Introduction

The evolution of EU-China relations

Present-day China is in the centre of political, economic and academic interest. It is impossible nowadays to overlook the country, which in a period of less than twenty-five years has evolved from a poor, backward nation into one of the leading powers in the world. Deng Xiaoping's *Open Door* policy, starting in the late 1970s, has ignited the engine of economic growth and set in motion a development which has changed the country immensely and has not stopped producing its impact until this very moment. China keeps on moving ahead, thereby increasingly influencing the rest of the world.

Understandably, as a result of its fast development, most of the academic studies on China focus on present-day issues, covering trade, finance, investments, democracy, human rights policies, etc. The emphasis on current affairs is visible also in the research on EU-China relations. Increasing interdependence in the global sphere and the rapid disappearance of geographical barriers have made the relationship between the two blocs so urgent and dynamic that issues of the day tend to dominate the academic debate. To give an illustration: while we just had been confronted with the problems resulting from EU anti-dumping policies versus China, new, even more pressing developments presented themselves in the period immediately after. The 2008 subprime crisis, which started in the US, had its impact also on the economies and societies of Europe and Asia. More recently, the European sovereign debt crisis could not be contained to a (Eurozone) regional setting, but produced financial-economic uncertainties on a much wider scale. Many currently published articles focus on how China – with its huge foreign exchange reserves – should approach the EU and its Southern members in the midst of European divisions on how to deal with unrest on the financial markets.

In this turbulent atmosphere of breaking news, short-term solutions and unpredictable behaviour, it seems all the more expedient to look at the EU-China relationship with somewhat more reflection and distance. This volume presents a number of articles on the (recent) history of EU-China relations, written by young and talented researchers. They come from different academic disciplines: history, political science, law and economics. This is important, because China-EU relations offer a particularly fruitful terrain for multi- or interdisciplinary research. In the course of time, the relationship between the two blocs has become both comprehensive and diversified, focusing no longer on just economic or trade issues but also and increasingly on politics, defence, security, social and cultural matters. This makes it beneficial to study the bilateral link from a broader perspective than just one single discipline. Despite their varying backgrounds, the authors of this volume share a focus on the evolutionary development of the relationship, using an historical angle to study their topic and making use of primary sources.

Notwithstanding our ambition to offer distance and reflection, we are fully aware of the fact that the issue of EU-China relations is a fairly recent one: formal links between the two blocs have been established less than 40 years ago. Hence, the history of the relationship is necessarily a young history. In the early post-war period, at the height of Cold War tensions, contacts were hardly existent. Western Europe entered into an alliance with the United States, whereas China chose for cooperation with the communist world, either or not in conjunction with the Soviet Union. Then, in 1975, during a period of détente in superpower relations, the Vice-President of the European Commission, Sir Christopher Soames, made the bold move to establish diplomatic contacts with the PRC, followed three years later by the signing of the first EC-China trade agreement. At the time, it seemed odd to do this, because China still was a highly inward-looking country, economically poorly developed and politically dominated by traditional Maoist dogmas. Chairman Mao Zedong died in 1976 and rural China had hardly begun to think about strategies to modernise and open itself, domestically but also in its contacts with the wider world – despite the freshly established links with the Nixon/Kissinger government in the US. It was the period preceding the movement towards globalization and global interdependence: geographical distance was still a limiting factor in international relations. In this context, it looked as if the Commission's initiative was void of content: trade and investments between the EC and China were at a low level and in political terms the two blocs were 'light-years' apart. Therefore, initially, the formalized diplomatic bond and the Trade Agreement were seen as mere window-dressing.

However, it soon appeared that Soames had made a visionary move with his well-timed opening towards the Middle Empire. It was already within a couple of years following the first trade agreement that the economic relationship started to prosper, as a direct result of Deng's liberal-economic policy and the EC's willingness to respond positively to this overture. Since the 1980s, China and the EU have developed a close partnership as the direct result of an ever growing intensity of economic bonds. During the last decade, bilateral trade and investments have reached unprecedented levels, with a spin-off to other, more political, forms of cooperation. The relationship thus accomplished had been unimaginable at the time when Soames started the co-operation.

This is not to say that the process of strengthening the bilateral links has been smooth or easy-going. On the contrary, it was characterized by many problems and setbacks, most dramatically during and after the Chinese government's decision to violently crush the Tiananmen Square insurrection in Beijing in 1989, which provoked a fierce European response. The EU blamed and – at times – still blames the Chinese government for disrespecting basic human and democratic rights. China, on the other hand, mistrusts the EU's tendency to emphasize the universality of its value system, and staunchly defends the principle of non-interference in China's domestic affairs. Despite the economic interconnectedness, political differences are manifest and difficult to overcome, regularly spoiling the diplomatic atmosphere. Hence, the history of the bilateral relationship is a complex one. This being said, the continuous

alternation of attraction and rejection also makes EU-China relations a highly fascinating area of study.

This volume's articles

The present volume investigates the evolution of mutual relations from various angles. Lirong Liu offers a survey of the history of EC/EU-China contacts on the basis of Chinese sources. After elaborating on Mao's intermediate zone concept – aimed at improving the relations with Western Europe – Liu takes us along to the period following the end of the Cold War, arguing that, with the widening and deepening of European integration, the government in Beijing has started to attach increasing importance to the international position of the EU. She attributes the present-day problems between the two blocs mostly to ideological differences: the value-oriented foreign policy of the EU which tends to conflict with the interest-oriented foreign policy of the PRC. As Liu puts it: 'Common interests are regarded as the basis of the China-EU strategic partnership, whereas value disparities remain a constraint'.

Marie-Julie Chenard has undertaken a study of the three years (1975-1978) preceding the first bilateral Trade Agreement. As said above, the year 1975 witnessed the EC's opening of diplomatic relations with the PRC. Chenard holds that Cold War power relations have played an instrumental role in bringing the EC and China closer together. In a bipolar world system, dominated by the US and the Soviet Union, both Beijing and Brussels (the Commission) were looking for ways to increase their own weight in international affairs. The détente policy of the 1970s provided them with certain room for manoeuvre to operate independently from Moscow and Washington. At the same time, as Chenard argues, the responsible Eurocommissioner Soames also had other, more particular incentives to strengthen the ties with China. The main factor behind his China policy initiative was 'inter-institutional jockeying for power'. With the opening to China, the European Commission succeeded in asserting its – formally weak – authority in external affairs vis-à-vis the Council of Ministers.

Christopher Oates analyses the history of the arms embargo. In 1989, in a direct response to the violence used by the PRC's government against demonstrating students on Tiananmen Square, the EC imposed a ban on the export of military equipment to China. Proper implementation of this sanction instrument was difficult to realise, however, and at the beginning of the new millennium several EU member countries started to question the wisdom of continuing with the embargo. Especially France, under President Jacques Chirac, suggested lifting the ban on European sales of defence goods to China. For a while, in 2003, it seemed as if the EU member states were willing to move to a more accommodating stance towards Beijing, but overt interference by the United States – basing itself on geopolitical arguments – brought the EU back to its original position. In other words, third party pressure shifted the policies of the entire Union and ensured that the arms embargo remained in place.

Oates concludes that the whole episode does not shed a favourable light on the manner of how the EU and its member states deal with pressing foreign-policy issues facing them. The author uses the word 'porous' to characterize EU policy-making in the arms embargo episode with China.

Frank Gaenssmantel has studied another controversial issue in EU foreign policy making, the discussion on granting Market Economy Status (MES) to China. Since a long time, the PRC has been striving for MES recognition, but so far the EU has been unwilling to honour this request. Gaenssmantel in his article explores the reasons why China has not been awarded the desired status. Apart from technical criteria, he points to serious divisions within the EU Council of Ministers between member states with protectionist preferences on the one hand and free-traders on the other, as the main cause behind non-recognition. The lack of consensus inside the Council has made it difficult for the European Commission to play a guiding role in brokering deals within and outside the EU, as it was able to play for example in the WTO Uruguay Round. The author's assessment of the EU's handling of the issue is rather negative: in the MES case the Union 'has failed to create a more favourable context for interaction with China', a country 'whose company the EU had been seeking very actively since the mid-1990s'.

Rafael Leal-Arcas addresses in his contribution an entirely different aspect of the relations between the EU and China, by highlighting the position of the two actors in the global climate change negotiations. China and the EU are the world's first and third largest emitters of CO2, respectively, while the EU has the strongest domestic support to address the climate change challenge. Moreover, the EU – more than the PRC – has been a firm supporter of the 2005 Kyoto agreement. China's position is that global climate change must be addressed principally by wealthy industrial nations, which have, as Leal-Arcas observes

> 'not only the wealth and technology to provide solutions, but also the moral responsibility to do so because they have produced perhaps as much as 80 per cent of the GHG [greenhouse gas] emissions to date'.

In other words, in China's view developed countries should do more about emission reductions before asking the developing nations for their commitment. The EU indeed has shown ambition to take the lead in the climate change debate and has come with far-reaching targets, but – so far – it has unsuccessfully tried to involve another important player, the United States, in committing themselves to the same targets. US reluctance has made it even more difficult to convince China of the need to follow the policy line set by the EU. At the same time, the Chinese government is well aware of potential dangers. As a Chinese Vice-Minister put it: 'China's economic miracle will end soon because the environment can no longer keep pace'. In an attempt to address this issue, China has recently developed itself into one of the world's leading producers of wind turbines and solar panels.

Frauke Austermann's highly original research contribution covers the historical development of the diplomatic representation of the EC/EU in Beijing. The first Commission Delegation in China opened in 1988 and since then was directed by five

different Heads of Delegation, the German Markus Ederer being the present one. Austermann argues that in the course of time the EU Delegation in Beijing has substantially gained in importance. By now, it is the main player in both internal coordination of EU diplomacy in China as well as representing the EU in China. Austermann proves that the recent creation of the European External Action Service has helped to centralize European diplomacy 'on the ground', also in Beijing. The most remarkable innovation is the integration of national foreign services within the EEAS. This is implemented through the recruitment of at least one-third of the diplomats from Foreign Offices of the member-states, instead of the European Commission. Despite the strengthened position of the Delegation, the delicate balance between the EU and the national ambassadors still needs to be cautiously respected: 'EU diplomats in Beijing are careful not to claim a new leadership role at the expense of the member states', according to Austermann.

Conclusion

What can we conclude from all this? Most of all, that the relationship between the EU and China, which over time has become ever more close and comprehensive, is also full of controversy and disagreement. Take, for example, the crucial issue of the organization of the global system: whereas many people in Europe still dream of a postmodern world of shared sovereignty, with the EU as a regional model for global governance, geopolitics in Asia more and more resembles the situation in Europe in the late 19th century. Protection of national sovereignty and pursuance of national interests prevail in a regional setting where rising states compete for hegemony. This is somewhat distanced from the multilateral international system EU countries are striving for.[1]

Likewise, the case studies in this volume point mainly at the *difficulties* in the relationship: China's interest-based foreign policy versus EU's normative foreign policy; China's openly ventilated irritations about the EU's unwillingness to lift the arms embargo and to grant the country Market Economy Status; diverging views on how to cope with the problems resulting from global climate change; the EU's inter-institutional divergences and Beijing's irritation about how to cope with this, etc. Sometimes, it seems hard to find issues on which the EU and China are actually able to find agreement.

Although this is true to some extent, the differences and potential for conflict should not be exaggerated. It would be unjustified to maintain that China and Europe only have incompatible interests. The roles have reversed, recently, because of China's unstoppable rise and Europe's relative decline. However, this reversal represents more than just the outcome of a zero-sum game, with one indisputable winner and one loser. The global system has become fully interdependent and interests highly

1. T. GARTON ASH, *Europe's crisis is China's opportunity*, in: *The Guardian*, 28.06.2011.

diversified. Interdependence as a concept implies the existence of a certain mutual commitment and a willingness to prevent existing problems from escalating.[2] Henry Kissinger's wise observation regarding the future development of US-China relations could be easily translated to the EU and China:

> 'The leaders on both sides […] have an obligation to establish a tradition of consultation and mutual respect so that, for their successors, jointly building a shared world order becomes an expression of parallel (…) aspirations'.[3]

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2. J. v.d. HARST, P.C.M. SWIERINGA (eds.), *China and the EU: Concord or Conflict?*, Shaker, Maastricht, 2012, p.2.
3. H. KISSINGER, *On China*, Penguin, London, 2011, p.529.