangements among major powers are inherently positive for peace and stability. Without pretending that the EU and China are likely to converge in terms of international outlook and norms any time soon, the principal message of this report is to highlight the importance of generating a deeper understanding and awareness of the contending conceptual differences as a prerequisite for strengthening the strategic partnership and to set EU–China relations on a constructive path forward.

This being said, the EU–China strategic partnership is but one of the many bilateral and regional constellations that today characterize the international system, and therefore the bilateral relations between the EU and China are not only dependent on their internal progress, but also on developments in the external environment. An increasingly prominent feature of the international system is the renewed significance of regional free trade areas, which, because they have taken on an increasingly strategic meaning, are challenging the norm

of global free trade of the liberal order. The bilateral and multilateral relations that China and the EU have forged with other states form the backcloth of EU–China relations and impinge on the overall importance of the strategic partnership. A central question, therefore, is how and to what extent these contending bilateral and multilateral agreements will influence the future of the EU–China strategic partnership, either rendering it strategically irrelevant or turning it into an important feature in a new rebalanced multilateral world order by constituting a bridge between regional centers.

As economic powers first and foremost, both the EU and China have entered, or are about to enter, into a number of such arrangements. On the EU side, most conspicuously, we find the Transatlantic Trade and Investment Partnership (TTIP) agreement with the US, which, if it enters into force, will set up the world's largest free trade zone. The importance of the TTIP lies not only in its growth-enhancing qualities but also in the fact that, by its sheer size and depth in terms of regulatory ambitions, it will have an impact on global economic regulatory regimes. But the TTIP is only one of the comprehensive free trade agreements being set up by the EU.[214] Others include the agreement with South Korea and those being negotiated with Canada, Japan and a host of countries in the EU's neighborhood. In this context, China's recent "One Belt, One Road" initiative[215] is interesting as it constitutes a reorientation of China's foreign policy towards the states in its western neighborhood, but could also be conceived of as a way to strengthen its economic presence in the EU's vicinity, possibly in the EU itself. [216] Beside the "One Belt, One Road" initiative, China has set up close economic relations with Russia and the Central Asian Republics through trade and investment agreements in the energy and infrastructure sectors. Despite their economic aspects, these regional agreements have clear strategic undertones and their political expression is further visible in the Shanghai Cooperation Organization.[217] Although China has clearly expressed its disapproval with Russia's involvement in the crisis in Ukraine, Russia and China share the same concerns over the West's handling of a number of international security crises beyond Ukraine, most recently the civil wars in Libya and Syria, in which both Russia and China opposed military intervention until mid 2015 when Russia decided to conduct airstrikes in Syria in an attempt to bolster the Assad regime. However,

[214] We mustn't forget that the US is also the driving force behind the Trans-Pacific Partnership (TPP), a free-trade zone across the Pacific Ocean that is set to correspond to app. 40% of the world economy (while TTIP is estimated to correspond to app. 50% of world output). The TPP excludes China for now.

[215] "One Belt, One Road" is a development strategy launched by Xi Jinping in October 2013 with the aim of increasing the connectivity among the countries on the Eurasian landmass. It has a maritime (the Maritime Silk Road) and a land-based component (the Silk Road Economic Belt).

[216] Shaohua Yan (2015) "Why the 'One Belt, One Road' Initiative Matters for the EU," *The Diplomat*, April 09.

[217] The Shanghai Cooperation was set up in 2001 in Shanghai. It comprises, besides China and Russia, the Central Asian Republics of Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan.

as discussed elsewhere in this report, China is keen on bolstering its presence in the international community by contributing extensively to UN humanitarian operations, and for a number of years China has been the permanent UNSC member that has contributed the most troops to peacekeeping missions.[218] In terms of economic power presence, China has recently changed the orientation of its "Go-global" strategy away from a focus on developing countries in Africa primarily in search of natural resources, to countries in eastern and southeastern Europe in search of alternative investment opportunities and access to the European market. Chinese investments are chiefly conducted by state-owned enterprises (SOEs) in the energy and infrastructure sectors where China has considerable expertise.[219] The SOEs and some government authorities, such as the Chinese State Administration of Foreign Exchange, benefit from China's considerable foreign exchange reserves, which are used to channel Chinese investments abroad. Since the onset of the sovereign debt crisis in the eurozone, China has not only contributed with funds to the IMF and purchased sovereign bonds of crisis-stricken EU member states, but also invested in cash-strapped countries in the European periphery. As of late, Chinese investors, both public and private, have turned their focus on the larger EU economies, such as the UK and France, in search of safe and stable returns on capital, as well as access to technology and high-value brands.[220]

European countries have, therefore, by necessity or by choice, adopted a rather open attitude to China's economic presence in Europe. This stance is in line with the EU's support of China's inclusion into the international liberal system through membership in organizations such as the WTO. The EU and its member states have also shown greater acceptance of an enhanced role for China in the Bretton Woods institutions and agree in principle to a higher share of votes for China in the IMF governing council – although EU member states still disagree among themselves on the practical consequences and implementation of such a reform. The same goes for other international financial institutions, such as the Asian Investment Bank (AIB) and the World Bank. Reforms of these institutions, in particular the IMF, are, however, held up in the American Congress.[221] The US's intransigence over accepting a larger role for China in global economic governance is held to lie behind China's decision to set up the Asian Infrastructure Investment Bank (AIIB). Despite American pressure, the

[218] See http://www.un.org/en/peacekeeping/resources/statistics/contributors.shtml. Accessed 10 May 2015.

[219] EurActiv, "China boosts investment in Central and Eastern Europe," 19 December 2014. http://www.euractiv.com/sections/europes-east/china-boosts-investment-central-and-eastern-europe-310997. Retrieved 30 April, 2015.

[220] François Godement and Angela Stanzel (2015) *The European Interest in and Investment Treaty with China*, Policy Brief, London: European Council of Foreign Relations. http://www.ecfr.eu/publications/summary/the_european_interest_in_an_investment_treaty_with_china332. Retrieved 30 April 2015.

[221] Reuters, "G20 discusses plans to sidestep US: On IMF reform," 17 April, 2015. http://www.reuters.com/article/2015/04/18/us-imf-g20-reform-idUSKBN0N81WE20150418?virtualBrandChannel=11563. Retrieved 30 April, 2015.

UK decided to apply for membership of the AIIB, soon followed by a number of other European countries.[222] These decisions were heavily criticized by the US.[223] Whether the European states decided in favour of adhering to the AIIB out of concern for securing continued Chinese investments in Europe or out of a conviction that China's enhanced role in international economic affairs must be recognized does not make a substantial difference. The incident, however, serves to underline the difference in view between Europe and the US on the consequences of China's rise as a global power and their diverging approaches to accommodate it.

5.1 Bolstering the strategic partnership: How and to what end?

The EU–China strategic partnership went through a period of strained diplomatic relations between 2008 and 2010, but has since then gradually improved with President Xi Jinping's visit to the EU headquarter in March 2014 marking a high point. The re-establishment of constructive diplomatic engagement at the highest level was reached after both sides acknowledged the importance of putting the partnership on a more realistic footing. However, most of the recalibration is a result of the EU's changing stance towards China in placing the relationship more firmly on the level of diplomacy among equals than was previously the case. A number of factors lie behind this development: First, the near break-up of relations from 2008 and 2009 when China vigorously resisted European criticism of the human rights situation in the country, which resulted in a European realization that China cannot easily be socialized into European norms on human rights and democracy; second, the EEAS, which now has the overall responsibility for the EU's relations with China, has adopted a distinctly diplomatic way of thinking and acts quite differently compared to the European Commission;[224] and third, China has strengthened its position as a major economic and political actor in the world, while the EU's significance as an international actor has been seriously affected by the eurozone crisis.

Despite these changes in the bilateral relations, the strategic partnership has nevertheless had problems in lifting to a new level in recent years. In 2007 the then commissioner for external relations, Benita Ferrero-Waldner, proposed opening negotiations for an upgraded agreement when the trade and cooperation agreement of 1985 expired. Since then negotiations have been ongoing but thus far they have produced very little in terms of concrete results. As witnessed by the reoccurring bilateral trade disputes settled through the WTO dispute

[222] The Guardian, "US anger at Britain joining Chinese-led investment bank AIBB," 10 March 2015. http://www.theguardian.com/us-news/2015/mar/13/white-house-pointedly-asks-uk-to-use-its-voice-as-part-of-chinese-led-bank. Assessed 10 May 2015.

[223] Reuters, "More countries say to join China-backed AIIB investment bank," 28 March 2015. http://www.reuters.com/article/2015/03/28/us-asia-aiib-china-idUSKBN0MO00F20150328. Retrieved 30 April 2015.

[224] Edith Drieskens and Louise van Schaik (eds.) (2010) *The European External Action Service: Preparing for Success*, Clingendael Discussion Paper no.1, The Hague: The Netherlands Institute for International Affairs 'Clingendael.'

settlement mechanisms, China and the EU have different economic interests to satisfy in a new bilateral agreement and therefore seek different outcomes to the negotiations. China is primarily interested in access to the EU internal market and therefore advocates a free trade agreement, whereas the EU is keen on a bilateral investment treaty in order to regulate Chinese investments into Europe, secure a more level playing field for European companies operating in China, and to put a stop to intra-European competition for Chinese investment.[225] Because of looming changes in the external environment potentially brought about by a successful conclusion to the TTIP negotiations and the change of China's market status following the expiry of its special status in the WTO in 2016, prospects for the EU and China agreeing on a new economic framework look more promising today than they have for many years.

In the short-to-medium term, we believe that it is important that the negotiations on a bilateral investment treaty move forward, and that the prospects for a free trade agreement between China and the EU are considered seriously. We are aware that the details of such agreements are difficult to agree on as they impact on national economic interests and social conditions. However, seen from a wider perspective a strengthened economic relationship would bolster the strategic dimension of the EU–China partnership and therefore play an important role in the ongoing reconfiguration of the international system. There is already significant interdependence between the Chinese and European economies and therefore an -upgraded framework to manage these interdependencies seems increasingly crucial. Also, there is nothing inherently contradictory in pursuing a structured economic framework as a supporting element to the Chinese quest to manage multipolarity and the European goal to bolster multilateralism.

The political dimension of the partnership seems now to be back on a firm footing. The European and Chinese leaders should use the political dialogue to consider strategic issues of common interest. Expanding cooperation in areas such as humanitarian intervention, peacekeeping, the fight against organized crime and terrorism on the one hand, and rules for international financial markets, global climate protection and economic governance on the other is feasible and should be welcomed. At the same time, China and the EU do not see eye to eye on a number of principles and norms in internal (domestic) as well as international spheres and neither side is prepared to give up deep-seated worldviews and convictions. However, in a partnership between two such different actors, it is important that these differences of views are acknowledged but at the same time not allowed to derail cooperation completely. Here, knowledge and awareness of conceptual differences are important, and while a better understanding of the other will not change one's fundamental values or self-conceptions, it may permit the avoidance of pitfalls and unnecessary quarrels.

[225] Godement and Stanzel, *The European Interest in an Investment Treaty with China.*

Finally, the EU–China partnership has already resulted in an intense dialogue among experts, civil servants, researchers and academics, as well as agreements to facilitate educational exchanges and tourism. Efforts of this kind are important in the longer run to bolster knowledge and possibly mutual trust. For this reason alone, we believe that also in this dimension a further strengthening of the partnership would be beneficial for both parties.

6 Svensk sammanfattning

Denna rapport belyser utvecklingen av det så kallade strategiska partnerskapet mellan EU och Kina, med tonvikt på skillnader i synen på normer och principer för internationell samverkan. Det strategiska partnerskapet etablerades år 2003 i syfte att förstärka relationerna mellan EU och Kina, och utgör idag ett av de mest omfattande bilaterala partnerskapen mellan centrala aktörer i det internationella politiska systemet. De bilaterala förbindelserna mellan EU och Kina har dock inte uppmärksammats i samma grad som vare sig de mellan Kina och USA eller de mellan Kina och Ryssland. Därmed har också den principiella frågan om bilaterala, organiserade, partnerskaps funktion i en förändrad världsordning hamnat i bakgrunden.

De senaste 20 åren har Kinas och EU-ländernas ekonomiska utbyte växt i omfattning. EU är i dag Kinas största handelspartner, medan EU:s handel med Kina är den näst största efter unionens handel med USA. Handeln med Kina är i dag EU:s snabbast växande bilaterala handelsrelation, och varje dag sker ett utbyte av varor och tjänster mellan de två partnerna till ett värde av en miljard euro.[226] Också EU:s och Kinas strategiska partnerskap har ökat i omfång och omfattar idag 22 så kallade sektoriella dialoger; särskilda dialoger om strategiska frågor, ekonomi och handel, och utbyten mellan människor; en högnivådialog om mänskliga rättigheter; ett årligt toppnivåmöte samt reguljära politiska möten på olika nivåer.

Men trots att partnerskapet det senaste decenniet har växt i omfång och fördjupats, är förbindelserna mellan EU och Kina långt ifrån bekymmersfria. I själva verket kännetecknas dessa av återkommande missförstånd, ouppfyllda förväntningar och utdragna handelsdispyter. En påtaglig effekt av bristen på samsyn är att förhandlingarna mellan EU och Kina om ett nytt ekonomiskt partnerskapsavtal som påbörjades 2007 har gått i stå och ersatts av förhandlingar om ett bilateralt investeringsavtal. Inte desto mindre uttalar sig Kina och EU officiellt om vikten av att fördjupa partnerskapets strukturer, vidga samarbetet till nya områden och ytterligare förstärka den politiska dialogen vad gäller internationella kriser och globala utmaningar. Uppenbarligen delar EU och Kina uppfattningen att det är av vikt att upprätthålla goda relationer och verka för ett fördjupat partnerskap, trots att flera aspekter av samarbetet leder till friktion.

Rapportförfattarnas ambition är att belysa de skillnader i syn på världen och uppfattningar om normer och principer för internationell samverkan som ligger till grund för den bristande samsynen mellan EU och Kina. Dessa

[226] Uppgifter från EU-kommissionen, General-direktoratet ”Handel”. http://ec.europa.eu/trade/policy/countries-and-regions/countries/china/. Hämtad den 26 oktober 2015.

konceptuella skillnader ligger bakom de problem som Kina och EU står inför och förklarar frustrationerna när det gäller att förverkliga det strategiska partnerskapets målsättningar. En djupare insikt i EU:s och Kinas grundläggande ställningstaganden möjliggör inte bara en klarare uppfattning om vad som förorsakar missförstånd och dispyter, utan tydliggör också partnerskapets möjligheter och begränsningar. Även på områden där EU:s och Kinas grundläggande hållningar är oförenliga, kan en djupare förståelse och kunskap förbättra villkoren för samarbete på såväl den bilaterala som den internationella nivån.

I rapporten lägger författarna därför stor vikt vid att undersöka begreppsmässiga skillnader mellan Kina och EU i fråga om normer, makt, och uppfattningar i fråga om det internationella systemet och internationell samverkan.

När det gäller normer utforskas detta begrepp genom att åskådliggöra skillnader i uppfattningen om suveränitet och mänskliga rättigheter, ett område där EU:s och Kinas föreställningar om statsmakt utgör tydliga motpoler. Medan européer sätter mänskliga rättigheter främst, prioriterar kineser istället statsmakt och suveränitet. Detta har resulterat i motstridiga ståndpunkter i hur internationella kriser ska hanteras – i synnerhet vad gäller militära interventioner i tredje land – och förklarar de ständigt återkommande motsättningarna vad gäller syftet med och det förväntade resultatet av EU:s och Kinas dialog om mänskliga rättigheter. Erfarenheten visar dock att olika syn på statssuveräniteten och mänskliga rättigheter inte nödvändigtvis måste leda till sammanbrott i samarbetet mellan EU och Kina. Detta eftersom båda parter intar en ömsom pragmatisk, ömsom dogmatisk hållning, påtvingad av ekonomiska intressen och normativa dilemman.

I synen på och legitim användning av makt står EU och Kina långt ifrån varandra. Kinas militära styrka har förstärkts åtskilligt de senaste decennierna och landet har idag stora militära tillgångar. Hittills har man varit försiktig med att använda sin militära förmåga, men de stigande spänningarna i Syd- och Östkinesiska haven har gjort att landets strategiska avsikter har hamnat i blickfånget. Samtidigt har Kina på senare tid visat sig allt mer villigt att ställa militär personal till förfogande för fredsbevarande insatser i FN:s regi, huvudsakligen i Afrika. EU framställer sig gärna som en normativ makt, men har inga egna militära resurser och måste därmed förlita sig på medlemsländernas styrkor för att delta i fredsbevarande operationer. Unionen ses dock som en tungrodd aktör, vilket delvis beror på dess bristande strategiska erfarenhet och otillräckliga politiska sammanhållning. Beträffande så kallade mjuka makten strävar såväl EU som Kina efter att dra maximal nytta av den attraktionskraft med vilken man anser sig kunna påverka andra stater. EU framhåller gärna bilden av att man utgör en normativ makt som befrämjar mjuka värden i internationell politik och en säkerhetsgemenskap vars politiska organisation andra länder inbjuds att efterlikna. Kina har också visat stort intresse för att utveckla sin mjuka makt.

Dels som en modell för ekonomisk utveckling, men också för att framstå som en alternativ partner för utvecklingsländer. En partner som ställer få krav för bistånd, handel och investeringar. Kina tenderar också att i högre grad än EU se mjuk makt som synonymt med offentlig diplomati, och understryker därmed dess funktion som utrikespolitiskt medel istället för att ha ett värde i sig.

Vad beträffar föreställningar om det internationella systemet skiljer sig europeiska och kinesiska uppfattningar åt markant. Detta då Kina har ett statscentriskt synsätt, medan EU skapades för att motverka den aggressiva nationalism som ledde till två världskrig i Europa. Eftersom Kina håller fast vid statscentriska principer som suveränitetens odelbarhet, icke-intervention i tredje land och territoriella gränsers okränkbarhet, tenderar den kinesiska regeringen att inta en avvaktande hållning i internationella kriser. Man är dessutom känslig för internationell kritik när det gäller bristande mänskliga rättigheter i landet. EU, å andra sidan, bygger på föreställningen om att nationell suveränitet kan delas och befogenheter delegeras till övernationell nivå inom områden där gemensam europeisk politik ses som önskvärd eller nödvändig. Därtill har EU medvetet sökt sprida europeiska normer och värden som en central aspekt av sina utrikespolitiska strävanden. Sådana diametralt olika föreställningar har vid upprepande tillfällen fått EU och Kina att inta motsatta hållningar i internationella frågor, vilket stundtals har lett till att de gemensamma förbindelserna har hotat bryta samman. Med tiden har dock EU insett att Kina knappast kommer att låta sig socialiseras in i den västerländska liberala ordningen med mindre än att det sker på Kinas egna villkor. Och enklast kan de båda parternas inställning till det internationella systemet sammanfattas som att medan EU vill verka för ett multilateralt internationellt system stöder Kina framväxandet av ett multipolärt system. Dessa begrepp är vägledande för EU:s respektive Kinas utrikespolitiska hållning och präglar deras uppfattningar om hur den framtida internationella ordningen bör utformas.

Sieps publications in English

2015

2015:6
The EU-China Strategic Partnership: Challenges and Prospects in a Changing World
Authors: Anna Michalski and Zhongqi Pan

2015:5
Energy Union and EU global strategy: The undefined link
Authors: Shahrazad El Far and Richard Youngs

2015:4
Union regulatory criminal law competence
Author: Jacob Öberg

2015:3
The accession of the EU to the European Convention on Human Rights
Author: Joakim Nergelius

2015:2
Investor-state arbitration under TTIP
Author: Hannes Lenk

2015:1
Homophobia and genderphobia in the European Union: Policy contexts and empirivcal evidence
Author: Judit Takács

2015:1op
Same, same but different: The Nordic EU members during the crisis
Authors: Pernilla Bäckman (ed.), Julie Hassing Nielsen, Juha Jokela, Jakob Lewander (ed.) and Göran von Sydow (ed.)

2015:27epa
The challenge om completing the EU internal market for natural gas
Author: Tim Boersma

2015:26epa
Big Brussels is Watching You? Enhancing Transparency in EU External Energy Deals
Author: Sijbren de Jong

2015:25epa
Completing the Union: Is the European Energy Union Really Real?
Author: Harold James

2015:23epa
The constitutional and historical relevance of the AFSJ and the CFSP/ESDP
Author: Massimo Fichera

2015:22epa
Intelligence and decision-making within the Common Foreign and Security Policy
Author: Björn Fägersten

2015:20epa
The Regulatory Cooperation Chapter of the TTIP Challenges and Opportunities
Author: Alberto Alemanno

2015:19epa
Low Inflation and Deflation in EU Countries Outside the Euro Area Should Policymakers be Concerned?
Authors: Plamen Iossifov and Jiří Podpiera

2015:18epa
Could it be Brexpulsion rather than Brexit?
Author: Iain Begg

2015:17epa
Social Housing in Europe
Authors: Kathleen Scanlon, Melissa Fernández Arrigoitia and Christine Whitehead

2015:15epa
The Balance of Power over the EU Budget: European Expenditure since the Lisbon Treaty
Author: Giacomo Benedetto

2015:14epa
The Usefulness of the Scoreboard of the Macroeconomic Imbalances Procedure in the European Union: Potentials for Reform
Author: Tobias Knedlik

2015:13epa
The impact of mega regional agreements on international investment rules and norms
Author: Steve Woolcock

2015:12epa
The Impact of the Transatlantic Trade and Investment Partnership (TTIP) on the Spanish Regions – A Preliminary Analysis
Authors: José Villaverde and Adolfo Maza

2015:11epa
Transatlantic Market Integration, Business and Regulation: Building on the WTO
Authors: Bernard Hoekman and Petros C. Mavroidis

2015:10epa
Juncker's investment plan: what results can we expect?
Author: Martin Myant

2015:9epa
Russia's economic troubles – a perfect storm of falling oil prices, sanctions and lack of reforms
Author: Torbjörn Becker

2015:8epa
Entering a World of Footloose Tax Bases: Can the EU Generate Its Own Income?
Author: Daniel Tarschys

2015:7epa
Britain and the EU: a negotiator´s handbook
Author: Roderick Parkes

2015:6epa
Europe´s pivotal peace projects: Ethnic separation and European integration
Author: Lynn M. Tesser

2015:5epa
Groundhog Day in Greece
Author: Thorsten Beck

2015:4epa
The Greek elections of 2015 and Greece´s future in the eurozone
Author: Dionyssis G. Dimitrakopoulos

2015:3epa
The diplomatic role of the European Parliament´s parliamentary groups
Author: Daniel Fiott

2015:2epa
Social Policy and Labour Law during Austerity in the European Union
Author: Niklas Bruun

2015:1epa
International Trade Union Solidarity and the Impact of the Crisis
Authors: Rebecca Gumbrell-McCormick and Richard Hyman

"As suggested by previous experiences, EU–China relations continue to tread a delicate balance between mutual recriminations and constructive engagement, with the deepening of the partnership being dependent on both sides showing willingness to address outstanding problems and meet the concerns of the other."

Anna Michalski and Zhongqi Pan

SIEPS carries out multidisciplinary research in current European affairs. As an independent governmental agency, we connect academic analysis and policy-making at Swedish and European levels.

www.sieps.se • info@sieps.se • +46-8-586 447 00