US–China–EU Relations
Managing the new world order

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Introduction

Robert S. Ross, Øystein Tunsjø and Zhang Tuosheng

The United States, China and the European Union encompass a substantial part of the military, economic, political and ‘soft’ power in the world. The interaction of these three power centres will have a profound impact on the international system in a period of changing power balances and uncertainty about the future world order. Although each actor is interested in preserving aspects of the contemporary international order that has promoted their respective interests in US preponderance, European stability and prosperity and China’s rise and unparalleled economic growth, there is simultaneously lack of consensus about important aspects of the international order. This volume is about these converging and diverging views within the triangle of the international order. The subsequent chapters consider how Europe, China and the United States can cooperate to both achieve their respective interests and to manage conflicts of interests.

Throughout this volume, the term triangle does not imply resemblance with triangular relationships of the past. The US–China–EU relationship differs from, for instance, the US–USSR–China triangle during the Cold War. The latter was frequently called a ‘strategic triangle’. That is not how the term triangle is used in this volume. Although the United States, China and the European Union are all important global actors, there is not a similar strategic interaction, so that change in one leg of the triangle can affect the vital security interests of the third actor, with the possible limited exception of the chance of European arms sales to China, an issue discussed in various chapters. Accordingly, none of the actors see the relationship between the other two as affecting their vital security interests. Rather than a strategic triangle shaped by balance of power and alignments, the US–China–EU triangle is characterized as a ‘diplomatic triangle’. A ‘diplomatic triangle’ is more contingent than a ‘strategic triangle’ and incorporates diplomatic steps that combine elements of cooperation and competition simultaneously. The US–China–EU triangle, then, is not merely shaped by zero sum and relative gains conflicts. In comparison with the Cold War ‘strategic triangle’, a ‘diplomatic triangle’ allows for absolute gains and mutual cooperation within the triangle. The scholarship in this volume also recognizes that it is problematic to speak of the European Union as a unitary actor in foreign
The United States and the future global order

Robert J. Art

Measured in terms of both economic and military power, the three weightiest actors in international politics today are the United States, China, and the European Union. The first two are states; the last is union of states that is more than a confederation but less than a federation. China is growing more rapidly economically than the other two, and is significantly modernizing its military power. The European Union has been coalescing to a degree politically and is proceeding to develop a more coherent, if not integrated, defense posture and foreign policy. The United States is the central actor in this triangular configuration, not only because it is the weightiest in both the economic and military dimensions, but also because it has extensive military entanglements with the other two that the latter do not have with each other. The United States is allied with twenty-six European states through NATO, and it is a military rival with China because a significant part of America’s defense budget, military forces, and contingency planning is directed at China’s growing military power in East Asia. China and the European Union have extensive economic relations, but, to date, no military relations of any consequence.

The interactions among the bilateral relations between the United States and the European Union, between the United States and China, and between China and the European Union are complex and nuanced. So, too, are the views of each political actor towards these three sets of bilateral relations.¹ For starters, China favors the further integration of Europe on both economic and power politics grounds. The more Europe integrates economically, the better market it becomes for Chinese exports and the more it reduces China’s technological dependence on the United States and Japan.² The more cohesive Europe becomes militarily, the more independent it can be of the United States and the more it can help offset US military dominance.

For its part, the EU favors continued Chinese economic growth (because that is beneficial to Europe’s exports), although not necessarily the growth of Chinese military power because of the destabilizing effects it could have on East Asia and the EU’s trade in the region. Today, the European Union is China’s single largest trading partner, measured in terms of exports and imports, surpassing the United States in 2003 as China’s second-most important trading
On China’s concept of the international security order

Zhang Tuosheng

Since the start of the twenty-first century, the international situation has undergone profound and complex change. Accompanying globalization, multi-polarization and the spread of information technologies as well as increased interdependence among states and societies offer rare opportunities for lasting peace and common development. On the other hand, as a result of uneven global development, widening gaps between the North and the South, and burgeoning non-conventional security threats alongside traditional security threats, countries around the world – especially the vast number of developing countries – face new challenges in realizing sustainable development.

Meanwhile, China has accelerated its integration into international society. As China maintains its high economic growth rate and improves its comprehensive national strength, it exerts an increasingly influential role in the world. International society has responded to China’s “rise” with different voices, some positive and some negative. In this context, China’s preference for the international security order has continued to evolve. It has become a grand objective of China to establish common security and build a “harmonious world”.

This chapter begins with a brief review of the evolution of China’s concept of the international order. It then offers an in-depth explanation and analysis of China’s contemporary approach to the international security order. It concludes with discussion of the implications for contemporary international politics, of China’s approach to international order.

A brief review of history

Since its founding in 1949, the approach taken by the People’s Republic of China’s (PRC) approach to the international order has experienced five stages of evolution. The first phase occurred in the 1950s. After the founding the PRC in 1949, in face of the Cold War and the animosity, isolation and embargo by Western countries (led by the United States), China adopted a policy of “leaning to one side” and joined the Socialist camp headed by the Soviet Union. In its foreign economic ties, China became a member of the
4 The European Union as civilian power
Aspirations, potential, achievements

Hanns W. Maull

International relations in transition
Since the opening of the Berlin wall during the night of 9 November 1989 and the destruction wrought by al-Qaida on the World Trade Center in New York and the Pentagon in Washington on the morning of 11 September 2001, international relations have undergone far-reaching changes. With the first event, the previously dominant conflict formation in world politics, the Cold War, disintegrated, transforming relations among major powers; the second set of events woke the world to the reality and depth of new types of 'planetary' security challenges facing states from non-state actors and, more broadly, from the realm of transnational relations. Those changes have been driven by the processes of globalization which characteristically have involved rapid, often exponential growth of interactions of all kinds across national frontiers. The net result are international relations in 'turbulence', that is to say: world politics marked by discontinuities, fluidity, and disorder. The most recent manifestation of this turbulence has been the financial and economic crisis of 2008/9.

Many observers would also accept that the cumulative weight of those changes adds up to a fundamental transformation of international relations, closing the era of the 'Westphalian order' based on sovereign, territorially defined nation-states, which generally is assumed to have begun with the Treaties of Münster and Osnabrück in 1648 (both cities are in Westphalia, hence the name). The precise contours of the new, 'post-modern' and 'post-national' international order are still fluid, but there are strong indications that the modern nation-state will no longer be able to dominate it in the way it did in the Westphalian era. This does not necessarily imply its decline and replacement by other political entities, but could also – and is more likely to – involve a transformation of its position in international politics as the 'only relevant' (as realists and neo-realists would have it) or 'most important and most powerful' type of actor (as several others schools in IR theory see it) to one in which nation-states become strategically positioned intermediaries between one another, international organizations, and transnational non-state actors to leverage the extent of cooperation which often will be needed to meet the new challenges of globalization and to realize national preferences.
5 Changes and continuities in EU–China relations
A German perspective

Gudrun Wacker

Introduction

After German chancellor Angela Merkel met the Dalai Lama for a talk at her office in September 2007, Germany’s relations with China went through a period of tension. As a reaction to this, China cancelled some visits of German politicians. Two months after Merkel’s meeting with the Dalai Lama, new French president Nicolas Sarkozy made his first official trip to China and brought back huge business contracts. A year later, the situation was reversed: relations between Beijing and Berlin seemed to be back on track, while France had fallen from Chinese grace due to a meeting of Sarkozy with the Tibetan religious leader. And since at that time, in the second half of 2008, France held the presidency of the European Council, China cancelled (‘postponed’) the annual summit meeting with the EU which had originally been scheduled for 2 December 2008 in Lyon. Thus, the entire European Union was taken hostage of the deteriorating relationship between Beijing and Paris. Early in 2009, China’s Prime Minister Wen Jiabao came to Europe and visited Switzerland, Germany, the EU headquarters in Brussels, Great Britain and Spain. Dubbed ‘tour of confidence’ by China, France was notably absent from Wen’s itinerary.

This chain of events is, in a way, symptomatic of the European Union’s approach to China: there is no real common European position vis-à-vis China, and no joint or even coordinated approach. Therefore it has been easy for China to play the European member states off against each other and to ‘divide and rule’ (or ‘use the barbarians to control the barbarians’ (Chinese: yi yi zhi yi)). It also demonstrates the fact that China has become more assertive on issues which it considers as being of ‘core national interest’.

Between 2003 and 2005, EU–China relations as well as relations between Germany and China went through a phase of high expectations and positive mutual signals: the High Representative for the Common Foreign and Security Policy, Javier Solana, had included China in a list of three Asian countries with which the EU was seeking a ‘strategic partnership’. This passage appeared in the European Security Strategy.1 There was no explanation, however, of what this term really meant in the case of China (or any of the other countries listed). China, on the other hand, published its first-ever
6 Travelling hopefully, acting realistically?
UK–China interactions

James Gow

Promoting cooperation and managing conflicts of interest

In 2007, Chinese soldiers invaded London, capturing hearts and minds. The soldiers were over two thousand years old, made from terracotta, and there were only twelve of them. Those twelve were drawn from a vast army of seven thousand who guarded the tomb of China's First Emperor, Qin Shihuangdi. There was a marked disparity in scale between the dozen ancient sculpted warriors, the vast army of which they were a minuscule part, and their immense impact in the UK. This symbolized the relative importance of a little bit of China for the UK, yet the apparent insignificance of the UK – and, indeed, most other countries and actors in the world – for China. This disparity is reflected even in relations between the EU and China, where the former, as a major trading block, has a large and growing trade deficit with the latter. The scale of China's re-emergence as a global force presents challenges and chances, in parallel. Each of these is shaped by the vast inequalities involved - size matters, meaning that only sophistication and wit can enhance the position of the small against the large, in this relationship. As China grows in importance internationally, the test and the opportunity is to harness China's increasing strength and its interests in an international setting, where mutual benefit can be found. This is the key to the UK's approach to China, as I shall show in the present analysis. In some respects, the UK benefits from the EU context, and, in others, Britain operates despite the EU - although, broadly, as will be evident, the EU context is of great importance. I develop the study in four stages: first, investigation of the UK's assessment of China in the future strategic context, setting the context for consideration of policy and practice in the three principal areas of UK foreign and security policy, which comprise the remaining three sections: human rights and political change; trade and finance; and finally, security and international engagement. These are considered progressively, in terms of their ultimate significance for UK security and security policy, as well as the potential for the UK to be able to make a notable difference (wherever possible with others); this concludes with the prospect of partnership activity.
China and European security and economic interests
A French perspective

Jean-Pierre Cabestan

It is generally admitted – and expected – that the French perspective on China, its rise, its international role and Euro-Chinese relations is more specific than the German or the British perspective. France’s understanding of its own role in the world, its ambition to be perceived as an independent and yet influential player, distinct from and sometimes critical of the United States, as well as its long relationship with the People’s Republic of China (PRC), initiated by General de Gaulle in 1964, have contributed to building this well-known image.

At the same time, as a founding member of the Common Market, the European Union (EU)’s ancestor, France gradually integrated its China policy into the EU’s own China policy as this policy became more substantial and active. In the economic realm, France, like other member-states, accepted delegation to the EU of the power to negotiate with China the bilateral conditions of that country’s accession to the WTO. And, aware of the growing importance of the EU’s international role, the French government has tried to influence the EU’s China policy – and has generally succeeded in this – favouring a larger convergence and a better coordination between Paris’ and Brussels’ approach to China.

Of course, this convergence and this coordination have revealed themselves as being far from perfect. On the one hand, the 27 members of the EU cannot agree on every internal or international issue. Consisting of various sub-groups, such as the Eurozone or the Schengen area, the EU must constantly struggle and compromise with its member-states’ conflicting domestic, economic and political interests. These conflicting interests do affect the EU’s capacity to work out a common stance and a coordinated action in every circumstance. Its divisions on Kosovo, Georgia or the management of the Dalai Lama’s visits are just the most recent illustrations of this limitation. In an Audit Report published in April 2009, John Fox and François Godement go further and argue that ‘the 27 member-states are split over two main issues: how to manage China’s impact on the European economy and how to engage China politically’. They categorize these EU states into four groups: ‘assertive industrialists’, ‘ideological free-traders’, ‘accommodating mercantilists’ and ‘European followers’. In their view, while Germany clearly