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**“Same Same, Only Different.” Chinese-European Relations Since 2009**

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## Introduction

2010 is the 35<sup>th</sup> anniversary of the EU (ECC) and China establishing official relations – an occasion of official celebration on both sides. Indeed, looking back at the developments between China, the European Union and its members since 2009, things have returned to normal. But “normal” also means that no real breakthrough has been accomplished on any of the long-standing issues: The EU and China seem to have manoeuvred themselves almost into a deadlock. Before the November 2009 China-EU summit, two European China watchers summarised the state of EU-China relations as one of “missed opportunities.”<sup>1</sup>

While bilateral relations between the EU and China have been pretty much stuck when it comes to the controversial issues, cooperation on issues of global governance like the global financial order, climate change or non-proliferation of weapons of mass destruction (Iran, North Korea) has also been facing difficulties. Even if the involved sides share common views on the desirable outcome, this does not mean that there is also a consensus on how to achieve these goals. The global financial and economic crisis demonstrated the scope of interdependence that has been brought about by economic globalisation, but it also exposed the challenge in finding common approaches and solutions to overcome the crisis and preventing similar crashes in the future. This is, of course, not only true for EU-China relations, but also for US-China (and transatlantic) relations. Thus, it makes the vision of a new world order based on a G2 between the United States and China look much less likely than proponents of the idea make believe (foremost former US security advisor Zbigniew Brzezinski). Nevertheless, some observers in Europe have shown concern about the prospect of a new bi-polar world order where China and the US can more or less shape and dictate the solution for basically every global problem.

The following paper will review developments in relations between China and Europe in 2009-10 and briefly address some of the controversial issues that neither side has been willing or able to really break out of. New developments in global governance, especially climate change, will also be looked at. In conclusion, the prospects of EU-China relations will be addressed.

## EU-China relations in 2009-10

In 2008, the year of the uprising in Tibet and the Olympic Games, emotions flared up on all sides and there was an unprecedented international attention directed at

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1 Kerry Brown, Stanley Crossick: *The EU and China: Time for a Change?* Chatham House, November 2009 (= Asia Programme Paper: ASP PP 2009/03), p.10.

China. In comparison, 2009 can be summarised as a year of “re-normalisation” in EU-China relations: The annual China-EU summit meeting which had been called off on short notice in December 2008 by the Chinese side as a reaction to French President Sarkozy’s scheduled meeting with the Dalai Lama finally took place in May 2009 in Prague, albeit without any major agreements signed. And the regular summit followed in November 2009 in Nanjing. However, even though the atmosphere between both sides improved, no breakthroughs were achieved, and the question remains how to give substance to the “strategic partnership” beyond the sphere of rhetoric.

Both sides, China and the EU have a list of issues and demands that are being raised on a regular basis, and it seems almost as if both sides have got used to the situation as it is and lack the will – or vision or need?– to change it. Right before the EU-China summit in November 2009, a China-EU symposium was held in Beijing with academics and some former politicians from Europe. During a meeting with Wen Jiabao that took place after the symposium itself, one of the Europeans scholars asked the Chinese Premier whether there were any fresh ideas on how to move the partnership forward. The answer consisted in a repetition of the usual requests for the Europeans to lift the arms embargo and to grant China market economy status. It can be safely assumed that a similar reply would be given by European leaders, namely that old requests for a level playing field, better market access, the protection of Intellectual Property Rights or an improvement in the human rights situation would be repeated.

None of the bilateral economic issues has been resolved; the “classical” complaints on both sides have persisted. The EU Chamber of Commerce in a position paper for 2009-10 even noted a slowing down of economic reform in China, more state interventions, more investment restrictions, and no progress on market access or level playing field.<sup>2</sup> Despite the fact that in reaction to the global economic and financial crisis all world leaders have declared that one should refrain from protectionist measures, it cannot be excluded that we will see protectionist measures on the rise (like “buy local” requirements for public procurement etc.).

As for human rights issues in China, Tibet and the Dalai Lama are still a topic in European publics. The EU condemned the execution of two Tibetans (in connection with the Lhasa riots in March 2008) in a declaration on 29 October 2009 and in the same document repeated the appeal to the Chinese authorities to abolish the death penalty altogether.<sup>3</sup> However, it has to be underlined that no European government

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2 European Union Chamber of Commerce: *European Business in China Position Paper 2009/2010*, September 2, 2009.

3 Council of the European Union: „Declaration by the Presidency on behalf of the European Union regarding the recent executions of two Tibetans“, Brussels, 29 October 2009, 15132/09

calls into question that Tibet is a part of China. Other human rights issues were also criticised publicly by the European side, namely the long prison sentences for activists like Liu Xiaobo and others or the executions of a British citizen for drug smuggling and of several Uighurs in the aftermath of the Urumqi riots.

To underline the importance China and the EU ascribe to each other, both sides keep repeating like a mantra that Europe is the biggest trading partner for China, the largest source of investment and of technology, and that China is the second biggest trading partner of Europe outside the EU. Despite such mutual assurances of importance of their relationship (“strategic partnership”), neither side seems to be willing or able to propose a deal on any of the issues on the list of mutual complaints. This does not mean that no progress at all has been made in terms of small steps on several fronts of practical cooperation, but the overall impression is that of a bureaucratic process that is being mechanically carried forward.

In general, we can observe stronger public diplomacy activities of Chinese ambassadors and representatives in Europe like the Head of Mission to the EU Song Zhe and the newly arrived ambassador in Germany Wu Hongbo. Especially Song Zhe has given many speeches at public events, the Chinese mission has been distributing a newsletter commenting on important events, and Chinese ambassadors give interviews in European newspapers with an unprecedented frequency. These efforts to explain in a more proactive way China’s position on certain issues are a reaction to what is perceived as a wrong and unfair perception of China in European publics. They also fit with the decision to step up and strengthen Chinese media presence around the world. Whether these activities will be able to change China’s image in a positive direction remains to be seen. But in any case, such interviews and speeches contribute to presenting a more open and transparent China.

### *Individual European countries*

Acute problems between Europe and China during the Olympic year were mostly caused by individual member states, not the EU institutions. Meetings of European politicians with the Dalai Lama have been the most obvious and frequent reason for protest from the Chinese side. This issue is likely to persist, if only for domestic policy reasons in Europe.

In the field of relations between China and individual member states, there has not only been renormalisation, but even an upgrading of relations, for example between the United Kingdom and China (visit of David Miliband in China in early 2010). The UK announced that it would pursue a strategic relationship with China.

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(Presse 313) P 120/09; [http://www.consilium.europa.eu/eudocs/cms\\_data/docs/pressdata/en/cfsp/110853.pdf](http://www.consilium.europa.eu/eudocs/cms_data/docs/pressdata/en/cfsp/110853.pdf) [accessed Nov. 2, 2009].

However, only a few months earlier, it had been the brother of the then British foreign minister, then Minister for Energy and Climate Change Ed Miliband, who had most openly and harshly accused China for being responsible for the weak outcome of the Copenhagen climate summit in December 2009 (see below). The question is how UK-China relations will develop under the new British government. In the past, the leader of the Conservatives David Cameron displayed a quite critical position vis-à-vis China, but this does not necessarily mean that China-UK relations will deteriorate or be downgraded again. Actually, if one looks at public opinion polls, the perception of China in the UK has been comparably favourable and the positive view of China has not changed as dramatically over recent years as in Germany, France, Italy and Spain.<sup>4</sup>

French president Nicolas Sarkozy with his recent China tour and attendance of the opening ceremony of the World Expo in Shanghai demonstrated that he is interested in improving relations with China again. In the newly elected government in Germany which started its work in late October 2009, the new minister for development aid Niebel (liberal party) announced that Germany would stop development aid for China and India only days after taking office.<sup>5</sup> However, it has to be pointed out that this was of little or no practical relevance, since China has not received any substantial financial assistance for years anyway, and all agreed cooperation projects will be continued as planned. The rash announcement was more significant as a message to the German public. Progress in Sino-German relations can also be seen. Cooperation between both countries has become particularly intense in the field of cultural exchanges: China was invited to be the special guest and co-host for the German book fair in Frankfurt, and the project “China and Germany moving forward together” continued in selected provincial capitals in China,<sup>6</sup> culminating in a presentation at the Shanghai Expo. 2009-10 will be the “German-Chinese Science Year”, and in 2011 a big exhibition on European enlightenment will be opened in the new museum in Beijing. Last but not least, in 2012 there will be a year of Chinese culture in Germany<sup>7</sup> in celebration of 40 years of diplomatic relations.

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4 See BBC: „Views of China and Russia Decline in Global Poll” February 5, 2009, full report at [http://www.worldpublicopinion.org/pipa/pdf/feb09/BBCEvals\\_Feb09\\_rpt.pdf](http://www.worldpublicopinion.org/pipa/pdf/feb09/BBCEvals_Feb09_rpt.pdf) (access May 14, 2010).

5 *Neue Züricher Zeitung*, Nov. 6, 2009.

6 This project ran from 2007 to 2010; Nanjing, Chongqing, Guangdong, Shenyang and Wuhan were the stations before Shanghai.

7 On this see Website of the German Foreign Ministry on Nov. 16, 2009, [http://www.auswaertiges-amt.de/diplo/de/AAmt/Leitung/091116-Staatsministerin\\_20Pieüer\\_20in\\_20Peking.navCtx=21914.html](http://www.auswaertiges-amt.de/diplo/de/AAmt/Leitung/091116-Staatsministerin_20Pieüer_20in_20Peking.navCtx=21914.html).

A representative of Spain in the context of Spain's EU presidency (first half of 2010) announced that his country might push for lifting the arms embargo against China. It cannot be assumed that this announcement reflected any ongoing discussions among European leaders. There is no consensus under what conditions the embargo would be lifted and, more importantly, the United States have not changed their position on the issue, nor have Japan or Australia or Taiwan.

Taiwan played almost no role in the relations between Europe and China in 2009. The EU and its members still see a generally good trend in cross-Strait relations with closer cooperation and regular dialogue well under way between the Chinese leadership and the Kuomintang government under Ma Ying-jeou. The EU, to be exact the European parliament, came out in support of Taiwan's participation in the UNFCCC and the International Civil Aviation Organisation (ICAO).<sup>8</sup> Recently, however, Taiwan was criticised for resuming executions after a *de facto* moratorium since 2005.<sup>9</sup>

### Global issues: growing expectations

With China's rise, expectations have been growing with respect to the amount of international responsibility China should or could take over to contribute to tackling the challenges the world is facing. After the outbreak of the global financial crisis, some developments in international institutions like the IMF demonstrate that the international community, and more concretely the industrialised countries, are gradually realising and adjusting to the ongoing global power shift.

The G-20 can be seen as the main sign for this development. While in the G-8 China and other emerging powers like India or Brazil were not regular members, but were invited only on an "outreach" basis for consultations on specific topics, the G-20 is more representative than the G-8, even though one has to note that European states are over-represented even in this format. It remains to be seen whether the G-20 will turn into a permanent group that will over time take more topics on its agenda.

Even though China has displayed more self-confidence, it seems to be reluctant to take over more international responsibility. In view of the global financial crisis the standard argument was that China's biggest contribution to tackling the crisis would consist in holding its own house in order. In discussions with Chinese academics one

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<sup>8</sup> March 11, 2010.

<sup>9</sup> Statement by the spokesperson of HR Catherine Ashton on the resumption of executions in Taiwan, Brussels, May 1, 2010, A 68/10, [http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/EN/foraff/114127.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/114127.pdf) (access May 4, 2010)

can often hear the suspicion that it is a “trap” set up for China if the West wants China to shoulder more international responsibility: It would be lured into spending resources on issues that are not really at the top of the list of its national interests – resources that would then no longer be available for China’s domestic reform process. Similarly, the concept of a G2 is also often perceived as a scheme to contain China’s development and rise.

Outside China, it is a more and more widespread belief that Beijing holds the key to the solution of basically all issues the international community (or more specifically the West) is concerned about. Whether the nuclear programmes of North Korea and Iran, human rights violations and the regimes in Burma, Sudan or Zimbabwe, stabilisation of Afghanistan or global macroeconomic imbalances - no solutions seem possible anymore without China’s active and constructive contribution and cooperation. One such issue which took a central place in 2009 was clearly climate change. Since this is also one of the priorities on the EU’s global agenda, it can serve as an example for the difficulties in finding common approaches despite a shared view of the desired (and necessary) outcome.

#### *Climate change: common goals, different positions*

The fight against climate change is one area in which the Europeans have been very active. It is a field where member states have demonstrated a unified stance and unusual determination and therefore believed to be in a leadership position. With the new administration in the US under President Barack Obama taking office, it was widely hoped that the United States would give up its state of denial which had characterised the years of the Bush administration, and the US was expected to become an active and cooperative participant in working towards an international solution. With China, the EU had signed an agreement on cooperation on climate change at the summit meeting in 2005.<sup>10</sup> Both, the EU and China, were interested to address this issue multilaterally within the framework of the United Nations (UNFCCC).

The international climate conference in Copenhagen in December 2009 turned out to be disappointing in most respects – only a very weak (non-binding) international agreement could be reached. The US delegation arrived with a position that basically reflected the realities in US Congress, while China entered an alliance with the other big emerging countries India, Brazil and South Africa, a group that became known under the acronym BASIC. The Europeans, however, were practically

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<sup>10</sup> EU and China Partnership on Climate Change, Memo 05/298, September 2, 2010, [http://ec.europa.eu/environment/climat/pdf/china/joint\\_declaration\\_ch\\_eu.pdf](http://ec.europa.eu/environment/climat/pdf/china/joint_declaration_ch_eu.pdf) (access May 16, 2010).

sidelined: If reports on the Copenhagen accord are to be believed, they had almost no part in brokering the text of the final document. A recording recently leaked to the German weekly magazine *Der Spiegel* testifies of the level of frustration on the side of European leaders (especially Nicolas Sarkozy and Angela Merkel) during the negotiations.<sup>11</sup>

Right after the Copenhagen conference, UK minister Ed Miliband and a delegate representing one of the small island states accused China of having single-handedly prevented any meaningful agreement to come out of the negotiations.<sup>12</sup> In China, comments of academics and officials were divided: While one group of authors claimed that Copenhagen had been a success for China, because it had effectively defended its own national interests and more generally those of the developing world, others held the opinion that China had walked into a trap set up by the United States and had been manoeuvred into a corner from which it could not escape.<sup>13</sup> In mid-March 2010, Chinese Prime Minister Wen Jiabao, who had personally been in Copenhagen, explained in an interview his version of the events and, among other things, that he had not attended one of the central meetings during the conference because he was not properly invited.

Of course, many factors played a role for the unsatisfactory outcome in Copenhagen. Apparently, the Danish organisers were totally overwhelmed by the task, organisationally and in terms of ensuring communication among delegates. If one reads the different accounts of the conference, one is reminded of the Japanese movie *Rashomon*, in which each of the people involved in the story comes away with a different recollection of what actually happened.

As for China and the EU, Copenhagen was an example for unrealistic expectations on the European as well as on the Chinese side: How could the Europeans expect China to agree to absolute caps for emissions or to internationally binding obligations, when all along before Copenhagen Chinese negotiators had made clear that they were not ready to sign up for such an outcome? And could China as the biggest emitter of greenhouse gases have travelled to Copenhagen with the expectation that its voluntary goals on improving energy efficiency would be praised as a sufficient contribution?

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11 Tobias Rapp, Christian Schwägerl and Gerald Traufetter: „The Copenhagen Protocol. How India and China Sabotaged the UN Climate Summit“, *Der Spiegel* (online), May 5, 2010, <http://www.spiegel.de/international/world/0,1518,692861,00.html> (access May 5, 2010).

12 Cf. Cleo Paskal and Scott Savitt: „Copenhagen Consequences for the U.S., China and India“, January 4, 2010, [http://www.upiasia.com/Politics/2010/01/04/copenhagen\\_consequences\\_for\\_the\\_us\\_china\\_and\\_india/1537/](http://www.upiasia.com/Politics/2010/01/04/copenhagen_consequences_for_the_us_china_and_india/1537/) (access Jan. 4, 2010).

13 For an overview over Chinese publications see Oliver Bräuner: „Der Klimagipfel von Kopenhagen aus der Sicht Chinas. Aus chinesischen Fachzeitschriften vom Januar 2010“, SWP-Zeitschriftenschau 2010/ZS 02, March 2010, full text under [http://www.swp-berlin.org/common/get\\_document.php?asset\\_id=6932](http://www.swp-berlin.org/common/get_document.php?asset_id=6932) (access May 14, 2010).

The way forward for the EU after Copenhagen should be to continue and intensify practical cooperation with China on climate change. Projects on a regional and local level and with diverse partners on the Chinese side should be pursued. The British initiative of low-carbon zones seems one of the promising ideas to carry forward.

## Perspectives in EU-China relations

On December 1, 2009, the long-awaited Lisbon Treaty finally entered force. The ratification process had been concluded and the EU (Council) had made two important personnel decisions by appointing a president (van Rompuy) and a foreign minister which might not be called this (Catherine Ashton). Although the EU considers the Lisbon Treaty as a breakthrough in its history, the process of its implementation will be lengthy and complicated. More importantly, the two people selected for the top positions demonstrate clearly that governments of member states do not really want a politically strong European Union.<sup>14</sup>

While there can be no doubt that the Lisbon Treaty is a step forward, implications and practical consequences might not turn out to be as dramatic as some observers expected and the EU itself made one believe, at least not for the next years. In general, most experts agree that the Lisbon Treaty will not make the decision-making process within the EU much easier, but that once a decision is reached, implementation will be facilitated. A smaller number of decisions will require unanimity and the European parliament will have a bigger say in the area of foreign policy. However, it is too early to tell what this new stage in the European integration process means for its relations with China.

The financial situation in some of the Euro-zone countries and the rescue measures decided by European leaders in May 2010 will again shift the focus within the European Union on itself. This could mean less capacity and willingness to devote time and efforts to the Common Foreign and Security Policy. It could also reinforce the trend to “re-nationalise” foreign policy in the European capitals.

What seems to be most lacking in EU-China relations is a clear vision of where the partnership should be in ten years time. While practical cooperation with China on all sorts of fields will certainly be carried forward mainly by the European Commission through the established dialogues and meetings, ideas for (grand) bargains which would make it possible to resolve any of the major issues (arms embargo...) need to come from or at least need the support of the political leaders of

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14 The decisions were symptomatic for the inner workings and logic of the EU with one feature trying to find a balance between big and small member states.

the member states. As long as such ideas are not brought forward, the period of “missed opportunities” in EU-China relations is likely to continue.