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The EU-China Honeymoon is over for good

EU-China Relations and China as Actor in International Politics, Economics and Security-A European Perspective^(*)

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Gone are the days when Brussels and Beijing referred to each other as 'strategic partners' – a formula 'invented' in 2003 to pay tribute to the admittedly impressive expansion of EU-Chinese institutional ties, above through the so-called 'sectoral dialogues' today covering 50 areas of bilateral cooperation such as trade and investment, maritime security, nuclear energy, employment and social affairs, regional policies etc.

Instead, the uncomfortable reality has set in both in Brussels and Beijing that currently there are (many) more problems than achievements on the bilateral agenda.

Above all, the European-Chinese day-to-day policy agenda is dominated by problems, friction and persistent disagreements regarding bilateral trade and investment in general and Chinese market access obstacles, alleged violations of intellectual property and trademarks rights in China, certification standards and problems of Chinese government procurement policies in general.

The Beijing-based European Chamber of Commerce has been on China's 'case', i.e. alleged disadvantages such as tariff and non-tariff obstacles for European business in China, for years and continues to list European business complaints and requests as regards European investments in regular and very critical reports.

According to the chamber, China is doing very little or indeed next nothing to address European requests as regards IPR and trademark protection, changes to Beijing' government procurement policies and a (growing) number of non-tariff barriers to European business in China.

EU-China official dialogues too, above all the so-called 'EU-China High-Level Economic and Trade Dialogue' established in 2008, was largely unable to address, let alone solve any of the above mentioned issues related to trade and investment, not least because Brussels and Beijing perceive the dialogue (fundamentally) differently:

While Beijing continues to stress the informal and hence legally non-binding of this (and essentially all other EU-China dialogues in the framework of the above mentioned sectoral dialogues), Brussels wants the dialogue to lead to results concretely improving the business environment and conditions for European business and investors in China.

China for its part still feels politically and probably more importantly economically discriminated against in view of the EU refusal to do what Beijing has been requesting for years: Lift the EU weapons embargo imposed on China in 1989 and grant China so-called market economy status (MES).

(*)The opinions expressed herein are strictly personal and do not necessarily reflect the position of ISPI.

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Neither the former nor the later, however, will take place any time soon meaning amongst others at least two things:

China will (have to) buy its weapons and weapons technology elsewhere outside of Europe (mainly in Russia) and the EU will continue to file and submit anti-dumping cases against China to the WTO which would technically be very difficult (if not possible) if the EU acknowledged China as market economy.

What's more, the EU has recently and very vocally joined the US in urging Beijing to re-evaluate its currency allowing it to flow freer in respect to the US dollar.

As regards EU-China cooperation in international politics and security, the balance is equally sobering and indeed negative.

China has not turned out to be the international actor the EU envisioned it to become in order to jointly adopt and implement policies on a global level.

Indeed, China's recent behavior (and the aggressive rhetoric towards Japan accompanying it) in the East China Sea (where both China and Japan claim disputed territories) confirmed many analysts and policymakers in Europe that China is probably or possibly not growing and rising politically and militarily as 'peacefully' and 'harmoniously' as Chinese political leaders were trying to make believe over recent years.

In fact, from a European (and US for that matter) perspective, China is the obvious 'looser' of recent Chinese-Japanese territorial controversies regarding the disputed islands in the East China Sea, damaging its benign and 'soft power' image Beijing was so diligently working on over recent years.

Consequently, there is currently very little talk and even less action as regards on EU-Chinese cooperation in international politics and security, be it in Asia, Africa or Central Asia as originally envisioned by policymakers in Brussels and Beijing. Leaving sporadic EU-Chinese anti-piracy cooperation off the coast of Somalia aside, joint European-Chinese foreign and security policy approaches and actual policies have so far taken place on paper and paper only.

In reality and in years to come, the EU and China will have to spend their resources, political energies and capital above all on addressing the above mentioned problems on their bilateral agenda.

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