Europe as a Global Player: A View from China

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Europe as a Global Player: A View from China

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Abstract: Europe in the form of the European Union is seen in China as a major player in global affairs. As a sui generis actor, the EU was seen in general as a progressive force in world affairs in China. Europe’s economic might and normative appeals were also widely acknowledged in China, even though the Chinese on occasions complained of the assertive normative diplomacy of the EU and its member states, which was backed by its economic power. However, as Europe encounters a severe sovereign debt crisis, and China continues its fast growth in terms of economic development and international influence, the Chinese leaders, elites and general public are starting to develop a more realistic view of Europe and scaling down some of their wishful thinking about the ever-growing influence of the EU. Yet, at government level, relations with the EU and its member states are still on the top of China’s foreign policy agenda. By trying to offer a helping hand to the EU, the Chinese government is hoping that the current crisis might turn into a stimulating factor for a closer relationship between China and the EU/member states on both bilateral and global issues.

Keywords: EU, China, sovereign debt crisis, normative power

This article argues that since 2008 and especially in the course of the global financial crisis and the European debt and Euro crises, important changes have taken place with regard to how the global role of the European Union (EU) and its member states is seen in China.

A number of efforts have been made to capture the Chinese views of the EU as a global actor in the pre-crisis years. In their respective contributing chapters, David Shambaugh of George Washington University and Zhu Liqun of China Foreign Affairs University arrived at quite identical findings: the Chinese tend to believe that the EU is becoming more powerful and playing a more important role in the world because of the European integration process; however, there is a fair amount of wishful thinking and cognitive dissonance in Chinese assessments of Europe’s role in world affairs, in the sense that they are often too quick to identify apparent areas of overlapping perspectives, overstate the similarities, and understate or ignore the differences (see Shambaugh, 2008; Zhu, 2008a). These assessments were based on their respective surveys of Chi-
Chinese research on the EU before 2006. Since then, at least three major developments have unfolded:

1) The Lisbon Treaty, which reorganized the EU foreign policy mechanism, was put into effect in December 2009.

2) The 2008 global financial and economic crisis has exacerbated the power-shift trend in favor of emerging powers: leading western powers, including the United States and the European countries, suffered heavy economic losses in the crisis unleashed by the melting-down of Wall Street from 2008; European countries have been caught in the contagious debt crisis, which put the Euro under serious threat; however, China successfully weathered the global economic crisis, continued its rapid economic growth and, in 2010, overtook Japan to become the world’s second largest national economy.

3) The bilateral relations between the EU and China experienced some setbacks over the past years, as the two sides were not able to move the bilateral relations forward while disputes over trade balance, human rights, Tibet, Darfur and the 2008 Beijing Olympic Games popped up, exposing the shallow substance of the high rhetoric of the ‘strategic partnership’.

After the breakout of the Euro-debt crisis, another major effort to study the Chinese views of the EU was undertaken by the University of Nottingham. This project was funded by the EU 7th Framework Programme. The preliminary results, mostly based on the opinion surveys conducted in China in 2010, revealed that while the Chinese public generally favored the EU and its global role, more than half of the Chinese respondents under survey perceived a conflict of values between China and the EU, and the growing importance of the key EU member states in developing China-EU relations.

For this author, to present a fuller, in-depth and updated account of Chinese views of the EU as a global player, it was necessary to make use of all kinds of existing research findings, survey results, and views expressed through media reports, scholarly publications, and official documents, and to trace the attitudinal changes against the backdrop of major recent developments within Europe, around the world and between China and the EU.

Specifically, the article will look into Chinese views on four aspects of the EU as a global player. The first section will analyze the Chinese views of the EU as a sui generis actor, one which can act as a single actor for its member states in certain policy areas and has to work with its member states in other policy areas. The second section will show how Chinese views of the EU as a global economic power have changed in the aftermath of the Euro debt crisis, and how the Chinese appreciation of the EU as a global normative power varies in different dimensions. To proceed further, the third section will discuss the role of the EU in China’s strategic and foreign policy thinking, and it will attempt to present an overview of the continuity and
change in this area since 2008. The final section will then identify the Chinese expectations of the EU in global governance.

**AN UNEASY POST-MODERN PLAYER IN A STILL MODERN WORLD**

**THE EU AS A SUI GENERIS ACTOR**

Since China established diplomatic relations with the EC in 1975, China has developed an ever growing interest in understanding the nature of the EC/EU’s international actorness. Surely, there are no Chinese who believe that the EC/EU has turned itself into a new super-state, as the Chinese acknowledge the limits of European integration, particularly in the political aspects. Like the Europeans themselves, the Chinese tend to think that ‘the state of European integration has far surpassed the usual international organizations, but at same time the EU has not reached the level of a sovereign state’ (Wu et al., 2011: 18). Chinese scholars believe that the EU has developed a unique, increasingly strong and progressive political and economic system and a unique, increasingly strong and progressive international actorness. With regard to the EU as a unique international actor, Zhu Liqun regards the EU as a ‘sub-international system’, a ‘party with a thousand faces’ for other actors, and ‘a very complicated, multi-faced and difficult actor to deal with’ (Zhu, 2008b: 89–90). Another attempt to understand the EU’s unique character as an international actor argues that the EU needs to be comprehended through its three different aspects: 1) the EU as an ‘asymmetrical multi-pillar actor’, an economic superpower, an important political power and, at the same time, a nascent military power; 2) the EU as a ‘multi-mechanism complex actor’, with intergovernmentalism prevailing in the foreign, security and defense policy, and supranationalism functioning in those areas of its external relations falling under the competences of the European Community; and 3) the EU as a ‘post-modern multi-headed actor’, with multiple entities engaging in the conduct of its foreign relations, causing immense difficulties in policy coordination and consistency – these conflicts are vertical when they are between the Union level institutions and individual member states and horizontal when they are among various EU level institutions, like the European Commission, the European Council, the Council of the EU and the European Parliament (Chen–Geeraerts, 2003: 319–349).

While Chinese Europe watchers have developed a quite sophisticated view of the EU, they also tend to believe that the EU has been constantly strengthening its capacity to act in international affairs. Since the late 1990s, the research focus in China clearly shifted towards EU level institutions, their policy making processes and their policy output. At the same time research on EU member states became increasingly marginalized. During the first decade of the 21st century, the study of the foreign relations of EU member states no longer found a place for itself in the mainstream of
European international relations studies in China. Instead research on the EU’s foreign policy dominated the field and the discourse (Zhang, 2011: 45).

There are a number of factors to explain the boom in EU studies and the shrinking interests in the member states in China. For one thing, the sizable grants from the European Commission clearly played an important role. As Dai Bingran, a veteran EU watcher in China, notes, the Commission grant through the EU–China Higher Education Cooperation Programme (1998–2001) was then the largest amount of foreign aid to China’s higher education, and its support for research and mobility attracted an ever-larger number of people – faculty and students alike – from more than 50 universities. Later on, the EU-China European Studies Centers Programme (2004–2007) played a similar role (Dai, 2008: 108). On the other hand, the progressive development of the Sino-EU relations during that period, from a comprehensive partnership in 1998 to a strategic partnership in 2003, and the seemingly unstoppable forward momentum of European integration since the end of the Cold War both helped to turn Chinese attention to the Union level, among both academics and policy makers.

This trend was also manifested in China’s policy towards Europe. Since China established diplomatic relations with the EC in 1975 the China-Europe relations had been mainly dominated by bilateral relations between China and EU member states in the area of foreign and security policy, while the economic relations gradually shifted towards the Community level. As the relationship with the EU level picked up its pace after the launching of the CFSP, China shifted a great deal of its diplomatic attention onto the EU level, with a proliferation of China-EU dialogue mechanisms and the raising of its head of the delegation to the EU to the vice ministerial level, which made him on par with the ambassadors to the UK, France or Germany. In October 2003, the Chinese government issued its first ever policy paper regarding a country or a region of the EU to demonstrate the great importance it attached to the EU. As the policy paper put it, ‘the EU is now a strong and the most integrated community in the world... the European integration process is irreversible and the EU will play an increasingly important role in both regional and international affairs’ (Foreign Affairs Ministry of China, 2003). Even after the 2005 setbacks in the ratification process of the Constitutional Treaty, Chinese authors still expressed their optimism about the further advancement of the European political integration (Fang, 2009: 316).

**CHINA’S GROWING UNEASENNESS**

After China experienced two major EU-related setbacks in the middle of the first decade of the 21st century – in its efforts to remove the EU’s arms embargo against it and obtain from the EU a market economy status, China and the EU also launched an ambitious attempt to negotiate a comprehensive Partnership and Cooperation Agreement (PCA) in 2007, aiming to provide a single legal basis for the relation-
ship. However, that effort has so far failed to make significant progress after years of negotiation. At the member states level, China ran into problems with Germany (in 2007) and France (in 2008) because the ways in which the leaders of these countries arranged meetings with the exiled Dalai Lama were perceived in China as encouraging the separatist movement in Tibet. Premier Wen Jiabao even canceled his scheduled EU-China summit meeting with the French president in December 2008 in connection with these events. With these developments, China became increasingly puzzled in its dealings with the EU.

The growing difficulties in the China-EU relations pushed the Chinese side to rethink the sanguine views about the EU that they had during the past years and to pay increasing attention to its complicated nature. As China’s former ambassador to Germany later commented, ‘we Chinese gradually realize that we have overestimated and been too optimistic about the EU and its attitude towards China; there are many “bubbles” in there in the terms of economics’ (Mei, 2009: 18).

Chinese thinkers’ reflections generate a number of more realistic assessments of the EU. First, some try to differentiate the Union from the member states. As China’s former ambassador to the United Kingdom Ma Zhenggang cautioned, ‘If there are problems arising between China and a member state, even if that country is an influential member in the EU, that does not mean the China-EU relations are running into problems; in turn, if a certain problem arises in the China-EU relations, that does not mean China has problems with all European countries’ (Ma, 2009: 12). Second, the EU’s rhetoric needs to be differentiated from its reality. Given the intergovernmental nature of the EU’s CFSP mechanism, it is not a reality-based approach to depict the EU as a full-fledged strategic actor in regard to security and contentious issues. ‘Therefore, EU should be understood as what it is, rather than what it claims to be’ (Chen, 2008: 272).

Third, in some views, more emphasis is put on individual member states than on the EU itself. Feng Zhongping, director of the Institute of European Studies at the Chinese Institute of Contemporary International Relations (CICIR), a Beijing-based major official think tank, argues that there are actually two EUs, ‘a developed EU’ and a ‘developing EU’: the former refers to the EU’s foreign trade policy and its Monetary Union, to which the Community method is applied; the latter refers to the Common Foreign and Security Policy (CFSP) and the European Security and Defence Policy (ESDP), with a process of political integration at its initial stage. In Feng’s view, although substantial progress has been achieved since the end of the Cold War, turning the ‘developing EU’ into a ‘developed EU’ would take a long and complicated process due to the difficulties in coordinating the three big member states, the United Kingdom, France and Germany (Xiao–Sun, 2008: 145). At some point, Feng goes even further to argue the paramount importance of the member states. As he argues, in dealings with the EU, China has to remember member states first and EU...
institutions second. The relationship between the member states and EU institutions can be characterized as follows: it may be very difficult to achieve anything without the EU institutions, but without the member states, nothing could be achieved (Feng, 2009: 66–67).

Fourth, the Chinese are increasingly concerned with the EU’s lack of ability to form an internal consensus in its policy towards China, which renders the EU not able to deliver what China has expected from a more fruitful partnership with it. With the reform of the Lisbon Treaty, Chinese observers raised some hope that a seemingly strengthened EU, at least by judging from the treaty text, could solve some of the delivery problems of the EU. Regarding the European anxiety over China’s success in playing a divide-and-rule strategy through its relationships with individual member states (Fox–Godement, 2009), Chinese observers tend to argue that individual EU member states pursuing different foreign policies is mainly a European fact, and not a fault on the Chinese side. As a retired Chinese senior diplomat frankly claimed, ‘China rather hopes that the EU would coordinate internally with regard to its China policy, instead of using internal differences as an excuse to shed off responsibilities and run around’ (Ding, 2009: 32).

The complicated nature of the EU’s actoriness also confused the general Chinese public. According to an opinion poll conducted by the Institute of European Studies of the Chinese Academy of Social Sciences (CASS) in 2008, the Chinese public thought that out of all the major international players, the country they best understood was the United States, as 70.3% of the surveyed said that they understood it very well or fairly well. Japan and Russia ranked second and third (59.3% and 46.1% respectively) in the same poll. In contrast, only 31.2% of the Chinese respondents said they understood the EU very well or fairly well. The Chinese researchers identified two main reasons that explain this lack of understanding of the EU. Firstly, they believe that supranational integration is a post-modern phenomenon, and the EU is a non-traditional international actor, while the political ideas of the Chinese people are still in the stage of the modern nation-state, as China remains in the process of modernization. Secondly, the EU institutional design and decision-making mechanism are very complicated and non-professionals would feel that it is very difficult to sort it out (Zhou et al., 2009: 111–112).

A NORMATIVE ECONOMIC POWER UNDER CHALLENGE
THE EU AS AN ECONOMIC GIANT IN TROUBLE
The EU is seen by the Chinese first and foremost as an economic superpower. For decades, the EU was seen as a success story of how Europe has managed to integrate economically and make itself once again a leading economic superpower on par with the United States. As Wang He argued in 2008, in terms of population,
GDP, trade flows and financial size, the EU is a global economic power matching the United States. After its introduction, the euro has rapidly become the second most important international currency behind the US dollar, a major new pillar in the international monetary system and an important pole of stability for the world economy. Based on its economic strength, the EU, through its common policy on trade and development assistance and as a champion of multilateralism, became one of the formulators of international economic regulations. In addition, the EU’s economic integration model and social economic model also act as examples for the world economy (Wang, 2008). Other scholars also point out the disproportionately larger power the EU or its member countries enjoy in global economic institutions; for example, the EU countries have a combined share of 32% of all the total quotas of the IMF and had 40% of the voting rights in the IMF Executive Board in 2008 (Wang, 2011).

For China, this means that economic cooperation with EU countries is of outstanding importance for its economic modernization efforts. In 2004, the EU became China’s biggest trading partner, and in 2007, the EU surpassed the United States to become China’s biggest export market. The EU is also the major foreign investor in China, having poured in FDI worth more than 70 billion US dollars. European investors also tend to bring in bigger, higher value-added and high-tech projects, which are not as numerous as smaller projects, and such projects produced a ‘catalytic impact’ on China’s development (Barysch et al., 2005: 38).

However, after the 2008 global economic crisis extended from the United States to Europe and detonated the debt crisis in the weak southern member states, like Ireland, Portugal and Greece, the Chinese rosy views of the EU economic power started to totter.

After the financial crisis, although a small number of Chinese observers still maintain their faith in the vitality of the EU economy, the majority of them are starting to question the economic status of the EU in the global economic system. The European economy is characterized by a considerable and long-lasting deterioration, a slow recovery, a high unemployment rate, a series of social problems and an outstanding sovereign debt crisis. The causes underlying these problems include the external strike by the US sub-prime crisis, the defects and unbalanced transition of the EU’s industrial structures and of the social market economy ideas and practice, the rigidity of the labor market, the imperfect institutional design and practice of the European integration process and some other long-term structural problems (Ding, 2010).

As the European debt and the Euro crisis deepen and spread, the Chinese media has paid great attention to the unfolding developments in Europe. It is surprising to the Chinese that Europe, which was once a kind of model on many fronts, is now becoming a source of problems. For the Chinese, it seems that, for a period of time, European leaders will be overwhelmed in dealing with questions such as ‘Is Greece
worthy of being bailed out?’, ‘Is it possible to bail out Italy?’ and ‘Are the other Euro-zone countries willing to save those countries?’ (Wu, 2011).

Although China still exports more to the EU than the EU does to China, this author also noticed that, according to EU trade data, the value of EU exports to China rose from 48.4 billion euros in 2004 to 113.1 billion euros in 2011, while EU exports to the US, its largest trading partner, stagnated at about 240 billion euros in the same period. In addition, 33,000 EU firms operating in China registered total sales worth 190 billion euros in China’s domestic market in 2009. Most of all, it is in matters financial that the relationship is very much reversed. The current euro crisis, triggered by the debt crisis of the southern EU countries, has erupted at a time when other major developed economies, such as the US and Japan, are in financial strife. China, in pledging not to divest euro assets and committing a US$93 billion capital injection into the IMF, has acted as a major outside supporter for the EU in managing its Euro debt crisis. Under such circumstances, ‘it is probably safe to say that the exposure of European financial vulnerability and a certain kind of European financial dependence on China have made the economic relationship between the two sides a symmetrical one for the first time in several decades’ (Chen, 2011).

**THE BLESSING AND THE NON-BLESSING OF THE EU AS A NORMATIVE POWER**

A growing number of works of scholarly literature in China investigate the nature of EU power in the normative dimension. Chinese researchers tend to acknowledge that the EU, with its successful internal development, has commanded a substantial soft and/or normative power through its attractive model, its welfare state, its balanced distribution of wealth, its environment-friendly development model, its regional integration, which makes wars among European states inconceivable, and its norm diffusion strategies, like public diplomacy, cultural diplomacy, and enlargement. Using another concept, Song Xining described the EU as a ‘social power’ which is able to provide various models (such as the European integration model, the neighborhood policy model, the multilateralism model, the development assistance model and social welfare models) for international politics, as well as domestic political and social development for other countries (Song, 2011: 238–239).

Qin Yaqing and his colleagues identified three dimensions of the EU’s soft power. In the cultural dimension, the EU has established a culture of peace, cooperation and community. At the institutional level, the EU has built a set of legalized, networked and effective internal institutions. With regard to the policy dimension, Qin and his colleagues argue that when they judge the EU’s internal policy according to their three criteria, legitimacy, reciprocity and effectiveness, they give it a very high mark. They think the EU thus possesses a very high amount of soft power in this regard and that it can influence and change behaviors of other actors in the international soci-
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through its power of attraction; through their study of the EU’s Common Foreign and Security Policy (CFSP), they also come to the conclusion that the EU has developed some distinctive features, like its willingness to compromise with, respect and consider the interests of the other parties, and its opposition to the use of force or threats of using force. Such a ‘policy style of seeking peace and win-win solutions through cooperation’ greatly enhances the EU’s image on the international stage, as well as its soft power (Qin, 2008).

Other Chinese scholars embraced the concept of ‘normative power’, which was first developed by Ian Manners in his 2002 article (Manners, 2002: 236–237). In accordance with the concept, they believe that ‘by taking advantage of its biggest market in the world, the EU is reinforcing its narrative and rule-making power over global issues like environment, sustainable development and human rights, and it is moving gradually towards a new type of international “normative power”’ (Cui, 2007: 54). The EU is also seen as having developed a normative power strategy with the following aims: to play the role of a regional normative power so as to build a springboard for being a global normative power; to make use of its normative power in order to maintain its competitiveness in the global market; and to shape a global order favorable to European values and interests (ibid.: 57–58).

In general, Chinese observers give very positive assessments of certain aspects of the EU’s soft/normative power. One scholar argued that the EU’s normative power reflects the Europeans’ inheritance and further development of their value tradition, which offered ideational support to the European integration and can possibly provide experiences and references for other states, other regions and the development of future international relations. Therefore, ‘such an exploration rightfully deserves our respect’ (Hong, 2010: 63). More specifically, the Chinese positive view of the European normative power mostly centers on the attractive achievement that the EU has made in its internal construction. As Qin and his colleagues argue, among the three main aspects of the EU’s soft power, the EU’s advantage in the cultural and institutional dimensions is larger than its advantage in the policy dimension; and within the policy dimension, the EU’s soft power in its internal policy is larger than that in its foreign policy (Qin, 2008: 21).

While the EU’s internal achievements are seen as generally positive, Chinese academics expressed strong reservations about the expansive propensity of the EU’s soft/normative power. The values that the EU promotes are seen as ‘western, post-modern and post-sovereign’, the objective of the EU’s soft/normative power is perceived as being to ‘diffuse the European values and norms to the rest of the world’, and it is thought that at least compared to China, in its use of its soft/normative power, the EU is more willing to ‘use coercive measures to promote its values and norms around the world’ (Song–Chen, 2011: 51–53). In the aftermath of the societal unrest in North Africa and the Middle East, the EU and its member states were
quick to intervene and encourage the overthrow of the authoritarian regimes in the region, as in the case of Libya, where some European countries launched a military intervention operation in the name of the protection of civilians but then forced a regime change. The EU also put economic sanctions on Syria with a clear aim of regime change there.

Four problems are raised in the Chinese discourse in this regard. First, Chinese observers have strong reservations about the universality of EU norms. They tend to argue that the European norms are not necessarily genuinely ‘universal’, but rather ‘Europe-centric’ (Qin, 2008: 249–259). Second, they tend to quickly point out that these norms are actually a reflection of European material interests. European efforts to raise environment and labor standards and to promote better protection of intellectual property rights are seen as a means to ‘establish a better legal environment for European business’ (Cui, 2007: 58). The third problem concerns the EU’s double standard in its exercise of normative power. The EU’s refusal to recognize the democratically-elected Hamas government in Palestine, for example, was quickly exposed as a case contradicting the EU’s professed support for democracy (Huang, 2005). Such a double standard compromises the legitimacy of the EU’s soft/normative power. A further problem that was discussed is the EU’s insufficient capacity to pursue its normative power. In the EU’s relations with China, when the EU’s normative agenda, such as human rights, conflicts with more material ‘economic and strategic interests’ of the key member states, like, for example, in the case of human rights, ‘pragmatic diplomacy most often prevails’ (Hong, 2010: 62). Nevertheless, compared with the situation some years ago, it seems that more recently the EU and some of its member states have raised the profile of normative diplomacy in their relations with China, particularly in 2007 and 2008.

With the arrival of the Euro debt crisis, the internal model of European governance has been questioned in China. Even Qiu Yuanlun, a long-time optimistic observer of European affairs, thinks that Europeans have made three mistakes in the past two decades: there was too much welfare with sluggish economic growth and an overdependence on public debt; there were too many rules and regulations while wealth creation was ignored; and the integration was hasty in terms of widening and deepening, causing short- and mid-term problems (Qiu, 2012). According to BBC polls, the Chinese general public generally holds positive views about the EU’s international influence. However, the positive rating of the EU in these polls climbed down from 62% in 2008 to 46% in 2012, while the negative rating rose from 16% to 26% during the same period (BBC World Service Poll, 2008, 2012). The Pew Research Center asked a more general question in their multi-year poll project which sought to find the overall favorability of various states and international organizations. In 2007, in the context of this project, 40% of the Chinese respondents said they held a favorable view of the EU, while another 40% responded negatively to the same
question. In 2012, the positive ratings among the Chinese respondents dropped to 33%, while the negative ones rose to 50% (Pew Research Center, 2012).

THE EU’S PLACE IN CHINA’S GLOBAL STRATEGY: LASTING IMPORTANCE AMID BEWILDERMENT
THE EU IN CHINA’S FOREIGN POLICY THINKING DURING THE ‘HONEymoon Period’

Since China adopted its reform and opening-up policy at the end of the 1970s, its foreign policy has been dominated by its new economic and geopolitical interests. Economically, China aims to develop economic cooperations with countries around the world, to obtain foreign investments, market access, technology and resources, which would assist its export-oriented development strategy. Geopolitically, China’s overall objective is to safeguard its territorial integrity and secure a peaceful external environment for its domestic economic development. As a result of its economic success, China has become a major player in the world political economy, and it is currently obliged to develop a more outward-looking foreign strategy than the one it had in the past; China has made several attempts to articulate its foreign strategy, with the rising of its official discourse of ‘peaceful rise’, ‘peaceful development’ and ‘harmonious world’.

In a major article that was intended to explain the Chinese foreign policy and its intentions, State Councilor Dai Bingguo, the central figure in charge of China’s foreign policy, offered his personal view about the three fundamental elements of China’s ‘core interest’ which underlie China’s foreign policy: ‘First, China’s form of government and political system and their stability, namely the leadership of the Communist Party of China, the socialist system and socialism with Chinese characteristics. Second, China’s sovereignty, territorial integrity and national unity. Third, the basic guarantee for sustainable economic and social development of China.’ Besides these, it could be argued that there are two additional concerns in Dai’s mind: preventing countries from teaming up to ‘keep off, contain or harm China’ or ganging up ‘under various pretexts in quest of dominance of world affairs’; and that China should cooperate with other countries to deal with the ‘increasing risks and challenges’ in the world.

Starting from these interest considerations, Mr. Dai also elaborated that peaceful development is about how China is to realize its development and revitalize itself; specifically, it means that China would develop itself in peaceful, cooperative ways. The commitment to the path of peaceful development serves as the basis and prerequisite of building a harmonious world, while the harmonious world vision tells what kind of world and international order China is committed to building (Dai, 2010).

How has the EU been featured in China’s foreign policy thinking against this background?
Clearly, the EU occupied a very central place in China’s foreign policy during the honeymoon period between 1995 and 2005. For a decade, the bilateral relations were progressing constantly, as the EU adopted a more constructive China policy of engagement. From the Chinese perspective, the EU had become China’s largest trading partner and a key source of foreign investment and technology, and hence it was economically crucial for China’s development. Compared to the United States, the EU was more willing to develop a relationship based on mutual respect with China, especially after the EU stopped sponsoring or co-sponsoring any resolution in the UN Human Rights Commission condemning China’s human rights record in 1998, and also after its decision to develop a ‘comprehensive partnership’ with China and launch an annual EU-China summit in the same year. The EU also followed the ‘one-China policy’ more strictly, stopped the arms sales to Taiwan, and made it so that Taiwan would never again be a major thorny issue in the EU-China relations. The economic relations grew dramatically, and the two sides signed an agreement to facilitate China’s accession to the WTO in 2000. Therefore, the 2003 China EU Policy Paper could proclaim that ‘[t]here is no fundamental conflict of interest between China and the EU and neither side poses a threat to the other’ (Foreign Affairs Ministry of China, 2003). Globally, the EU was seen as a possible collaborator in the push for a more multi-polar world where the United States’ intention to construct a unipolar world would be checked and balanced. Besides, in dealing with the multiple challenges the world confronts collectively – e.g. the resources scarcity, climate change, nuclear proliferation, poverty, epidemic diseases, or organized crime, the Chinese see themselves as being more in line with Europe than with the US. Europe is also seen by the Chinese as having a farsighted vision of the problems, and also as having developed viable measures for tackling these problems within Europe and for the world at large.

This seemingly ever-growing relationship led the Chinese leadership to see the EU as a key ‘comprehensive strategic partner’. In Premier Wen Jiabao’s words, ‘comprehensive’ in this phrase means that the cooperation should be all-dimensional, wide-ranging and multi-layered, covering economic, scientific, technological, political and cultural fields, at both bilateral and multilateral levels, and involving both governments and non-governmental groups; ‘strategic’ means that the cooperation should be long-term and stable and transcend the differences in ideology and social systems; ‘partnership’ means that the cooperation should be equal-footed, mutually beneficial, and win-win, and that the two sides should seek a common ground on the major issues while shelving their differences on the minor ones (Wen, 2004).

However, later developments did not live up to this high hope and rhetoric. No breakthroughs of crucial importance have been achieved over the past few years – although one such breakthrough would be Europe lifting the arms embargo against
China, which it previously promised to do. The two sides had to confront each other in areas of cooperation in the past, like when they confronted each other in regard to the rising trade imbalance in China’s favor. They also found themselves in dispute over new issues in the relationship, like China’s growing presence in Africa. Moreover, some disputes which were contained in the past have resurfaced in the bilateral relations, with the perception on the Chinese side that Europe was increasingly meddling in China’s domestic issues – for example, there were more high-level meetings between European leaders and the Dalai Lama, who, in the view of the Chinese side, had been championing a course of Tibetan independence from China (Chen et al., 2011: 9–10). The rise of new difficulties led the Chinese government to realize at the end of 2007 that the bilateral relations had acquired a new feature: ‘deepening cooperation amid rising disputes’. As Wang Hongjian, deputy director of the European Affairs Department in China’s Foreign Ministry, explained, the EU and China are two rapidly rising powers, and in the process of their rapid rise, it is inevitable that they would have conflicting interests as well as converging interests (Xiao–Sun, 2008: 148).

HAS ANYTHING CHANGED SINCE 2008?

If China believed that Europe was still a rising power before 2008, with the arrival of the global financial crisis in 2008 and the Euro crisis in 2009, such a view became less persuasive in China. Pessimistic views about the EU become more vocal among the Chinese elites, and today, they are echoed in the general public.

Yang Jiemian, a Chinese expert on the United States and the head of an influential think tank in China, the Shanghai Institute of International Studies, offered a broad remapping of the power shift in the world with his ‘Four Groups’ theory in early 2010. Yang argued that after the 2008 global financial crisis, the co-relation of international forces is evolving in favor of developing countries with emerging powers as their representatives, which is unprecedentedly shaking the Western powers’ dominance of world affairs. The regrouping of international forces is forming the Four Groups of gaining, defending, losing and weak forces. Specifically, in Yang’s view, the Gaining Group is comprised by major emerging countries, like China; the Defending Group includes the United States, which has lost its ‘dominating’ status; the Weak Group is formed by those developing countries which are currently having difficulties; the EU, along with Japan and Russia, belongs to the Losing Group, with the EU gradually losing its ‘No. 2’ status in the world and having to ‘transfer’ some of its power and interests to other actors in the IMF and the World Bank (Yang, 2010: 5–6). However, China’s Europe watchers, though they are very much in agreement that the EU is experiencing a relative decline, tend not to make such bold and straightforward assertions as that the EU belongs to the Losing Group.
The Most Influential Bilateral Relationships as Viewed by the Chinese: 2006–2011

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<tr>
<td>China-US</td>
<td>78.0</td>
<td>85.2</td>
<td>75.6</td>
<td>81.3</td>
<td>76.8</td>
<td>76.6</td>
</tr>
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<td>48.7</td>
<td>48.2</td>
<td>35.0</td>
<td>21.4</td>
<td>29.2</td>
<td>21.5</td>
</tr>
<tr>
<td>China-Russia</td>
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<td>22.0</td>
<td>23.4</td>
<td>21.3</td>
<td>20.5</td>
<td>20.6</td>
</tr>
<tr>
<td>China-Europe</td>
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<td>19.9</td>
<td>7.3</td>
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<td>China-Africa</td>
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<td>3.3</td>
<td>7.3</td>
<td>6.4</td>
<td>1.7</td>
<td>1.8</td>
</tr>
</tbody>
</table>

Source: Global Times Public Opinion Poll Center, 2011 and 2012. The figures from 2006 to 2010 were available at http://poll.huanqiu.com/dc/2011-01/1395647_3.html. The figures for 2011 were obtained from the center by the author.

Note: The people under survey were allowed to select the two bilateral relationships that they perceived as the most important.

While Yang’s view might overly underestimate the importance of the EU in international affairs today, it does reflect a noticeable attitude change in China regarding Europe. In January 2011, China’s newspaper Global Times, which is affiliated with the official newspaper People’s Daily, released its 2010 annual survey of Chinese attitudes towards the outside world. The newspaper had conducted such surveys in the previous four consecutive years as well. In 2009, the China-Europe relationship was seen as a much less influential bilateral relationship compared with the China-US relationship, but it was still perceived as being on par with China’s relationships with Japan and Russia. Nevertheless, between 2009 and 2010, the importance of the relations with Europe suffered a dramatic fall in the eyes of the Chinese, as the corresponding figure in the poll fell from 19.9% down to 7.3%. According to the 2011 unpublished survey, the Chinese rating of Europe’s importance improved slightly – to 8% – in 2011, but this figure was still significantly lower than the corresponding figure for 2006.

At the government level, the change in China’s assessment of the EU’s global role is more delicate. On the one hand, governmental officials are shifting their focus from the rising strength of the EU to its weakness, and also from the growing cooperation with the EU to bilateral problems. As Chinese Vice Foreign Minister Fu Ying told Der Spiegel in August 2011, ‘the west is in trouble at the moment’ and China is ‘indeed worried about the economic difficulties of the west.’ She said that in a discussion with her colleagues about the future of the EU, her colleagues basically believed that if the European countries can not join hands to solve the problems, ‘the Euro zone might collapse’ (Spiegel Online International, 2011). Although Chinese officials thought that the China-EU relationship was much better than the
China-Japan and China-US relationships, most of them complained that in making international policy decisions, the EU or its member states took little or no account of the interests of China, and a fairly large number of them said they were unhappy about the EU’s China policy (Dong, 2011: 4).

On the other hand, a more realistic and somehow pessimistic view of the EU does not imply that the EU is becoming marginalized in China’s foreign policy thinking. Chinese leaders continue to stress on every occasion that relations with the EU are still a key priority for China. The EU is still seen as an ‘important strategic power in promoting world peace and development’, and ‘even if the current world political and economic situation has been undergoing a major shift, China would not change the strategic position of the China-EU relations’ (Wen, 2011). When the international media played up the US-China G2 concept in 2009 as President Obama developed a cozy relationship with China, Premier Wen Jiabao intentionally voiced his rejection of this concept in the EU-China summit held in Prague in May 2009. Wen emphatically said, ‘Some say that world affairs will be managed solely by China and the United States. I think that view is baseless and wrong.’ For Premier Wen, ‘It is impossible for a couple of countries or a group of big powers to resolve all global issues. Multipolarization and multilateralism represent the larger trend and the will of the people’ (CCTV.com, 2009).

Moreover, the Chinese government actually sees the current difficulties that the EU faces as new opportunities to advance the China-EU relationship. The Chinese government voiced its verbal support of the Euro and its confidence in the ability of the EU to overcome its temporary difficulties and made a number of purchases of government bonds from crisis-hit EU member states. It also upgraded its dialogue level with the EU through acts such as the creation of a strategic dialogue mechanism between the Chinese state councilor Dai Bingguo and the EU High Representative Lady Ashton in 2009, and more frequent visits to European countries by top Chinese leaders. China received Mr. Van Rompuy, the president of the European Council, in May 2011, and this was his first official bilateral visit outside of Europe. On the EU side, Chinese researchers noticed that under the new system after the Lisbon reform, both the European Council President and the High Representative have been making serious efforts in developing a more coherent China policy. In September 2010, a special EU summit was organized to frame the EU’s foreign strategy, and China was enlisted as one of the EU’s three most prioritized strategic partners along with the United States and Russia. Lady Ashton then presented her progress report to the December 2010 EU summit on relations with China. The report was interpreted as generally positive in China, because it lifted China’s strategic importance in the EU’s foreign policy, it was more pragmatic with its focus on economic relations and it put more emphasis on the need to cooperate with China (Feng, 2011: 2). These efforts from both sides contributed to a successful EU-China
summit in Beijing on 14th February 2012. The Joint Press Communique released after the summit set a very positive tone for the relationship by mentioning the two sides’ ‘determination to set a good example for international cooperation in the 21st century, fully contributing to the cause of making this century one of peace, cooperation and development’ (Council of the European Union, 2012).

Obviously, in recent times, China has scaled down its rosy assessment of the EU as an ever growing power and its high hope of the critical importance of the EU-China collaboration. The EU may not once again become a proactive partner in China’s efforts to resist the hegemonic behavior of the United States, as it appeared to be such a partner during the height of the EU-China ‘honeymoon’ in 2003 and 2004. However, the EU and its member states are still regarded as key global economic and political actors that are important for China’s economic development and management of various regional and global challenges. As the United States recovered from its economic crisis by the middle of 2010, the Obama administration’s China policy quickly shifted from full embrace to renewed hedging, with the setting up of an American military and economic ‘pivot’ toward Asia, a strategy many interpret as ‘a bid to counteract China’s influence in the region’ (China Daily, 2012). Under such circumstances, even if Europe could not be counted on as a supportive partner of China, China still would benefit from a Europe that does not side with the new assertive American policy towards China. At a time when the Euro crisis exposes European weakness, China also sees that there could be more possibilities for the EU and its member states to adopt a more pragmatic policy towards China, allowing for more room to base the EU-China relations on mutual respect, equal footing, and less meddling in Chinese domestic affairs from the European side, and to expand their collaboration in global affairs.

A GLOBAL PARTNER TO BE CULTIVATED

As a main pillar of today’s global system, the EU and its key member states are central players in global affairs. Though not fully prepared, China has been pushed to assume its global role out of its growing world-wide interests and rising international expectations. In an increasingly multipolar world, cooperation is of necessity for China and the EU, and both sides called for an expansion of their cooperation beyond bilateral relations. The record of China-EU cooperation in global affairs over the past decade is quite mixed. They are not natural global partners in a number of issue areas. Nevertheless, through a bumpy learning process, both sides are adapting themselves to the other side’s divergent views and seeking possible convergences.

The reform of the international financial system surely features as the top agenda for the EU-China global cooperation. This reform involves two sub-issues in regard to which the EU-China cooperation can be highly important. One is the reform of the currency system, particularly the question of how the EU and China can pro-
mote a more balanced currency system which would be less dominated by the US dollar and allow other currencies and the SDR to play a bigger role in the system. The US fiscal situation is under great strain with the mounting debt, and the US monetary policy, like the two phases of the quantitative easing, is seen by both Europe and China as irresponsible, as it shifts the burden of economic adjustment towards the rest of the world by exploiting the dominant position of the US dollar as the chief reserve currency. In that context, China’s support of the Euro, the second largest reserve currency, could serve as ‘one way to constrain the American government’s ability to profit from money-printing at the expense of others’ (Zhao, 2011: 14). To support countries in financial crisis, especially those in the Eurozone, China contributed $50 billion to strengthening the lending capacity of the International Monetary Fund (IMF) in 2009. In the G20 summit meeting of June 2012, China announced its decision to participate in the second round of the IMF resource boost with a pledge of 43 billion dollars (People’s Bank of China, 2012).

The other sub-issue is the reform of the key international financial institutions. After an irresponsible Wall Street dragged Europe into economic recession in 2008, it was the European Commission and French President Sarkozy who initiated the idea of the G20 summit mechanism, which included China and other emerging states as equal participants and later became the central global institute in coordinating economic policies. After China contributed 50 billion US dollars to the IMF, the European countries agreed to reduce their quota share in the IMF and thus allowed China to substantially increase its quota and hence also its voting rights in the IMF. In the future, Europe and China need to work with each other to ensure that the 2010 IMF reform will be fully implemented, and push for further reforms in the IMF to strengthen its regulating capacity while enhancing the representativeness of developing countries. Moreover, such reforms should also start in the World Bank.

In addition, as two of the top three trading powers, the EU and China should work much harder to move forward the process of the Doha Round multilateral trade liberalization. Over the past years, the EU-China trade dialogue focused too much on bilateral economic issues, like China’s market economy status. In the future, these bilateral dialogues need to incorporate the global dimension. China is seeking the EU for the recognition of its full market economy status, while the EU is demanding a bigger market opening offer from the Chinese side than China is prepared to make. China can wait till 2016 to obtain that status unconditionally, according to China’s bilateral WTO accession agreement with the EU, which was reached in 2001. Nevertheless, to boost the prospect of a new global trade liberalization deal in the Doha Round, China making a bigger and wider offer to open its market, coupled with the EU’s granting of MES and other market opening offers, such as lowering the hurdles for high-tech exports to China and a better investment environment for China’s direct investment in Europe, would not only lay a much more solid basis for the bi-
lateral economic relations, but at the same time, through the extensions of these market opening offers to other WTO members, could add important momentum to revitalizing the stalled Doha round.

The China-EU collision in the 2009 Copenhagen Climate Change Conference was an unfortunate episode. The two sides had been working together extremely well in the previous multilateral fora. China supported the Kyoto regime, which was established mainly due to the EU’s leadership, and the two sides also worked closely together in their efforts to bring the US back into the UNFCC framework (Bo–Chen, 2009). However, when the Obama administration returned to the UNFCC framework, it seemed that the EU adopted a strategy of focusing on pressing China to accept ambitious EU emission reduction targets. The resulting EU-China confrontation led China to turn to other emerging countries and even the US to come up with the so-called ‘Copenhagen Accord’, and it left EU leaders on the sideline. After this bitter experience in Copenhagen, both China and the EU adopted more pragmatic approaches, and the Cancun conference of late 2010 produced more substantial results. In the December 2011 climate change conference in South Africa, a more pragmatic EU committed itself to a prolonged period of the Kyoto protocol, and in return China was flexible enough to commit itself to a future legally binding global pact. The Durban conference could then finally deliver positive results.

The EU and China also need to cooperate better in coping with the rapidly changing situation in the Middle East and North Africa. Apart from enhancing their coordination in the 6-nation contact group in coping with the Iranian nuclear issue, they now need to work through the UN Security Council in helping to stabilize the volatile situation in Iran. China supported the UN Security Council Resolution 1970, which imposed sanctions on the Gaddafi regime in Libya, and its abstention on Resolution 1973 allowed the European countries to launch a military intervention in Libya. However, China became increasingly uneasy with the fact that the Chinese accommodation in the Libya case opened the door for Europeans to orchestrate a regime change in Libya that was well beyond the authorization to launch a civilian protection mission. As China still regards itself a proponent of state sovereignty and non-interference into domestic affairs, the Libya experience prompted China to cast three vetoes (October 2011, February 2012, and July 2012) on three similar UN Security Council Resolutions that were made in regard to Syria. From a Chinese perspective, these resolutions, sponsored by European and other countries, could lead to another forced regime change in Syria. Therefore, a widening policy gap between the more intrusive Europe and the retrenched sovereigntist China can be observed in their approaches to handling the volatile situation in the Middle East. It demands that the two sides work much harder to bridge their differences in the future.

Beyond these more pressing issues, two other areas have potentials for enhanced cooperation between the EU and China: peacekeeping and development cooper-
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The perspective policy. Although China is a late comer in international peacekeeping, it is currently a major donor of the UN peace-keeping budget, contributing about 4% of the annual UN peace-keeping costs. China also contributes about 2000 military personnel to the ongoing UN-led peacekeeping operations. In addition, China deploys navy ships to fight pirates off the coast of Somalia. Therefore, the two sides have to cooperate when the missions are to be authorized by the UN Security Council (here the cooperation is carried out by the two sides’ diplomats), and also when the missions are conducted on the ground (here the cooperation is between the militaries of the two sides), like in the anti-pirate operations in the Gulf of Aden.

In the field of development cooperation, both the EU and China are major donors to the developing countries, especially those in Africa. While the EU-China relations in this area are mostly viewed as competitive by European media, Chinese observers tend to acknowledge Europe’s role as the leading donor to the developing countries while at the same time being critical of Europe’s increasingly conditional development policy. Chinese policy makers and observers were not aware of the spill-over impacts of China’s engagement in Africa on the European countries in the past. But after the EU made Africa a major issue in the China-EU relations in 2006, Chinese observers also called for the two sides to develop a cooperation in this regard but emphasized that ‘the two sides shall start from a few experimental projects to explore possible cooperation channels and models in development cooperation’ (Chen, 2010: 13). During the 12th EU-China summit, leaders from the two sides ‘agreed to explore appropriate areas for cooperation’ in development cooperation (Council of the European Union, 2009).

CONCLUSION
Since the end of the Cold war, the Chinese policy makers, observers and general public have developed a quite positive and optimistic view about the European Union. The smooth development of the bilateral relations, the rapid advancement of European integration, and perceived convergences on key foreign policy issues, like multilateralism, peaceful resolution of conflict, the central role of the UN, and sustainable development, all contributed to this development. However, over the past few years, Chinese observers have started to realize that there were some elements of wishful thinking in their sanguine views of the EU and its global role. They began to complain about the difficulties of dealing with the EU and the surfacing of various disputes in the bilateral relationship and with regard to global issues, and became anxious at the prospect of an EU that would be in relative decline after the 2008 financial and economic crisis. This shifting trend in the perception can be inferred from the analysis of the writings of Chinese observers and the changing public opinion in China. Nevertheless, while the Chinese side may become more realistic in their views about the EU, the Chinese government still accredits high importance to the relationship with the EU and its member states. From the Chinese perspective,
the EU is still China’s biggest trading partner, constitutes the biggest group of developed countries and is able to exert its international influence through common policies as well as the individual policies of the 27 member states. Yet, as it is now able to conduct relations with Europe from a stronger position than previously, China is seeing a better chance to improve its relationships with the EU institutions and the EU member states on issues bilateral as well as global.

ENDNOTES

1 Various publications of the 7th Framework Programme project on ‘Disaggregating Chinese Perception of the EU and Implications for the EU’s China Policy’, headed by the China Policy Institute of the University of Nottingham. Online: www.nottingham.ac.uk/cpi/research/funded-projects/chinese-eu/research-outputs.asp.

2 This concept was embraced by Chinese leaders from late 2003 until early 2004, but it was later replaced by the concept of ‘peaceful development’ due to concerns that the word ‘rise’ may exacerbate anxieties in other countries about China’s fast development. However, the initial promoter of this concept, Mr. Zheng Bijian, the then vice president of China’s Central Party School, argued in September 2004 that the two concepts shared the same meaning. See Zheng, 2005: 63.

3 This concept was initially put forward by Chinese President Hu Jintao in 2005. In an updated version, he mentioned the 5 components of ‘harmonious world’: China and its partners should respect each other politically, seek win-win progress economically, respect diversity culturally, work together to safeguard peace and stability in the area of security, and cooperate to protect the Earth environmentally (Hu, 2007).

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