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Introduction

The evolution of EU-China relations

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

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

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

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

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

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

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

This volume's articles

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

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

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

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

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

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

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

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

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

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

Conclusion

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

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

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

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

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

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

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2. J. v.d. HARST, P.C.M. SWIERINGA (eds.), *China and the EU: Concord or Conflict?*, Shaker, Maastricht, 2012, p.2.

3. H. KISSINGER, *On China*, Penguin, London, 2011, p.529.

The Evolution of China's EU Policy: from Mao's intermediate zone to a strategic partnership based on non-shared values

Lirong LIU

Since the founding of the People's Republic of China, the "Five Principles of Peaceful Coexistence"¹ have been acknowledged as programmatic foreign policy. Although China's diplomatic practice varied in strategies, instruments, forms and aims, according to the different periods, this basic principle of foreign policy has not substantially changed.² The Five Principles of Peaceful Coexistence could be classified as a defensive foreign policy.³ With the enhancement of China's comprehensive national power, its foreign policy has become more active recently. The release of *China's EU Policy Paper* in 2003 was regarded as such a kind of diplomatic practice.⁴ The present study aims to analyze China's European Policy over the past six decades, starting from the founding of the PRC and the beginning of European integration.

China is pursuing another policy towards Europe and the EU than towards great powers (e.g. US and Russia) and neighbourhood countries, as with Europe it concentrates on economy, culture and technology, not having to consider geopolitical restrictions or conflicts of fundamental interest. Over the past six decades, China's policy adjustment towards Europe has been influenced by four factors, namely, the global strategic balance, the process of European integration, the EU's policy towards China and China's changing role in the world economy. The "red thread" running through the evolution of China's policy towards the EU and Europe is going beyond differences in values and ideology. In the 1950s, influenced by the Soviet Union, China insisted on both ideological confrontation and Germany's unification, and therefore opposed the Western European integration movement. In the 1960s, Mao Zedong disregarded the restriction of the ideological confrontation during the Cold War and proposed the concept of a second intermediate zone. The purpose was to

1. The Five Principles of Peaceful Coexistence are: mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence.
2. As it was pointed out in *China's EU Policy Paper*, China would continue to "pursue its independent foreign policy of peace and work closely with other countries for the establishment of a new international political and economic order based on the Five Principles of Peaceful Coexistence" (Ministry of Foreign Affairs of the PRC, *China's EU Policy Paper*, 13.10.2003, available online at: <http://www.fmprc.gov.cn/eng/topics/ceupp/t27708.htm>).
3. According to Kuang-Sheng Liao, a Hongkong-based political scientist, defence was the core of China's foreign policy during the last 100 years. The defensive characteristics of China's foreign policy have not changed since the Qing dynasty, through Kuomintang China, to today's PRC, neither from the time of Mao Zedong to Deng Xiaoping. See K.S. LIAO, *Antiforeignism and Modernization in China: 1860-1980*, Chinese University Press, Hong Kong, 1984, Introduction.
4. Z.P. FENG, *An Analysis of China's EU Policy Paper*, in: *Journal of China Foreign Affairs University*, 75(January 2004), pp.49-53, here p.50.

seek the support of the Western European countries in order to counterbalance the hegemony of the United States and the Soviet Union. In the Deng Xiaoping era, China's policy towards the EU and Europe became more pragmatic. According to Deng, Sino-European relations should go beyond the disparities of social systems and ideologies, and focus instead on economic and trade cooperation. After the Cold War, China strengthened the cooperation with the EU in all fields. With the widening of European integration, Beijing attached more importance to the role of the EU in global affairs.

Policy-making is usually influenced by two kinds of ideologies: theoretical and practical ideology, both being also the source of China's foreign policy-making.⁵ Theoretical ideology, or the conviction itself, is the belief in some ideals which determine one's daily activities; whereas practical ideology is the use of ideology as an instrument to determine the daily activities of others. The difference is that in the first case ideology is regarded as an end, and in the second case as a means. In the early years of the PRC, the theoretical ideology of its foreign policy was based on the theories of Karl Marx and Friedrich Engels. Marxism Leninism, as well as the thought of Mao and the thought of Deng, were practical ideologies which determined the political activities. The above-mentioned practical ideologies are empirical theories which derive from the historical practices and represent the interests of different development periods. Understanding the background of the practical ideologies could help to understand the true intentions of China's foreign policy towards Europe.⁶

I. China's Policy towards Europe in the Mao Zedong Era

China's foreign policy towards Europe in the Mao era can be divided into two phases: first, during the period 1949-1960, China's foreign policy was mainly influenced by the ideology of the Cold War. Second, since the political split between China and the Soviet Union in the 1960s, China was internationally isolated and a blockade was imposed from both the United States and the Soviet Union. The existence of a powerful Europe could counterbalance the hegemony of the Soviet Union.⁷ It was against this historical background that the Second Intermediate Zone and the Three Worlds theory were put forward. The Second Intermediate Zone theory thus laid the basis for China's policy towards Europe.

5. Kuang-Sheng Liao suggested that Chinese communist ideology might be divided into pure ideology and practical ideology. See K.S. LIAO, *op.cit.*, p.111.

6. I would like to thank Jan van der Harst, the reviewers as well as the editors for helpful comments and suggestions. Thanks also to Maria Efstathiou and Geoffrey Harris for interesting discussions. The project is sponsored by MOE Humanities and Social Sciences Research Grant (12YJAGJW004) and Shanghai Pujiang Program. I gratefully acknowledge support for this paper from Fudan University 985-III research project (2011SHKXZD011, 2012SHKXYB010).

7. "We shall be glad to have Europe become powerful". See Z.D. MAO, *Talk with Edward Heath* (25.05.1974), in: *On Diplomacy*, Foreign Language Press, Beijing, 1998, p.456.

I. 1. 1949-1960: Purely ideological confrontation

In the first years of the PRC, the priority of its foreign policy was to seek national independence, fight against foreign interference in its internal affairs and seek international recognition for the new regime. During the international anti-communism period, Beijing adopted a “leaning to one side” foreign policy and emphasized the ideological debate and confrontation with the Western countries. Mao’s anti-imperialism theory provided a practical ideology for China’s foreign policy-making in this period. Beijing then considered the Soviet Union its best friend and focused on the relations with the USSR and other Eastern European countries; meanwhile, the United States was China’s number-one enemy. Although Britain, France and other Western European countries were allies of the US, Beijing thought the Europeans eventually as potential supporters of China.

During this period, the practice of China’s European policy had been influenced by the practical ideology of the Soviet Union’s policy towards Europe. Beijing opposed Germany’s division and had a negative attitude about the Western European integration movement which could hinder Germany’s reunification. On March 21, 1951, a commentary published in the *People’s Daily* wrote that the Schuman Plan was a “plot” to split Germany.⁸ Another commentary in the same paper on April 13, 1951, was entitled “The Schuman Plan: Death Dealer Alliance”. It pointed out that the Schuman Plan was a tool of the United States to rearm Western Germany.⁹ On April 7, 1955, Mao signed the “Order on Termination of the State of War between the People’s Republic of China and Germany”. The Order criticized the United States, Britain and France,

“... through the implementation of the Paris Protocol, to further obstruct the peaceful reunification of Germany and the conclusion of a peace treaty with Germany, thus gravely menacing the peace and security of Europe”.¹⁰

Although Mao advocated a “leaning to one side” foreign policy, he did not oppose the establishment of normal diplomatic relations with the “capitalist” countries. He pointed out that the Americans were using the anti-communism ideology as a pretext to attain their own interests: The true purpose of establishing US military bases in Germany and Japan was to control the economy of Europe and Eastern Asia.¹¹ Both China and Western Europe strove for a peaceful international environment to develop themselves. Mao hoped to get support from Britain and France and advocated diplomatic relations with the Western European countries. China established diplomatic relations at ambassadorial level with Sweden, Denmark as well as Switzerland in

8. *People’s Daily*, 21.03.1951.

9. *People’s Daily*, 13.04.1951.

10. Z.D. MAO, *Order on Termination of the State of War between the People’s Republic of China and Germany* (07.04.1955), in: op.cit., pp.154-155.

11. Z.D. MAO, *On the Intermediate Zone, Peaceful Coexistence, Sino-British and Sino-U.S. Relations* (24.08.1954), in: op.cit., p.123.

1950 and diplomatic relations at agency level with Britain and the Netherlands in 1954.

According to Mao, peace and trade were two basic conditions for cooperation between China and Western Europe. He appealed for the disarmament of all countries and suggested that different social systems could coexist peacefully.¹²

I. 2. 1960-1976: Europe as the intermediate zone of China's foreign policy

In the 1960s, as a result of ideological divergences, the Sino-Soviet relations worsened. While reexamining its "leaning to one side" foreign policy, the Chinese government successively put forward "the Second Intermediate Zone" and "the Three Worlds" theory. Beijing hoped to counterbalance the superpowers with the rise of a powerful Europe. The concept of the second intermediate zone eliminated the absolute ideological confrontation between China and the Western European countries and paved the way for the establishment of diplomatic relations between China and the European Community in 1975. In 1971, China joined the United Nations. The priority of its foreign policy had shifted from the Third World to the Second World, and especially to the Western European countries.

In 1962, the Sino-Indian War broke out. Both the Soviet Union and the United States came out in support of India and provided it with substantial economic and military assistance. Confronted with three powerful opponents, China was urged to mitigate the tense relations with the United States. During this period, China's foreign policy deviated from the strategic objective against US imperialism and shifted to confrontation with the hegemony of the Soviet Union.

In the early 1960s, in order to improve the relations with Europe, especially with Western European countries, Mao put forward the intermediate zone theory. The intermediate zone as a concept was first brought up by Mao in a talk with the American correspondent Anna Louise Strong in 1946. Regarding the possibility of a US-Soviet war, Mao pointed out that an attack on the Soviet Union would not be easy, since the United States and the Soviet Union were separated by a vast zone which included Europe, Asia and Africa.¹³ In the 1960s, Mao put the intermediate zone concept in concrete terms. In his view, there should be two intermediate zones: Asia, Africa and Latin America made up the first; the developed capitalist countries represented by Western Europe constituted the second one. Although these countries varied by their social systems, Beijing wanted to develop relations with them and work together against the hegemony of the United States and the Soviet Union. According to Mao, the advanced capitalist countries of Western Europe, such as Britain, France, the Netherlands, Belgium, Italy and so on, possessed powerful capital, yet they were in

12. Ibid., pp.123-124.

13. Z.D. MAO, *Talk with the American Correspondent Anna Louise Strong* (06.08.1946), in: op.cit., p. 46.

conflict with the United States and the Soviet Union; West Germany, with its economic rise, would inevitably confront the United States in the future.¹⁴

The second intermediate zone theory broke through the ideological restrictions in international relations during the Cold War. China then changed its attitude towards the Western European countries (the European Community). Beijing emphasized common interests and cooperation, as well as the promotion of commercial and cultural exchanges between China and Europe.¹⁵ In 1964, China and France established diplomatic relations. In 1965, in a meeting with André Malraux, the French Minister for Cultural Affairs, Mao pointed out that, if China wanted to become a powerful nation, it needed Europe as a friend.¹⁶ From 1970 to 1973, China established diplomatic relations with Italy, Austria, Belgium, Iceland, Cyprus, Malta, Greece, West Germany, Luxembourg and Spain successively. In 1975, China started diplomatic relations with the European Economic Community (EEC). Beijing welcomed Britain's accession to the EEC in 1972 and regarded it as a weakening of American influence in Europe and a strengthening of Europe's independence.¹⁷

In the 1970s, on the basis of the intermediate zone theory, Mao put forward the differentiation of the Three Worlds: the United States and the Soviet Union belonged to the First World; Europe, Japan, Australia and Canada belonged to the Second World; the developing countries in Asia, Africa and Latin America belonged to the Third World. Mao felt that the Second World and the Third World had been exploited by the First World and ought to work together against the hegemony of the First World.¹⁸ In April 1974, at the 6th special session of the UN General Assembly, Deng Xiaoping expounded the Three Worlds theory. From 1974 to 1992, the Three Worlds theory would be the major practical ideology of China's foreign policy.

Mao used the differentiation of the three worlds to replace the purely ideological confrontation between "capitalism" and "socialism" and tried to break through the East-West confrontation during the Cold War. The Three Worlds theory enriched China's diplomatic strategies. Three different diplomatic strategies could be derived from this theory:

A. The diplomatic strategy towards superpowers (the First World): focusing on defence against superpowers;

14. Z.D. MAO, *There are two Intermediate Zones* (09.1963; 01.1964 and 07.1964), in: op.cit., pp.388-389.

15. Z.D. MAO, *China and France Share Common Ground* (30.01.1964), in: op.cit., p.398.

16. Z.D. MAO, *Talk with the French Minister for Cultural Affairs Andre Malraux* (03.08.1965), in: *Long Live Mao Zedong's Thought*, Japan Kokura Version, 1969, p.619.

17. Mao Zedong's talk with the French Foreign Minister Maurice Schumann (Z.D. MAO, *Soviet Policy is a Feint to the East and Attack in the West* (10.07.1972), in: op.cit., p.452); K. MÖLLER, *Die Außenpolitik der Volksrepublik China 1949-2004*, VS Verlag für Sozialwissenschaften, Wiesbaden, 2005, p.229.

18. Z.D. MAO, *On the Question of the Differentiation of the Three Worlds* (22.02.1974), in: op.cit., p.454.

B. The diplomatic strategy towards developed countries (the Second World): strive for their support and cooperation to counterbalance the superpowers of the First World;

C. The diplomatic strategy towards developing countries (the Third World): supply appropriate aid to the developing countries and oppose hegemonic expansion of the superpowers.

The Three Worlds theory facilitated the political and economic cooperation between China and the Western European countries.

Both the Intermediate Zone theory and the Three Worlds theory are based on a vision for a multi-polar world. Due to the weakness of its national power, China's European policy in the era of Mao focused on national security and geopolitical perspectives. Beijing hoped that a united Western Europe could become an independent power and constrain the dominance of the United States and the Soviet Union.

II. China's Policy towards the EU in the Deng Xiaoping Era

After the Cultural Revolution, China's domestic politics shifted from "class struggle" to "economic construction". Both domestic stability and a peaceful international environment were prerequisites for China's economic and social development. Peace and development were the main objectives of Deng's diplomatic thinking. Deng repeatedly stressed that modernization was China's core issue, as well as the key for solving domestic and international problems.¹⁹

During this period, China's foreign policy focused on establishing a new international political and economic order on the basis of the Five Principles of Peaceful Coexistence. According to Deng, multi-polarity was a political basis for the creation of a new international order, and the non-interference in internal affairs was the most basic principle.²⁰ The development of relations with Europe was considered as one of the prerequisites for China's 'independent' foreign policy. As Deng pointed out in a talk with the Belgian Prime Minister Wilfried Martens in 1985, a strong and independent Europe could help China to adhere to its independent diplomatic strategy.²¹ Beijing hoped that Western Europe could maintain a certain distance from the United States and carry out a relatively independent foreign policy. In the Deng era China's foreign policy was more pragmatic and emphasized on national interests. Strengthening Sino-EU economic relations was the priority of China's policy towards Europe.

19. X.P. DENG, *Speech at an Enlarged Meeting of the Military Commission of the Central Committee of Chinese Communist Party* (04.06.1985), in: *Selected Works of Deng Xiaoping III*, People's Publishing House, Beijing, 1993, pp.128-129.

20. X.P. DENG, *The International Situation and Economic Problems* (03.03.1990), in: op.cit., p.353.

21. Z.C. YE, *China's Diplomatic Thinking: from Mao Zedong to Deng Xiaoping*, Beijing University Press, Beijing, 2001, p.253.

II. 1. 1976-1989: Economic Construction as Central Task

Since the establishment of diplomatic relations with China in 1975, the European Community (EC) had always held an “intermediate” position on China’s foreign policy. From a geopolitical point of view, the EC could restrain the Soviet Union; concerning the international financial system and world economy, the EC was regarded as a potential rival to the United States. China’s development required a stable and peaceful international environment. A powerful Europe should not only be conducive to the maintenance of world peace and stability, but also, to a certain extent, meet China’s demands on economic, political and technological development. In April 1978, China and the EEC signed the Trade and Economic Cooperation Agreement. They granted each other a most-favoured nation treatment. In 1985, on the basis of the above agreement, China and the EC signed another trade and economic cooperation agreement. Both sides agreed to promote further cooperation in industry, agriculture, science and technology, energy, transportation, environmental protection and development assistance. In 1988, China and the EC mutually established diplomatic missions.

II. 2. 1989-1994: Surmount Ideological Differences

In 1989, the relations between China and the EU came to twists and turns. Since the Tiananmen incident on June 4, 1989, the EC terminated its diplomatic relations with China and implemented a series of sanctions including an arms embargo. Even under these circumstances, Deng concentrated on domestic stability and development rather than worry about the Western sanctions and blockade. Faced with these sanctions, Deng’s foreign policy remained flexible: on the one hand, Beijing was firmly opposed to any Western interference in its internal affairs; on the other hand, Beijing strove to break the blockades and sanctions and improve relations with these countries.²² After short-term tense relations between China and the EC, the latter decided in October 1990 to rebuild bilateral relations step-by-step. Since 1992, relations between China and the EU have returned to normal, and the China-EU Environment Dialogue started in the same year. In 1994, China and the EU launched a new bilateral political dialogue, the bilateral relations entering thus a new stage. But the arms embargo has not yet been lifted.

Compared with the foreign policy in the Mao era, Deng’s policy line was more flexible and inclusive: focusing on national interests, going beyond the disparities of social systems and ideology, seeking common dialogue and cooperation. On the issue of Europe, Deng held that a powerful Europe would meet China’s interests. In his

22. X.P. DENG, *China will never Allow other Countries to Interfere in its Internal Affairs* (11.07.1990), in: op.cit., p.361.

view, a powerful Europe would be conducive to build a new world order.²³ However, due to the geopolitical constellation and historical alliance factors, in comparison with the relations between China and the US, Russia or Japan, as well as the Korean Peninsula, China's foreign policy never considered the EU-China relations a priority. Strengthening economic cooperation between China and the EU has always been the main target in bilateral relations. During Deng's period, technology transfer, attracting foreign investment and promoting bilateral trade were three key words in the economic and trade relations between China and the EU. Using foreign intelligence and expanding China's opening-up were considered by Deng as a strategic issue. He thought about the difficult economic situation in the Western European countries as an opportunity and suggested that China should strengthen technological cooperation with Europe in order to promote domestic technological transformation.²⁴

III. China's EU Policy after the Cold War

Since the release of *A Long Term Policy for China-Europe Relations* by the EU in 1995, these relations had entered a new stage. Due to China's rapid economic growth, the EU attached more importance to its China policy and became more involved than in the past. With the development of European integration, the role and influence of the EU on the whole in regional and international affairs also received more attention from China. In 2003, Beijing released China's EU Policy Paper. In the same year, the EU and China announced the establishment of a "comprehensive strategic partnership". However, without shared values as a basis, it is difficult for both sides to achieve real strategic convergence. Compared with China's great power and neighbourhood policy, the EU is rather a subordinate than a "strategic" partner in China's foreign policy.

III. 1. China's EU Policy Paper

In 2003, China issued its first EU Policy paper.²⁵ The significance of the paper release itself was far greater than its contents. First, its release was regarded as a positive response to the EU's China Policy. From 1995 to 2003, the EU had issued five policy

23. X.P. DENG, *Strengthen the Economic Relations with Europe* (08.04.1985), in: op.cit., p.119.

24. X.P. DENG, *Using Foreign Intelligence and Expanding the Opening-up* (08.07.1983), in: op.cit., p.32.

25. *China's EU Policy Paper* is China's first foreign policy paper since its founding in 1949. Beijing issued *China's Africa Policy Paper* in 2006.

papers on China.²⁶ In 1998, the European Commission adopted a report entitled “Building a Comprehensive Partnership with China”. The Commission is in charge of regularly evaluating the policy implementation and making new recommendations. Second, the paper indicated that China should attach more importance to the EU as a whole. The release of the policy paper coincided with a series of significant advances achieved within European integration.²⁷ As a global actor, the EU played an increasingly important role in international economy, politics and security. Third, China’s EU Policy Paper was interpreted as an adjustment of China’s foreign policy.²⁸ With the enhancement of its comprehensive national power, China was more likely to play an active role rather than that of a passive defender of regional and global affairs.

China’s EU Policy Paper can be regarded as a kind of re-positioning after the Cold War. It consisted of a preface and a main text which included three parts: part one, status and role of the European Union; part two, China’s EU policy; part three, the strengthening of China-EU cooperation in all fields – the core of the paper, part two, making up only about 10% of the whole paper. The policy objectives could be summarized as “seeking common ground while reserving differences”. The core content is consistent with the “four principles for the development of the relationship between China and Western Europe”²⁹ which was presented by Jiang Zemin in Paris in 1994.

After the Cold War, both China and the EU attached more importance to each other in their foreign policies. From 1995 to 2003 the EU-China relationship had developed rapidly. The former Italian Prime Minister Silvio Berlusconi, the President of the European Council in 2003, spoke of a “quantum leap” in the EU-China relations during this period.³⁰ In 2004 American scholars predicted even the emerging of a “Europe-China axis” in a multi-polar world order.³¹ The release of China’s EU Policy Paper indicated that Beijing’s expectations in the EU-China relations were getting

26. Communication of the Commission of the European Communities, *A Long-Term Policy for China-Europe Relations*, COM(1995) 279 final, Brussels, 05.07.1995; COMMISSION OF THE EUROPEAN COMMUNITIES, *Building a Comprehensive Partnership with China*, COM(1998) 181 final, Brussels, 25.03.1998; COMMISSION OF THE EUROPEAN COMMUNITIES, *Report from the Commission to the Council and the European Parliament on the Implementation of the Communication “Building a Comprehensive Partnership with China”*, COM(2000) 552 final, Brussels, 08.09.2000; COMMISSION OF THE EUROPEAN COMMUNITIES, *EU Strategy towards China: Implementation of the 1998 Communication and Future Steps for a More Effective EU Policy*, COM(2001) 265 final, Brussels, 15.05.2001; COMMISSION OF THE EUROPEAN COMMUNITIES, *A Maturing Partnership – Shared Interests and Challenges in EU-China Relations*, COM(2003) 533 final, Brussels, 10.09.2003.

27. The Treaty of Nice was signed in 2001; Euro coins and banknotes entered circulation in 2002 and the EU’s enlargement took place in 2004.

28. Z.P. FENG, op.cit., pp.49-50.

29. The four principles are: first, development of long-term and stable relations and cooperation with a view to the 21st century; second, mutual respect and seeking common ground while reserving differences; third, mutual complementarities, mutual benefit and common development; fourth, resolution of international problems through consultation and cooperation.

30. K. MÖLLER, op.cit., p.237.

31. D. SHAMBAUGH, *China and Europe: The Emerging Axis*, in: *Current History*, September 2004, pp.243-248, here p.243.

higher. Beijing hoped that the EU could play an independent global role and promote democracy in international relations. It now appears that this view might have been too optimistic.

III. 2. China-EU Relations in the Context of China's Diplomatic Strategy

Since 2004, the EU has surpassed Japan and the United States to become China's most important trading partner. From January to September 2011, the trade volume between China and the EU totalled 317.0 billion Euros, while the volume of EU-US trade was 328.5 billion.³² China is likely to replace the United States and become the EU's largest trading partner in the near future.³³ Thus, China and the EU are becoming each other's most important trading partner. Trade and economic cooperation are the basis of the China-EU comprehensive strategic partnership. Compared with China-EU trade and economic relations, the position of the EU in China's foreign policy needs to be strengthened. In the report *Building a Comprehensive Partnership with China*, the EU proposed to make its relation with China commensurable with other major partners such as the US, Japan and Russia.³⁴ In China's EU Policy Paper it was also pointed out that the strengthening of China-EU relations was an important component of China's foreign policy.³⁵ However, compared to Sino-US, Sino-Japanese and Sino-Russian relationships, the EU-China relations have played rather a subordinate role.

The press conference by the Minister of Foreign Affairs during the annual National People's Congress in March uses to be acknowledged as a trend indicator for China's foreign policy. From 1996 to 2011, the four foreign ministers have held 16 press conferences,³⁶ in which Sino-Japan relations have been referred to 15 times, Sino-US relations 14 times, Sino-Russian relations 14 times, China and Korean Peninsula relations 12 times, whereas China-EU relations have been discussed only 8 times.³⁷ Reference was also made to some EU member states, such as Great Britain, France

32. EUROSTAT, *The monthly bulletin on external and intra-European Union trade*, 12(2011), p.25.

33. According to government figures released in January 2012, the trade volume between China and the EU-27 from January to November 2011 totalled \$ 517.1 billion; the total number is expected to reach \$ 570 billion in 2011. In the second half of 2011, China surpassed the US to become the largest trade partner of the EU-27, and the EU-27 surpassed Japan to become the largest source of China's imports (State Council Information Office of the People's Republic of China, available online at: <http://www.scio.gov.cn/zhzc/1/2/201201/t1076718.htm>).

34. Communication of the Commission of the European Communities, *Building a Comprehensive Partnership with China*, p.5.

35. *China's EU Policy Paper*, p.3.

36. The four Foreign Ministers are: Qian Qichen (1996-1998); Tang Jiaxuan (1999-2003); Li Zhaoxing (2004-2007); Yang Jiechi (2008-2011).

37. Human rights issues, protectionism, arm embargo and Tibet have been discussed 6 times, and EU's role in international affairs twice.

and Portugal, which were mentioned 6 times.³⁸ From 2000 to 2004, at five press conferences held by the Ministers Tang Jiaxuan and Li Zhaoxing, China-EU relations had not been mentioned at all, although just during this period, European integration had made great achievements because of the launch of the Euro in 2002 and the EU enlargement in 2004. In these five years (2000-2004), China-EU relations had entered a stage of rapid development: the EU issued three policy papers on China (2000, 2001, 2003), and Beijing released its very first policy paper on the EU (2003); at the China-EU summit held in 2003, both parties agreed to establish a comprehensive strategic partnership.

It is worth noticing that in the past decade China's foreign policy attached high importance to Sino-US relations. The last two Foreign Ministers were former Chinese Ambassadors to the United States, namely Li Zhaoxing (2003-2007) and Yang Jiechi (2007-2012). At the four press conferences held by Li Zhaoxing from 2004 to 2007, EU-China relations have been mentioned in a rather negative context only one time. Li Zhaoxing criticized that the EU's arms embargo against China was political discrimination, disproportionate in comparison to the comprehensive strategic partnership.³⁹ The EU has never achieved a commensurable position in China's foreign policy as the great powers such as the United States, Russia and Japan. In comparison, during this period, the Chinese-African relations have developed rapidly. They have been referred to at the Foreign Minister Press Conference every year since the release of China's Africa Policy in 2006. For both the EU and China the so-called comprehensive strategic partnership is just an expectation.

With the deepening and widening of the cooperation in all fields, frictions between the EU and China on the issue of trade, economy and values are on steady increase. The main problems in the field of trade and economy are protectionism and anti-dumping policies, whereas the value disparities concern human rights issues, Tibet and the arms embargo. China's *EU Policy Paper* in 2003 outlined the cooperation areas and related measures between the EU and China for the next five years, which should be evaluated regularly and updated in the next period. However, a new policy paper on the EU has not yet been launched. Since 2005, China and the EU have shown many disagreements on human rights issues, Tibet, Africa issues and environmental responsibilities. The EU-China relations have been affected by overemphasizing val-

38. China-Britain relations have been discussed twice (the return of Hong Kong); China-Portugal relations once (the return of Macao); China-France relations three times (arms sales to Taiwan, Tibet, etc.).

39. Ministry of Foreign Affairs of the PRC, *Li Zhaoxing Answers Questions on China's Diplomacy and International Affairs*, 06.03.2005, available online at: <http://www.fmprc.gov.cn/eng/topics/TwoSessions/t186024.htm>.

ue debates. Beijing was dissatisfied with EU's criticism on China's domestic and foreign policy,⁴⁰ and so China-EU relations came again in twists and turns.⁴¹

There are several reasons why China does not grant the same importance to the EU relations as to the US or Japan. First, there is the factor of the geopolitical importance and geographic proximity. As the US shifted its global strategy focus from Europe towards the Asia-Pacific region, China's diplomacy with its neighbouring countries carries more weight. Second, Beijing is relatively disappointed with the role of the EU as an independent global actor. The EU tends to express its political concerns through dialogue. Beijing appreciates this consultative approach. However, due to internal problems of the CFSP mechanism, it is hard for the EU to play a role of a credible strategic actor. So far, the role of the EU in international affairs had mainly concentrated on its surrounding area.⁴² In recent years, there have appeared vital political differences between the EU and China on the issues of Zimbabwe, Sudan, Myanmar, Libya, Iran and Syria etc. In dealing with international issues, the EU remains an ally of the US.

Since the European sovereign debt crisis in 2011, China's policy towards the EU stays on the fence as regards the uncertainties and scepticism of European integration, and needs further adjustment. Recently, it has been discussed in China whether Beijing should pay more attention to the EU member states as they tend to a pragmatic foreign policy.⁴³ The position of the EU in China's foreign policy has been marginalized and does not get the necessary attention.⁴⁴

40. From 2006 to 2008 the European Parliament adopted a series of resolutions and reports on China which provoked negative response from Beijing: European Parliament, *Resolution on EU-China Relations* (2005/2161(INI)), 07.09.2006; European Parliament, *Resolution on Tibet*, (2008/2557(RSP)), 10.04.2008; European Parliament, *China's Policy and Its Effects on Africa* (2007/2255(INI)), 23.04.2008, etc.

41. China cancelled the annual EU-China summit in November 2008.

42. Z.M. CHEN, *China-EU Relations in a New Multi-polar and Multi-partnership World*, in: *Chinese Journal of European Studies*, 1(2010), pp.1-16, here p.9.

43. Z.P. FENG, *Reflections on China's EU policy*, in: *Contemporary International Relation*, November 2010, pp.16-17, here p.17.

44. After the cancellation of the EU-China summit in 2008, China was presented in Europe as not attaching importance to the EU (*How China sees the world?* in: *The Economist*, 19.03.2009; T. BARBER, *China sees EU as mere pawn in global game*, in: *Financial Times*, 23.04.2009, etc.). In Beijing's view, Sarkozy's meeting with the Dalai Lama during France's rotating EU presidency undermined China's core interest, and sabotaged the political basis of China-EU relations (Ministry of Foreign Affairs of the PRC, *He Yafei Lodges a Strong Protest to France over Sarkozy's Meeting with the Dalai Lama*, 10.12.2008, available online at: <http://www.fmprc.gov.cn/eng/wjw/zzjg/xos/gjlb/3291/3293/t525570.htm>).

Conclusion

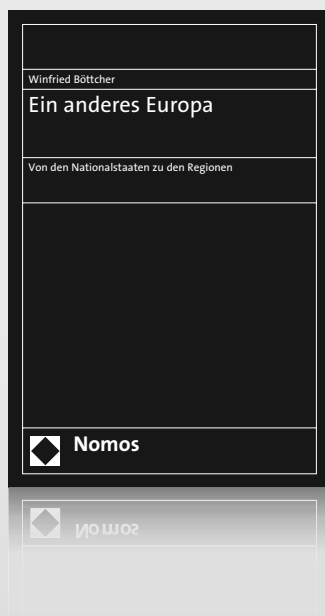
The multi-polar vision has been an important element of China's EU policy over the past six decades. A united and strong Europe as a credible global actor has been considered a positive factor for the implementation of China's independent foreign policy. During the Cold War, China improved its relations with Europe to counter-balance the dominance of the United States and the Soviet Union. In the post-Cold War era, the EU has been regarded as China's important partner in the promotion of multi-polarity. China continues to constrain US unilateralism through the construction of a multi-polar world, unlike the EU which follows on multilateralism.⁴⁵ Beijing's multi-polar strategy is built on a strong sense of sovereignty and the principle of non-interference in internal affairs. According to Beijing, sovereignty and security are the most important national interests which are associated with domestic stability.

The emergence of the EU as a global actor and normative power in the 21st century coincided with the economic rise of China. With the deepening of China-EU economic interdependence, their value differences came into the foreground. Unlike the strategic partnership with other global players, the EU-China comprehensive strategic partnership is based on non-shared values. The EU pursues a value-oriented foreign policy.⁴⁶ Common values provide the basis for the EU's position as a normative power, and also contribute to upholding the coherence and consistency within the EU. For a domestic sustainable development, it is necessary for Beijing to establish and strengthen a "core value system" to uphold cohesion and stability within China. In regional and global affairs, Beijing pursues an interest-oriented rather than a value-oriented foreign policy. Common interests are regarded as the basis of the China-EU strategic partnership, whereas value disparities remain a constraint. The disputes between the EU and China on the issues of democracy, the rule of law, human rights, sovereignty etc., could undermine the basis of a functional multilateralism. If the value disparities can not be resolved and surmounted, the so-called China-EU comprehensive strategic partnership will remain only on paper.

45. In dealing with some international issues, Beijing does not like to solve bilateral problems through a multilateral approach. On the issue of Africa, Beijing adopted a relatively passive stance towards the initiative of the trilateral dialogue between the EU, China and Africa.

46. A. de VASCONCELOS (eds.), *A strategy for EU foreign policy*, EUISS, Paris, 2010, p.15.

Globalisierung und Regionalisierung



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Seeking Détente and Driving Integration: The European Community's opening towards the People's Republic of China, 1975-1978

Marie Julie CHENARD

On 4 May 1975 Sir Christopher Soames, Vice-President of the European Commission responsible for external relations, proposed in Beijing the establishment of official relations between the European Community (EC) and the People's Republic of China (PRC).¹ Subsequently, on 15 September 1975, the PRC became the first Communist country besides Yugoslavia to accredit an Ambassador to the Community. Meanwhile, Soames also started discussions with the Chinese for a trade agreement. The negotiations resulted on 3 April 1978 in the signature of the EEC-PRC Trade Agreement which was the first the Community concluded with a Communist state based on the so-called *Outline Agreement*.² This was the draft the Commission had forwarded to the state-trading countries in November 1974 to replace all national, bilateral agreements as a step towards the implementation of the common commercial policy. Meanwhile, despite American President Richard Nixon's visit to China in 1972, the United States (US) and the PRC did not establish diplomatic relations until 1979. Until then a US-China trade agreement proved unfeasible.

The few studies of Europe-China relations that tackle, even if only briefly, the European Community's opening to China in the 1970s, agree that a contextual link to the Cold War existed.³ However, most of the works are political-science based or journalistic, examining a longer time-span. A historical analysis of the beginning of the EC-PRC relationship based on multi-lateral and multi-archival evidence is missing. Above all, none of the studies investigate what exactly such a link meant for European integration, particularly the EC institutional framework.

Although building relations with the PRC was not a priority for the EC in the 1970s, due to China's political, economic and geographic distance, this gap in the literature is nonetheless significant: investigating the case of China develops recent scholarship which explores the intersection between European integration and the Cold War. Piers Ludlow's conclusion on the EC institutions and the East-West conflict, that "Fighting the Cold War and integrating Western Europe remained two distinct processes throughout the 1960s", does not apply to the Community's opening

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1. CA [Churchill Archives Centre], Cambridge, United Kingdom, permission by Lady Soames, SOAM/42/1975/China, Banquet speech, Soames, 04.05.1975.
 2. *Official Journal of the EEC [OJ]*, L 123(1978), p.2.
 3. See, for example, B. FINDORFF, *China und die Europäische Gemeinschaft*, in: *Aussenpolitik*, 11(1972); H. KAPUR, *China and the European Economic Community*, Martinus Nijhoff Publishers, Dordrecht, 1986; M. YAHUDA, *The Sino-European Encounter*, in: D. SHAMBAUGH et al., *China-European Relations*, Routledge, London, 2008, pp.14 and 24-25.

to the PRC in the mid-1970s.⁴ Similarly, Takeshi Yamamoto's interpretation regarding the EC response to the Soviet Union, that after 1975 both Cold War and European integration history evolved separately, is not a valid one when looking at the Chinese case.⁵

This analysis takes a Community-centred perspective, focusing on how the interests of the nine EC Member States (the Nine) and those of the EC intergovernmental and supranational actors came together in Brussels, Strasbourg and Luxembourg to shape the Community's policy towards China. The article seeks to explain how European integration and Cold War developments related in the EC's opening to the PRC. Of particular interest are the questions of why the EC chose to open diplomatic relations with China in 1975 and conclude a trade agreement in 1978, and who within the complex Community decision-making system was primarily responsible for these initiatives.

The study is based on recently released archival sources of the European Union, France, Germany, Britain, Soames's private papers, and interviews conducted with former EC officials.⁶ The article will focus its analysis on the significance of the EC's relationship to China first for the Community's external affairs, and second in respect of the Community's institutional decision-making.⁷

Promoting European Détente

Détente enabled the Community to develop its relationship with the PRC in the first place. After the American opening to China in 1972, all those West European governments which had not yet done so, normalised their diplomatic relations – therefore all the Member States apart from Denmark and France which had already esta-

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4. N.P. LUDLOW, *An Insulated Community?*, in: N.P. LUDLOW, *European Integration and the Cold War*, Routledge, London, 2007, p.144.
 5. T. YAMAMOTO, *Détente or Integration?*, in: *Cold War History*, 7/1(2007), p.89.
 6. Council of Ministers Archive [CMA], Brussels, Belgium; European Commission's Historical Archives [ECHA], Brussels, Belgium; Historical Archives of the European Union [HAEU], Florence, Italy; The National Archives [NA], Kew, United Kingdom; Centre d'Accueil et de Recherche des Archives Nationales [CARAN], Paris, France; CAC [Centre des Archives Contemporaines], Fontainebleau, France; MAE [Archives du ministère des affaires étrangères], La Courneuve, France; Bundesarchiv [BA], Koblenz, Deutschland; Politisches Archiv des Auswärtigen Amts [PAAA], Berlin, Deutschland; interview with: Edmund Wellenstein, the former Commission Director General for External Relations, 06.01.2010; Lord Hannay of Chiswick, Soames's former *chef de cabinet*, 10.03.2010; David Ting, the former Commission Desk Officer for relations with Eastern Europe 01.04.2010; Théo Junker, former EP official at the General Directorate of Interparliamentary Commissions and Delegations, 08.06.2010; Louis Kawan, the former Commission Head of Unit overseeing relations with state trading countries, 12.06.2010; John Maslen, the former Commission China Desk Officer, 16.06.2010.
 7. The author would like to thank Emily Gray, Eirini Kavamouzi, Piers Ludlow, Emmanuel Mourlon-Druol, Angela Romano, Johann Smula and Arne Westad for their help and advice on earlier drafts of this article.

blished full diplomatic relations on ambassadorial level in 1950 and 1964 respectively, and Ireland which had recognised the PRC but only set up full diplomatic representation in 1979.⁸ Consequently, the Nine also accepted, in principle, that the EC should have official relations with the People's Republic.⁹

Seen in relation to superpower détente, that is the relaxation of East-West tension and creation of a bipolar international system managed by the United States and the Soviet Union, the EC-PRC connection meant strengthening the Community's capacity as "Third Force".¹⁰ This concept had different meanings at different times for different actors.¹¹ Applied to the mid-1970s, "Third Force" would relate to the Community's aim of European détente, overcoming rather than consolidating the bipolar Cold War order, and of the Community's independence as an international actor in its own right.¹² Indeed, Soames declared to his Chinese hosts on 4 May 1975 that:

"We do not believe that the world's problems can or should be resolved only by the action of the two superpowers, and we believe it important that Europe should speak with a single voice in its dealing with them".¹³

In reaction to Soames's visit, a German Member of the European Parliament (MEP), Christian-Democrat Hans Edgar Jahn, stated in a European Parliament (EP) debate on 18 June 1975 that the "Chinese policy-makers were quite clear-sighted and realistic about regarding the European Community as a third world power".¹⁴ Furthermore, at the European Council on 29 December 1975, Belgian Prime Minister Leo Tindemans recommended to his counterparts in his report for a European Union a concerted approach to China. The Heads of State and Government had instructed Tindemans in December 1974 to write such a report in which he was to investigate a definition for a "European Union". In the chapter dedicated to "Europe in the World" Tindemans advocated a common external policy to counter "our vulnerability and our relative impotence".¹⁵ Thus, a coordinated policy on China was to contribute to the independence of the Community. This fitted with the idea of Étienne Davignon, then Director General of the political department of the Belgian ministry of Foreign Affairs, in so far as he had suggested a concerted approach to the PRC as a matter for European Political Cooperation (EPC) to work out.¹⁶ EPC had aimed since 1970 to coordinate more closely the foreign policies of the Member States.

8. C. MACKERRAS, A. YORKE, *The Cambridge Handbook of Contemporary China*, Cambridge University Press, Cambridge, 1991, pp.151–155.

9. ECHA, BAC/136/1987/624, Note, 686^e réunion, Meyer to Soames, Ortoli, 18.05.1973.

10. See, for example, W. LOTH, *Overcoming the Cold War*, Palgrave, New York, 2001, p.viii.

11. W. LIPGENS, W. LOTH, *Documents on the History of European Integration*, de Gruyter, Berlin, 1988, pp.4–8.

12. See, for example, A. ROMANO, *Western Europe's self-assertion towards the superpowers: the CSE chance and its aftermaths*, in: A. DEIGHTON, G. BOSSUAT, *The EC/EU: a world security actor?*, Soleb, Paris, 2007, pp.152–169; A. VARSORI, *Crisis and Stabilization in Southern Europe during the 1970s*, in: *Journal of European Integration History* [JEIH], 1(2009), p.6.

13. CA, SOAM/42/1975/China, Banquet speech, Soames, 04.05.1975.

14. *European Parliament Debates*, 16 to 20 June 1975, in: *OJ*, C 192(1975).

15. *Bulletin of the European Communities Supplement 1/76*, pp.14 and 18.

16. NA, FCO30/1657, Davignon to Wright, 11.01.1973.

Vis-à-vis the United States, the EC's dealings with China proved that Western Europe had more than merely the "regional interests" which American Secretary of State Henry Kissinger had ascribed to his allies in his "Year of Europe"-speech in April 1973, in contrast to American "global responsibilities".¹⁷ The US and the European Community entertained official relations, and the Commission had a diplomatic representation in Washington. In the 1970s the transatlantic relationship faced new strains mainly in the areas of economics and defence.¹⁸ In Beijing in May 1975, Soames commented sharply to the Chinese Foreign Minister Chiao Kuanhua on Kissinger's arrogance.¹⁹ In relation to the PRC, the Community could present itself as more skilful than the United States: the EC set up official relations which the Americans did only five years later in 1979; and contrary to the US, the Community made progress in negotiating a trade agreement, successfully concluding a deal before the Americans had even set up diplomatic relations with the PRC. When Commission President Roy Jenkins visited American President Jimmy Carter in April 1977, it was the Commission that set the agenda on China. During a lunch conversation with US Secretary of State Cyrus Vance on 18 April, Vance admitted that in contrast to the EC-China relationship the US-China one had reached a deadlock.²⁰

As regards the Soviet Union, the idea of a "Third Force" also acquired new substance because links to the PRC reinforced the message that the Community was a political reality the Soviets would have to deal with sooner or later. The Community's contacts with China developed against the backdrop of the Sino-Soviet dispute, and the Soviet Union's refusal to recognise the European Community.²¹ Interestingly, Soames visited Beijing just before the Helsinki Summit of the Conference on Security and Cooperation in Europe (CSCE) in July 1975. At the CSCE a central objective of the Community was to gain Soviet recognition as a unified political actor.²² This is precisely what setting up official relations with the PRC proved. Indeed, a reason for engaging with China lay in geopolitics.²³ The Commission's aim was to isolate the Soviet Union, leaving it as the only blank spot on the world map which had not yet engaged officially with the EC. The Community decision-makers regarded the EEC-PRC Trade Agreement not just as an economic, but more as a political precedent in the dealings with other Communist countries. The brief for the President of the

17. J. HANHIMÄKI, *Searching for a Balance*, in: N.P. LUDLOW, op.cit., pp.166–168.

18. See, for example, P. WINAND, 'Loaded words and disputed meanings: the Year of Europe speech and its genesis from an American perspective', in: J. VAN DER HARST, *Beyond the Customs Union*, Bruylant, Brussels, 2007, pp.297-315.

19. CA, SOAM/42/1975/China, Record, Meeting between Soames and Chiao, 05.05.1975.

20. HAEU, EN/1568, Summary of lunch conversation at the Department of State, Washington: 18 April, Tickell, 03.05.1977.

21. J. SPENCE, *The Search for Modern China*, WW. Norton&Company, New York, 1999, pp.553–559; T. YAMAMOTO, op.cit., pp.75–79.

22. A. ROMANO, *From Détente in Europe to European Détente*, PIE Peter Lang, Brussels, 2009, p. 81.

23. Personal notes based on interviews that are still in the process of transcription approval. See also, NA, FCO30/1282, Note, China and the Community, Tickell to Mason, 15.05.1972; NA, FCO40/460, note, The external relations of the European Community, Permanent Under-Secretary's Planning Committee, 22.03.1973.

Council of Ministers' speech to the EP Political Affairs Committee on 14 March 1978 on the EEC-PRC Trade Agreement, for instance, recommended making this point, albeit cautiously.²⁴

Thus, closer ties with the PRC supported the Community's endeavour to establish itself as a political actor in international affairs and be a Third Force. For the EC to set up diplomatic relations with the PRC meant not only to establish ties to a country with a permanent seat on the United Nations Security Council and significant links to the Third World – therefore with a country that played an increasingly relevant role in world politics. It also meant developing connections with a government that encouraged European integration as a counterweight to the power of the United States, and that shared with the Community a central geostrategic concern, the Soviet Union. It is worth however examining more closely the consequences of the EC China policy for the Community's relationship to the Eastern bloc and thereby illustrate the impact of European integration on the Cold War in Europe.

Fostering Détente in Europe

The Community's advances vis-à-vis Communist China provoked more contacts between the EC and the Soviet bloc. The Soviet Union had sought to control all relations by the East European countries with the Community through the Council of Mutual Economic Assistance (Comecon), rather than allowing individual, bilateral ties. In the 1970s however the Soviet Union had increased difficulties in checking the East European states. Romania for example had already developed informal contacts with the Community; Hungary also sought to discard the official policy of non-recognition of the EC; Czechoslovakia and Poland circumvented Comecon rules to export agricultural and manufactured goods to the Community.²⁵ As a consequence of Soames's China initiative in 1975, East European officials asked the Commission directly about the EC's objectives concerning the PRC.²⁶ Although these contacts remained unofficial, the Commission succeeded in meeting the representatives not simply in restaurants, as had previously been the case, but directly at the Berlaymont, the headquarters of the Commission in Brussels – a change which underlined the Commission's increased stature. A further example is the contact by the editor of the East-West Journal, Jan Zoubek, who voiced the East European concerns to Friedrich Klein, Director at the Commission's Directorate General for External Relations in charge of relations with the state-trading countries.²⁷

24. CMA, IA/19648/1978, Speech, EEC-China Trade Agreement, 09.03.1978.

25. See, for example, S. KANSIKAS, *The CMEA and the EC challenge, 1969-1976*, PhD thesis, University of Helsinki, May 2011.

26. HAEU, EN/1987, Note, Contact avec diplomates de pays de l'Est, Stefani to Meyer, 06.06.1975.

27. ECHA, BAC/136/1987/624, Zoubek to Klein, 06.05.1975.

The Soviet government for its part expressed its misgivings on the EC-PRC rapprochement. When for the first time a Soviet embassy representative, E. Plakhotnyi, visited the Commission, he discussed the EC-PRC relationship. On 20 February 1978: Plakhotnyi stressed to Umberto Stefani, First Counsellor of the Commission's Secretariat General, that as his government had feared, the Commission had given the EEC-PRC Trade Agreement a particular political significance.²⁸ He meant to criticise the way the Commission had upheld the agreement as the first the Community had concluded with a Communist country. The Commission therefore appeared to play upon the Sino-Soviet rivalry to pressure the Soviets to follow the Chinese example to the EC's advantage.

Finally, the parallel improvement of the Community's relationship with the PRC and that with Comecon seems more than a simple coincidence. On 16 February 1976, just as exploratory talks for the EEC-PRC Trade Agreement were to begin, Gerhard Weiss, rotating Chairman of the Comecon Executive Committee, proposed an agreement with the EC.²⁹ Next, with the momentum in the EEC-PRC trade negotiations taking off again in February 1977, Comecon accepted what it had previously opposed: direct negotiations with the Commission rather than only with the Council of Ministers. This was significant because it meant Comecon implicitly recognised the competencies of the Commission as a supranational institution speaking for the European Community. Again, just before the EEC-PRC Trade Agreement entered into force, Nicolai Fadeyev, then Comecon Secretary-General, welcomed a Community delegation in Moscow. Both sides issued a joint memorandum in which they agreed a number of principles for future contacts between the EC and Comecon, and reiterated the wish to set up diplomatic relations.³⁰

It is true that the Nine judged that the primary reasons for Comecon's new approaches lay in Soviet domestic politics. Comecon's proposal of February 1976 came, amongst other matters, in the light of the impending Congress of the Communist Party of the Soviet Union. Leonid Brezhnev, General Secretary of the Communist Party of the Soviet Union presiding over the country, might want to use such a proposal to present the Soviet Union as progressive and ready for compromise.³¹ But a further factor, the Member States and the Commission believed, was Comecon's alarm over the PRC's improving ties with the Community.³²

On that account, the EC's official relations and the trade agreement with the PRC led to more contacts between the Community and individual Eastern European countries, the Soviet Union, and – at least in the opinion of the Member States and the

28. HAEU, EN/1990, Note, Visite de Plakhotnyi, Stefani to Noël, Brussels, 20.02.1978.

29. *Ninth General Report on the Activities of the European Communities in 1975*, Brussels, pp.273–274.

30. *Thirteenth General Report on the Activities of the European Communities in 1978*, Brussels, 1979, p.301.

31. NA, FCO/98/131, Telegram, Groupe d'experts Europe de l'Est, Lux Coreu to all Coreu, 15.04.1976.

32. See, for example, PAAA, B201/483, Note, Beziehungen EG zum RGW und den RGW-Staaten, 04.09.1975; NA, FCO/98/299, Telegram, Committee of Permanent Representatives 3 March, Maitland to FCO, 31.03.1977.

Community officials – with Comecon. In this regard, the EC's opening to China contributed to détente in Europe because it provoked quantitatively and qualitatively new exchanges between the two sides of the iron curtain.

But in the case of the PRC, the effect of détente was not simply for the Community as a whole to define what role to play in international relations. More important, it brought to surface the need to clarify institutional competencies within the EC in order to play such a role. The next part of this article thus looks at the consequences of the opening of China for the Community's decision-making process.

Deepening European Integration

The impact of the Cold War on European integration is reflected in the issues and the institutional mechanisms through which the Nine coordinated their policies on China. One topic that all the Member States discussed with their Chinese counterparts was détente. As a consequence, the Nine sought to coordinate their views on it.³³ In order to attune their views, the Nine had to decide which instruments to choose thus deepening European integration. Political coordination *à Neuf* in respect to China however took place mainly outside the legal framework of the Rome Treaties, namely at the EPC. The British had been the ones to push China onto the agenda of EPC in 1973.³⁴ Resulting from the meeting at the EPC Asia Group on 4 February 1976, the Nine approved a common response to the Chinese regarding the Nine's attitude towards détente. Such a response noted that no alternative to détente existed, that the Nine and the Soviets had a different conception of détente, and that the Europeans had sufficient experience to nurture no illusions about Soviet intentions. Hence, it was at EPC where the Nine agreed that to develop individually their relations with China, one aspect on which they had to concert was how to counter Chinese criticism of their dealings with the Soviet Union. At those EPC meetings, the UK regarded the Commission's participation as important. This stance reflects the British view of the separation between the Community and EPC dealings as artificial and inefficient. The French vehemently opposed this conception of institutional arrangements.³⁵

The work of the European Parliament (EP) also reveals a deepening of integration due to the rapprochement with China and the effects of the East-West conflict. Since its creation, the European Parliament had sought to raise its political profile and institutional standing.³⁶ To this end it exploited the emerging relationship with China. After successfully pushing for a share in legislative and budgetary powers with the

33. NA, FCO/21/1391, Coordinated Policies towards China: Détente, Campbell, 26.11.1975.

34. MAE, DE-CE/1967-1975/1070, Telegram, Relations Chine-CEE, Beaumarchais to Diplomatie, 23.01.1973; MAE, DE-CE/1967-1975/1070, Telegram, Coopération politique à neuf – Chine et URSS, Beaumarchais to Diplomatie, 23.01.1973.

35. See, for example, MAE, DE-CE/4199, Telegram, Groupe d'experts Asie, Paris Coreu to London Coreu, 11.02.1977; MAE, DE-CE/4199, Coopération politique des Neuf, Groupe Asie, 09.06.1977.

36. D. DINAN, *Ever Closer Union*, Palgrave Macmillan, Basingstoke, 2005, pp.259–280.

Council of Ministers, the EP also obtained in the 1970s the right to inquire about the foreign policy issues that EPC dealt with. Furthermore, it instituted the mechanism of Question Time in parliamentary sittings during which MEPs held the Commission and the Council of Ministers directly accountable – even if still without the powers to depose them altogether.³⁷ Interestingly, on the first occasion when the European Parliament used this mechanism in February 1973, it addressed the EC-PRC relationship.³⁸

The European Parliament had long pressured the Commission and the Council of Ministers to establish official and wide-ranging links with the People's Republic.³⁹ After Soames's visit to Beijing in 1975, the EP asked the Vice-President to explain the state of the Community's relations with the PRC. In particular, MEPs enquired about the consequences for the Community's relationship with the Soviet Union.⁴⁰ Thereafter, at all the key moments when the Commission and the Council of Ministers decided on the next steps for the EEC-PRC Trade Agreement, MEPs from across the political spectrum showed little reticence in publicly outlining their views.

Their actions in the form of letters to the Commission, publications, written and oral questions, debates and resolutions, reveal how MEPs understood the EP's political role, and how they sought to realise it. For instance, when a Commission delegation headed to China for trade talks in July 1977, Lucien Radoux, a Belgian member of the Socialist Group, protested on 5 July about the postponement of the debate on a report on EC-China economic relations: "If Parliament wants to play its proper role, then it should be examining this report today".⁴¹ Consequently, the MEPs discussed and adopted a resolution. They advocated an arrangement beyond the classic trade agreement which the Council of Ministers and the Commission had opted for. The aim instead was to work towards a comprehensive economic agreement. Although this resolution may have had little effect, confirming the EP's limited influence, it did contribute to the EP's visibility.

The European Parliament also used relations with China to implement Community procedures adopted for trade agreements, the so-called Luns-Westerterp procedure. The Council of Ministers had to inform the EP of all decisive steps during the negotiations and only once the EP had ratified the trade agreement could it enter into force.⁴² In addition, when the EP debated the trade agreement on 11 April 1978, Lord Frederick Bessborough requested Wilhelm Haferkamp, Soames's successor as Vice-President of the Commission responsible for external affairs, to explain the material criteria by which the Commission would judge the effectiveness of the trade agreement.⁴³

37. EUROPEAN PARLIAMENT, *Rules of Procedure*, Rule 47, 07.1976 and 12.1972.

38. HAEU, CPPE/642, Session Luxembourg, 02.1973.

39. See, for example, Written Question 243/71, *OJ C* 5(1972).

40. European Parliament Debates, 18 June 1975, *OJ C* 192(1975).

41. The EP eventually examined the report: European Parliament Debates, 5 July 1977, *OJ C* 183(1977).

42. CMA, IA/19649/1978, Hommel to Colombo, 03. and 09.03.1978; *OJ L* 123 (1978).

43. Oral Question 27/78, *OJ* 1229(1978).

The EP's continuous pressure on China issues thus obliged the Council of Ministers and the Commission to assume public responsibility, and communicate regularly and publicly about their dealings with the PRC. In other words, détente and the EC's opening to China enabled the European Parliament to assume a greater role within the Community. This in turn furthered the institutional interaction. Yet, the Parliament was not the only entity to use China to raise its profile within the decision-making process. The Commission did so too.

Détente enabled the Commission to take the lead in the relationship with the PRC in the name of the Community. Although the Treaties of Rome left the institutional competencies in the conduct of foreign affairs open to interpretation, the Council of Ministers' determination to affirm its primacy in this area quickly became apparent. Never, according to the Council of Ministers, could the Commission act on its own initiative on commercial and tariff agreements, accession and association agreements, action in the international economic organisation, the common commercial policy, legation rights and the representation of the Community in external relations. The Commission by contrast claimed to hold general competence in negotiating with third countries based on Article 228 of the Treaty of Rome.⁴⁴

The particular manner and timing in which the EC opened up to the PRC is an example of how the Commission's own institutional interest influenced the overall Community policy agenda in external relations.⁴⁵ Soames resorted to a series of secret, unofficial talks with the Chinese Ambassador to Belgium, Li Lienpi, to organise his visit to Beijing in May 1975 which aimed at establishing official relations.⁴⁶ Only on 19 March 1975, i.e. after Soames had accepted the invitation to China, did he inform the Committee of Permanent Representatives (Coreper) – the crucial committee of Ambassadors from the Member States to the EC which prepared all Council of Ministers decisions – about his dealing with the Chinese.⁴⁷ In effect Soames confronted the Nine with a *fait accompli*.

During the EEC-PRC trade negotiations the Commission also persisted in asserting its role vis-à-vis the Nine. The way it ensured maximum room for manoeuvre in relation to the Member States is shown for instance by its forwarding of only the outline of the clauses of the trade agreement rather than a full draft until the Council of Ministers had approved its negotiating mandate.⁴⁸ Moreover, the Commission succeeded in having its work accepted by the Council of Ministers without major interference: the Member States agreed to the Commission's working documents in the exploratory phase, its recommendation for the negotiating directives, and its initialled draft agreement without major changes.

44. E. CALANDRI, *La CEE et les relations extérieures 1958-1960*, in: A. VARSORI (ed.), *Inside the European Community*, Nomos, Baden-Baden, 2006, pp.421–422.

45. In response to F. GUIRAO, *Solving the Paradoxes of Enlargement*, in: *JEIH*, 2(2005).

46. Personal notes based on interviews.

47. ECHA, BAC/259.80, Minutes, 332th meeting of the Commission, 09.04.1975.

48. ECHA, BAC/48/1984/687, Note, Chine, Denman to Haferkamp, 18.11.1977.

Such a smooth and quick authorisation was not self-evident. The example of Yugoslavia, by contrast, shows that the Council of Ministers delayed time and again in 1978 the mandate for the Commission to negotiate a trade agreement.⁴⁹ The permissive attitude over China is also noteworthy in a period when the Member States circumvented the Commission's competence on the common commercial policy. The Nine engaged for example in illegal trade negotiations with Japan and Eastern Europe. For instance, the UK negotiated bilaterally export restraint measures for footwear and textiles from Eastern Europe, and Benelux pressed Japan to continue export restraint on electronic items. Such actions were exclusive to the Community competencies and therefore for the Commission to handle. Consequently the Commission repeatedly complained that it could not "ignore such flagrant breaches of the Treaty without losing its credibility both with Member States and with third countries".⁵⁰ These examples also suggest that the commercial aspects of the EC-PRC relationship mattered less to the Member States than was the case with links to other countries.

Once the EEC-PRC Trade Agreement had been signed, Haferkamp ensured the implementation of the deal through activist diplomacy. In September 1978, he led a Commission delegation including European industrialists to visit China. Against general expectations, he had an extended meeting with Hua Guofeng, PRC President and Chairman of the Chinese Communist Party. He thus succeeded in meeting Chinese leaders of the highest political rank. Haferkamp reported to the Council of Ministers:

"Not only was there a strong Chinese willingness to develop their relations with us. But we went with the right people and at the right time. Thus we showed our colleagues in the private sector in particular – and I hope member governments – that the Commission can perform a valuable role in circumstances such as this".⁵¹

In February 1979, Jenkins too visited China, and stressed that "the essential purpose of his mission was to advance the implementation of the 1978 trade agreement".⁵² Therefore, through the relationship with China Haferkamp and Jenkins could underline vis-à-vis the Member States the Commission's role and ability in the conduct of the Community's external relations.

Two important reasons allowed the Commission to take the lead regarding China. First, almost uniquely in the history of the Community's external relations, the Member States and the Community as such had to establish diplomatic and economic links from scratch. This was because at the end of the Chinese Cultural Revolution in 1969, none of the Member States had yet set up significant bilateral links with the PRC. Secondly, the Member States, working through the Council of Ministers, Coreper

49. HAEU, EN/1092, Tickell to Froschmaier, Brussels, 18.12.1978.

50. ECHA, BAC/3/1978/1517, Note, Illegal Negotiations by Member States, Hijzen to Soames, 07.06.1976.

51. BA, B136/16619, Note, Visit of European Community delegation to China September 24 – October 2, 1978, Haferkamp, Brussels, 09.10.1978.

52. ECHA, BAC/379/1991/77, Record of conversation between the President of the European Commission and the Minister of Foreign Trade of China, Beijing, 23 February 1979, Reuter, 05.03.1979.

and EPC, adopted a “hands-off”-approach. The Member States gave the Commission room for manoeuvre in establishing diplomatic relations and negotiating the trade agreement.

The lack of involvement by the Nine may be explained by several factors. Above all, their attention simply lay elsewhere. More pressing internal issues were on the agenda such as the economic and financial crisis in Europe. Regarding foreign affairs, relations with Greece, Portugal, Spain, the developing countries and Eastern Europe took priority.⁵³ The Member States also may have seen an advantage in letting the Commission have a go at forging closer relations with China without the risk of the Member States being blamed in the event of failure. Were the Commission successful however, the Nine seemed confident in their control over the Commission. In any case, official relations and the Commission’s trade talks did not prevent the Member States from pursuing their individual commercial activities. They continued for example to sign agreements, establish mixed committees and organise trade fairs. Moreover, Community channels could provide an advantageous additional vehicle to complement the Nine’s national policies, which the governments had not yet been able to develop very far. Lastly, the content of any Community policy towards China was more about symbolism than tangible results. Haferkamp’s assessment of his visit to China in September 1978 epitomises the beginning of the EC’s relationship with the PRC: “On doit souligner une nouvelle fois qu’il s’agit essentiellement d’une mission de prestige”.⁵⁴

The role of the European Council in the Community’s opening to China shows a further facet of how the Cold War and European integration intersected. The European Council was the legally non-binding body which institutionalised the summit meetings of the Heads of State and Government in December 1974.⁵⁵ It was Soames who suggested at the EPC ministerial meeting on 26 May 1975 that the European Council answered positively to the Chinese at its meeting in July.⁵⁶ A statement by the European Council would not only demonstrate in public the Community’s commitment to the PRC, but it would also offer a counterweight to its declarations on détente linked to the CSCE which contained important concessions to the Soviet Union.

The adverse British reaction to Soames’s suggestion reflects the care given to what the European Council ought to deal with, and the risks for détente the Foreign and Commonwealth Office (FCO) continued to see in any improvement in the EC-PRC relationship. The FCO briefed on 10 July 1975 that “On balance we are against this proposal”. First, it “could create an undesirable precedent. The Community has

53. See *Eighth to Twelfth General Report on the Activities of the European Communities*, Chapters: External Relations, Brussels, 1975–1979.

54. ECHA, BAC/379/1991/86, Note, Préparation du voyage en Chine, Kawan to Beck, Brussels, 13.07.1978.

55. See E. MOURLON-DRUOL, *Filling the EEC leadership vacuum? The creation of the European Council in 1974*, in: *Cold War History*, 3(2010), 315–339.

56. MAE, DE-CE/1967-1975/1070, Telegram, Conseil du 26 mai, Cazimajou à Diplomatie Paris, 27.05.1975.

opened relations with many other countries with much less fuss". Usually other states approached the Commission to set up official relations with the EC followed by a rather unceremonious procedure. Second, the European Council already planned a statement on détente, and "Too many declarations devalue the currency". Third,

"the disadvantages of possibly provoking them [the Soviets] further with a statement concerning relations with China will not be balanced by the advantages to be gained".⁵⁷

But upon instruction of Foreign Secretary James Callaghan, the British delegation eventually accepted Soames's proposal.⁵⁸ Since in the end none of the Nine disapproved, the Foreign Ministers agreed on 15 July 1975 without discussion that the European Council was to adopt Soames's statement. The European Council too consented without further deliberation.

Therefore a link between the Cold War and European integration consisted in how the Commission used China to justify a particular role of the European Council, and how in particular the FCO reacted to this. Moreover, the relationship to the PRC turned into a topic which contributed to legitimise the European Council's part in the integration process.

The idea of European détente as encapsulated in the CSCE relates, at least in hindsight, to specific features in the tone, style and substance of the Commission's engagement with China. At the signature ceremony of the trade agreement on 3 April 1978, for instance, Haferkamp emphasised its political dimension. The agreement reflected not just China's support of the political project of the Community. It also represented a symbol of trust between the two parties crucial to overcome the economic and political tensions in the current international climate. When Haferkamp stated that the agreement was not directed against anyone, the implicit target – the Soviet Union – was obvious.⁵⁹

Remarkably, the Commission took the lead in implementing in relation to China what the Community had put down in the Second Basket of the Helsinki Final Act concerning economic relations between Eastern and Western Europe. Ideological differences were not to hinder the evolution of economic relations. Moreover, based on contextual evidence, the Commission effectively enacted in relation to the PRC the aims of the Third Basket which dealt with humanitarian issues. At the CSCE, EPC was exclusively responsible for this policy area.⁶⁰ But regarding China, the Commission upheld its role on humanitarian matters too. In the trade discussions with the Chinese it pushed successfully for a clause on more human contacts, and it insisted on including concrete measures such as exchange of visits, trade fairs and exhibitions.⁶¹ Therefore, the Commission put into practice some of the Community's aims

57. NA, FCO/30/2589, Brief, EEC/China, 10.07.1975.

58. NA, FCO/21/1391, Telegram, EEC-China: Fenn's letter to March 6/8 of 2 July, Callaghan, 14.07.1975.

59. ECHA, BAC/48/1984/687, Speech, Haferkamp, Brussels, 03.04.1978.

60. A. ROMANO, *From Détente ...*, p.45 and 159.

61. ECHA, BAC/136/1987/624, Fourth Meeting with Representatives of the Chinese Mission, 21.02.1976.

for détente in Europe in respect to détente in international relations as a whole. How intentional this was is still open to debate.

The Commission, the European Parliament, and the European Council shaped the Community's response to China operating under different conditions. For the European Council China became a topic that contributed in legitimising its new role in the European integration process, a role for which it did not yet have a legal basis. The EP sought to create a new function for itself which the Rome Treaties had not elaborated upon. The Commission used China to reassert a role which arguably these treaties had already conferred but which the Member States contested.

Thus, while Francis Snyder states in his legal study on the European Union and China between 1949 and 2009 that the Cold War "provided the context for the establishment of diplomatic relations between the EEC and China", archival research suggests that the Cold War was much more than simply a context, a background canvas, a set of circumstances surrounding the relationship.⁶² It was not just EPC that viewed its task as being to shape the foreign policy activity of the European Community, and foster European détente. The European Council, the European Parliament, and the Commission also sought to contribute.

Conclusion

The examination of the Community's dealings with the PRC between 1975 and 1978 reveals that the Cold War and European integration did not evolve separately, but intersected. This can be seen in three main ways: first, the relaxation of tensions between the United States and the Soviet Union enabled greater Community action in international politics, and the Community generated a European détente; conversely, the extension of the Community's foreign policy activity furthered détente in Europe; finally, individual EC institutions capitalized on détente by asserting their own role in EC decision-making.

To begin with, the relaxation of East-West tensions, particularly Nixon's opening to China, made it possible for the Community to establish official relations with the PRC. At the same time, the EC's opening to China illustrates how the Community sought to establish itself politically vis-à-vis the two superpowers. As a "Third Force", it positioned itself against the United States as a unified actor which pursued global and not merely regional interests; indeed, the EC proved more adroit than the Americans in forging links to the PRC in the mid-1970s. In relation to the Soviet Union, both the EEC-PRC diplomatic relations and the trade agreement set political precedents for the Community's interaction with the other Communist countries. It was the Commission rather than the Member States working individually, through EPC or the Council of Ministers that spoke for the Community.

62. F. SNYDER, *The European Union and China, 1949-2009*, Oxford/Portland, Oregon, 2009, p.45.

The impact of furthering European integration, that is extending EC foreign policy activity to China, also contributed to driving détente in Europe. Decision-makers in the Community interpreted Comecon's new approaches to the EC, which coincided with the burgeoning EC-PRC relationship, as partly motivated by Soviet fears of losing out against China, and losing control over Eastern European bilateral dealings with the EC. The EC-PRC relationship featured prominently on the agenda of the increasing contacts between the Commission and individual Eastern European and the Soviet representatives.

Finally, the EC's response to the People's Republic reveals the impact of the Cold War on the bureaucratic politics of the Community. Seeking European détente beyond Europe allowed the European Parliament and above all the Commission to assert their influence against EPC and the Council of Ministers in defining the future role of the Community in external relations, how was this role to be carried out, and who should speak to the PRC on behalf of the EC – in other words, deepening integration. In the final analysis, Soames was primarily responsible for the China policy initiative. The main factor behind his decisions was inter-institutional jockeying for power. The broader implication of this research is that the wrangle for competencies within the EC institutional system intertwined with broader trends of international history such as the end of the PRC's isolation from international events and détente.

Porous Foreign Policy: The EU's Embarrassing Arms Embargo Episode

Christopher OATES

From 2003 to 2005, the European Union engaged in a heated and turbulent debate over its arms embargo on the People's Republic of China. The issue emerged from nowhere. The EU was initially divided, then coalesced around the position most favourable to China, and finally lost the will to act in the face of escalating American pressure. This episode provides not only a window into an era when the EU was buffeted by the agendas of Jacques Chirac, Gerhard Schröder and the Atlanticist countries, but an example of how the European Union, making its first steps onto the global stage, must deal with the attractions of business with a rising superpower and the geopolitical worries of the existing superpower.

Origins of the Debate

This arms embargo was enacted in a package of sanctions the European Council levied on the People's Republic of China in the wake of the Tiananmen Square massacre in 1989. The legalities are somewhat murky, but as only a Common Declaration, rather than a Common Position, it could be ignored by Member States if they so wished. In practice, it has been. Most states defined the embargo to cover only lethal weapons, allowing a near constant trade in military supplies like utility helicopters, radar, and communications equipment.¹ However, to have the embargo formally eliminated, the European Council would have to act, dragging the EU onto the global stage for a contentious policy.

The dispute began on June 30, 2003, when the French Defence Minister Michèle Alliot-Marie, on a visit to Beijing, said that her government was “working hard” to remove the arms embargo.² Her comments went largely unnoticed. For most of its existence, the embargo had been a dormant issue in Europe. Moreover, the ability to lift the embargo did not lie with the French Defence Ministry. It was assumed that the remarks were simply rhetoric, part of the ongoing diplomatic push for better Sino-French relations. It also could have been an attempt to crack the growing Chinese

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1. EU states sold € 416 million worth of military goods to China in 2003. See K. ARCHICK, *The European Union in 2005 and Beyond*, Congressional Research Service, Washington, July 11, 2005.
 2. *French defense minister says country working to lift EU arms embargo on China*, in: *Associated Press Worldstream*, 30.06.2003.

aerospace and military markets.³ To get into this market, it was thought that EU action was needed. In the words of an EADS spokesman, “The logic is economic, but the signatures are political”.⁴

But why the French Defence Ministry raised this issue, and why it was followed by intense French lobbying within the European Union, is the first question to be examined in this episode. France would expend significant political capital over the next two years, well beyond what rhetorical flourishes usually carry, and the most obvious reason for the push – increased arms sales – was continually dismissed by French leaders. Rather, the cause for French action on this issue seems to lie in two of the broader issues of the time, the French economic climate and the French political agenda of balancing against the United States.

The French economy had felt the effects of the early 2000s recession. Real GDP growth in 2002 was only 1%, down from 3.9% in 2000 and below the EU average of 1.2%.⁵ China’s economic rise was not always to the immediate good of its partners. France, like most Western countries, saw its trade deficit with China increase precipitously – from € 2.7 billion in 1999 to € 4.9 billion in 2003.⁶ The solution for France’s economy and trade balance was obvious: sell more good to China.

Political initiative has a strong history in Sino-French trade, traditionally dominated by singular *grands contrats*.⁷ Most of France’s sales to China were big purchases, billion-euro packages of aircraft and trains, which required high-level government approval from the CCP.⁸ A diplomatic push from France could result in more sales to China. It must be said that some do not believe China truly adjusts its business to suit political relationships. External Relations Commissioner and former Governor-General of Hong Kong Christopher Patten thinks this to be the product of Western gullibility, led on by the mirage of a billion ready consumers.⁹ He wrote: “We cannot blame the Chinese for [suggesting political connections]. If we regularly behave like suckers, why shouldn’t they treat us like suckers?”¹⁰ However, there is evidence to

3. J. KREUTZ, *Reviewing the EU Arms Embargo on China: the Clash between Value and Rationale in the European Security Strategy*, in: *Perspectives: The Central European Review of International Affairs*, 22.09.2004, pp.43-58, here: p.48; CHINESE MINISTRY OF FOREIGN AFFAIRS, *EU Policy Paper*, 13.10.2003. at <http://www.fmprc.gov.cn/eng/topics/ceupp/t27708.htm>; Sixth China-EU Summit: Joint Press Statement, October 30, 2003. EU Report No. 13424/03 (Presse 298); *Airbus aims high in China market*, in: *People’s Daily*, 20.01.2004.
4. *Roundup: Europe’s companies urge removal of ban on high-tech exports to China*, in: *Xinhua General News Service*, 26.11.2003.
5. Data from Eurostat.
6. The deficit stood at almost two-thirds of the trading volume. In 2005, the EU exported € 52 billion to China and imported € 158 billion. European Commission, *EU-China: Closer partners, growing responsibilities*, 24.10.2006.
7. R. WONG, *Forging Common EU Policies on China*, in: A. DEIGHTON, G. BOSSUAT (eds.), *The EC/EU: a World Security Actor?*, Soleb, Paris, 2006, p.67.
8. K. BARYSCH, *Embracing the Dragon: The EU’s partnership with China*, Center for European Reform, London, 2005, p.20.
9. J. MIRSKY, *An Eldorado of two billion armpits*, in: *New Statesman*, 22.01.1999.
10. C. PATTEN, *Cousins and Strangers: America, Britain and Europe in a New Century*, Times Books, New York, 2006, p.263.

support the view that the PRC uses its market as a diplomatic weapon. First, there are statements by Beijing officials, such as Foreign Minister Li Zhaoxing who implied in November 2005 that trade would increase as the political relationship increased.¹¹ Second, there is history of such action, such as when China bought \$ 4 billion worth of Boeing aircraft during US Congressional debate on China's trade status in 1990.¹²

French political goals also favoured increased goodwill with China at this time. Chirac had spoken openly of the need to balance the American superpower with an independently powerful EU. This followed the French habit of using the EU as "a force multiplier of French influence, both in Europe and beyond".¹³ It is possible that Chirac wished to use relations with China in a similar manner. By increasing French and EU ties to China, he furthered the EU's presence as an international actor and demonstrated that the EU could work globally without the United States. This echoes French policy in East Asia in the 1960s and 1970s, which used "*grand geste*, symbols and 'special relationships'" as a way to send messages about US-French ties.¹⁴

Yet the arms embargo did not need to be the vehicle for this agenda. To understand why the relatively obscure EU arms embargo emerged as a major issue, we must consider what China was willing to negotiate for. The PRC, in an October 2003 White Paper on the EU, indicated that it desired better relations with European states and presented a number of specific requests, including: a strict observance of the One China policy and an avoidance of military product sales to Taiwan; not to meet with the Dalai Lama; to address human rights in China with a continuance of the EU-China dialogue instead of confrontation at international organizations; to

"grant China a full market economy status at an early date, reduce and abolish anti-dumping and other discriminatory policies and practices against China... and compensate the Chinese side for its economic and trade losses which may arise due to the EU enlargement; [and] The EU should lift its ban on arms sales to China at an early date so as to remove barriers to greater bilateral cooperation on defence industry and technologies".¹⁵

France's ability to negotiate was more limited. The first three choices – no support of Taiwan, no meeting with the Dalai Lama, and no confrontation over human rights – were issues of restraint. Chirac needed a grand gesture to achieve his goals quickly.¹⁶ The fourth suggested avenue to goodwill was that the EU grant Market Economy Status (MES) to the PRC. This determines whether a country can, without violating World Trade Organization (WTO) rules, impose penalties on imports that it believes have benefited from unfair trade practices, such as state intervention or excessive

11. *China urges EU to 'trash' arms embargo*, in: *Agence France Presse*, 04.11.2005.

12. R. FOOT, *Rights beyond borders : the global community and the struggle over human rights in China*, Oxford University Press, Oxford, 2000, p.126.

13. R. DALE, *European Union, Properly Constructed*, in: *Policy Review*, 122(2003/04), accessed at <http://www.hoover.org/publications/policyreview/3446306.html>.

14. R. WONG, *Forging Common EU Policies ...*, op.cit., p.25.

15. PRC Ministry of Foreign Affairs, *EU Policy Paper*, 13.10.2003.

16. He nonetheless tried these ways. At the January 2004 meeting Chirac committed not to sell arms to Taiwan. R. WONG, *Forging Common EU Policies ...*, op.cit., p.33.

subsidies. Many of China's cheap exports to Europe have been the target of such penalties and China wanted MES to protect itself from such action. This is an economic issue and so falls under the "first pillar" of the European Union. The European Commission would take a major role in an MES decision, diminishing the credibility of any gesture by Chirac. Further, European, and especially French, public opinion was strongly against granting MES to China.¹⁷

Lifting the arms embargo was therefore the only option that Chirac could use to generate goodwill with China. There was a domestic constituency in favour of it (defence firms), a history of selling arms, and France had no strategic interests in the region that would have blocked the deal. Unlike MES, this was a European Council decision. Chirac had much more control over the process, both within the EU and in France where it did not need to be ratified by the legislature.

One problem with this analysis is, as ever, whether we are reading into history what we expect to see. However, there is strong evidence to suggest that this type of quid pro quo negotiation is not just supported by the theories of institutional cooperation, but by the facts of the EU-China relationship. In dealing with China, the EU is a *demandeur*, always seeking things from China without being able to give anything in return.¹⁸ This is largely due to the skewed nature of the trading relationship between the two powers, a function of the difference between the advanced European economies and the low-income, industrializing China. While the EU maintains a largely free market open to Chinese imports, China has a variety of hurdles to European business in the PRC, as well as a variety of problems unique to European economic strengths, such as copyright fraud and intellectual property theft. Even symbolic gestures like the arms embargo are useful in giving China something in order to get significant concessions in return. There is no reason to believe this would not be true in this situation.

Expansion of the Debate

The arms embargo truly became an issue on the European stage when France was supported by German Chancellor Gerhard Schröder who, while visiting China with forty-two German business executives on December 1, 2003, announced his wish to overturn the embargo. Schröder faced a similar economic situation to President Chirac. Germany had dropped into negative growth during 2003 as unemployment

17. In 2005, the EU fought a "textile war" against China, during which 75 million garments languished in European ports while a deal was brokered. An old tariff had expired, leading to a surge in Chinese imports to Europe, which triggered the imposition of a quota system from the EU. France, along with Italy, Spain and Portugal, was strongly in favour of the quotas and other measures to keep out cheap Chinese textiles. See *EU and China reach textile deal*, in: *BBC News*. 05.09.2005.

18. Author's interview with Antonio Missiroli, European Commission, 17.02.2011.

reached 5-year highs (10%).¹⁹ The Chinese market was crucial for German growth. Schröder had made China one of his top foreign destinations and had been termed one of China's "most persistent suitors".²⁰ The embargo was a red herring in the trade relations, but one of minimal consequences, as the rapidly increasing trade patterns over the previous ten years demonstrated.

But Sino-European trade is not what mattered most to Schröder – he wanted to increase Sino-German trade. France had initiated the debate. Germany's choices were now constrained. It could not allow France to develop better relations with China and win big contracts for French firms. Germany and France export the same kinds of products to China; contracts diverted to French companies may come at the expense of German firms. This intra-EU competition was fierce and of great importance. Trains are but one example of the high stakes involved. China expected to build 20,000 kilometres of railroads in the coming decades, according to the French Trade Minister in 2004. The Beijing to Shanghai high-speed link held a widely publicized bidding war for the \$ 12 billion project between Japanese, French and German firms.²¹

If the economic relationship between France and Germany towards China was intense and, at times, zero-sum, and if China manipulated its large purchases to countries that supported its positions, then the competition between France and Germany can be modelled as a two-step game. Whenever France and Germany take identical positions, the PRC cannot discriminate between the two and trade occurs on a non-political basis. When the two states take opposite positions, China directs trade towards the state favouring China. France moved first in the game, taking a pro-China stance, leaving Germany with only "Trade remains the same" or "More trade to France" as outcomes. Germany's best choice was a pro-China position – in this case lifting the embargo – to maintain the trade dynamics between France and Germany.

The embargo was placed on the agenda of the December 12, 2003 European Council summit when Chirac requested a discussion. The leaders agreed to delegate the matter to their Foreign Ministers, who met as the General Affairs and External Relations Council (GAERC), part of the Council of Ministers. They were tasked "to re-examine the question of the embargo on the sale of arms to China" and did so at their meeting on January 26, 2004.²² French Foreign Minister Dominique de Villepin pressed for a swift vote on the proposal to remove the embargo, acting on the wishes of Chirac and Schröder who tried to "railroad" the proposal through the Council of

19. Unemployment would rise until 2007. IndexMundi, *German Unemployment Rate*, at http://www.indexmundi.com/germany/unemployment_rate.html (accessed 05.03.2009).

20. Schröder's Sixth Visit to China. *Expanding Bilateral trade to 100 billion dollars*, in: *The Atlantic Times*, December 2004.

21. E. KOGAN, *The European Union Defence Industry and the Appeal of the Chinese Market*, Schriftenreihe der Landesverteidigungsakademie, E. Reiter Verlag, Vienna, 2005, p.27; *High-speed Beijing-Shanghai railway to start in 2010*, in: *Forbes*, 03.04.2006; T. CHRISTENSEN, *China, the U.S.-Japan Alliance, and the Security Dilemma in East Asia*, in: *International Security*, 4(Spring 1999), p.54.

22. EUROPEAN COUNCIL, *Presidency Conclusions*, 12-13.12.2003, Document n°5381/04, Point 72.

Ministers.²³ According to a diplomat quoted by Reuters “Nobody backed it. Most countries said it posed problems for them”.²⁴ A vote to immediately rescind the embargo failed 14-1.²⁵ However, they agreed to consider the issue again in April, and delegated the discussion to lower committees.

No quick action was taken. The March 2004 European Council summit did not discuss the embargo. It was occupied by preparation for the accession of ten new EU members in May 2004 and of stalled talks on the EU Constitutional Treaty. At the April 2004 Council of Ministers meeting, the embargo was discussed over a working lunch but Ministers were “of the opinion that the issue required further discussion” and delegated the issue.²⁶ At the June 17-18, 2004 European Council summit, as at their March meeting, the subject of the embargo was not initially on the agenda. During the meeting, Chirac raised the topic, but there was only a brief discussion and it was again delegated for future examination.²⁷

At their October 2004 meeting, GAERC “took stock of the state of discussions on the embargo” but made no decision. At their November 22nd meeting, however, the Foreign Ministers discussed the issue and “confirmed [...] that the EU was ready to give a positive signal to China”.²⁸ They couched this with precautions, but it seemed that the Council of Ministers, to whom the European Council had delegated the issue, approved of the proposal.

Gaining Consensus

Not long thereafter, at the December 16 & 17, 2004, European Council meeting, the heads of government of the EU found consensus to remove the embargo. The Presidency Conclusions of that meeting “reaffirmed the political will to continue to work towards lifting the arms embargo”. This could have been rhetoric hiding postponement, especially as it was coupled with caveats, but the following line – the European Council “invited the next Presidency to finalize the well-advanced work in order to allow for a decision” – indicated that real change had happened.²⁹ By asking the following Presidency to “finalize” the issue, the European Council was reporting that they were close to action and would move on the embargo within six months. This

23. C. PATTEN, *op.cit.*, p.261.

24. *France and China cozy up*, in: *DW-World*, 27.01.2004.

25. J. TKACIK, *Washington Must Head Off European Arms Sales to China*, Heritage Foundation, place, 2004.

26. GAERC, *The EU's relations with China*, at http://ec.europa.eu/external_relations/china/gac.html (accessed 13.08.2008).

27. EUROPEAN COUNCIL, *Presidency Conclusions*, 17-18.06.2004, Document n°10679/04, Point 77.

28. GAERC, *The EU's Relations with China*.

29. EUROPEAN COUNCIL, *Presidency Conclusions*, 16-17.12.2004, Document n°16238/1/04, Point 57.

was confirmed in unofficial reports; a French Foreign Ministry spokesman later said that an “understanding” had arisen that the removal would happen during the Luxembourg Presidency in the first half of 2005.³⁰ Unanimity had been achieved. To understand this portion of the story, it is necessary to discover why states that had problems with lifting the embargo at the GAERC meeting eleven months prior changed their minds. Many of the Member States did not involve themselves heavily in this episode, going along with what the prevailing trend seemed to be. The ten new member states who had joined in May 2004 did not comment on the embargo at all. Italy, Spain, Portugal and Greece likewise made little noise about the Franco-German proposal. The states that mattered in permitting consensus were Britain, the Netherlands, Denmark, Sweden and Finland.

Britain's original position was not inclined towards lifting the proposal. They, as with all states, had domestic interest groups against lifting the embargo, for reasons of human rights and the situation in Tibet.³¹ Many observers, some as high-placed as German Foreign Minister Joschka Fischer, assumed Britain would wish to keep the embargo. Fischer was surprised when Prime Minister Tony Blair did not veto the motion in the December 2003 summit, and more surprised when he agreed to support the proposal in December 2004.³² However, the strategic interaction among the players expanded beyond the immediate issue of the arms embargo, so it is helpful to take a broader look at Britain's position at this time, when Blair, Chirac, Schröder, and the other heads of government in the EU discussed the embargo at the summit.

In 2003, Britain was trying to repair relations with France and Germany in the aftermath of the Iraq War. The bitter divide the run-up to the war engendered was arguably worse for Britain than the US, since the UK had to return to an EU it shared with its former opponents in the UN. Within the European Union, important structural changes were happening. The Inter-Governmental Conference to write the Constitutional Treaty began in October 2003. The British delegation entered negotiations with a handful of “red line” issues such as tax and defence policy over which they did not wish to compromise.³³ Opposing Britain were integrationist countries such as Germany that did not want to diminish the text to suit British demands.³⁴

The UK had used up considerable political capital over Iraq, but still had more needs from other EU member states, especially France and Germany. Chirac and Schröder knew this, and felt they had got “Tony Blair over a barrel” on the issue of the arms embargo.³⁵ While there may not have been any direct trade on these issues, it does seem that British passivity on the embargo was designed to generate goodwill with France and Germany.

30. J. DEMPSEY, *EU feels the heat on China embargo*, in: *International Herald Tribune*, 23.03.2005.

31. These groups wrote a joint open letter to EU states. WORLD UYGHUR CONGRESS, et. al., *Open Letter to EU against Lifting Arms Embargo on China*, 09.12.2004.

32. Author's interview with Joschka Fischer.

33. R. BENNETT, *Blair sabotages French plan for EU army*, in: *The Times*, 25.08.2003.

34. *PM draws his lines in the sand before debate starts on EU draft treaty*, in: *The Independent*, 20.06.2003.

35. Author's interview with Jolyon Howorth.

The Netherlands and the Nordic countries of Denmark, Sweden and Finland were the states most vocal about their reluctance to remove the arms embargo on China. Yet all supported the lifting the embargo in December 2004. All these states had a strong human rights tradition and there were large domestic pressures against agreeing to the Franco-German proposal. The Dutch and Swedish parliaments pressed their Prime Ministers to use their veto. In Denmark, the parliament voted to give the Prime Minister authority to vote to remove the embargo only if China made significant human rights progress. When the Danish Prime minister supported lifting the embargo in December 2004, China had made no such progress and there were no major improvements expected within the six-month timeframe.³⁶ Given the strong domestic pressure against removing the embargo, the initial cost-benefit calculus for these leaders are in favour of keeping the embargo.

It is unlikely that these countries were moved by internal EU goodwill as the UK was. They were in a very different position to Britain's. Although the Netherlands and Denmark had supported the Iraq War, they did not send large military contributions, nor had they been at the centre of the vitriolic debate, minimizing a breakdown in relations.³⁷ Sweden and Finland had opposed the Iraq War. Nor did they take a leading Eurosceptic position during the EU Constitutional Debate Treaty as the UK did. It is also unlikely that these states accepted the proposal simply because it was proposed by two of the biggest states in the EU. After September 11, Blair, Chirac and Schröder held a separate meeting before the European Council summit on October 20, 2001, attempting to agree first on a position that satisfied the "Big Three" of France, Germany and Britain and then pressure the rest of the EU to agree with them. They planned to repeat the exercise on November 4th, but the Prime Ministers of Italy, Spain, the Netherlands, and Belgium (which held the Presidency), and High Representative Javier Solana, "forced their way, almost literally, to the table".³⁸

It is most likely that the crucial pressures came from China. The evidence lies in the statements of those leaders themselves. Dutch Prime Minister Jan Peter Balkenende said that opposing China "would not be good for economic relations".³⁹ The PRC, he believed, would retaliate against Dutch business for their Prime Minister's opposition to removing the embargo, just as they intimated rewards would come for French and German support. China had taken such measures before. In 1997, the United States persuaded Denmark to propose a resolution criticizing Chinese human rights practices at the annual UN Commission on Human Rights meeting in Geneva. Similar resolutions had been presented every year with the support of almost all Western states. China always lobbied against the measure, but to no effect before 1997. That year, France, Germany, Spain and Italy announced they would vote against the resolution, a shift prompted by a package of trade deals, including a sale of 30

36. K. BARYSCH, *op.cit.*, p.15.

37. The Netherlands sent no troops. Denmark sent one submarine and one warship. *Denmark reveals Iraq arms secrets*, in: *BBC News*, 19.04.2004.

38. C. HILL, *Renationalizing or Regrouping? EU Foreign Policy since 11 September 2001*, in: *Journal of Common Market Studies*, 1(2004), pp.143-163, p.147.

39. E. Bork, *Keep a Common Front on Arms Sales to China*, in: *Financial Times*, 21.05.2004.

Airbus planes.⁴⁰ Denmark and the Netherlands vowed to present the resolution notwithstanding the division among the EU nations. China responded with fury, threatening that the motion would “become a rock that would smash the Danish government’s head”.⁴¹ The resolution was proposed and China retaliated against Denmark, even though the majority of the EU and the US had voted for the measure. It was estimated that Denmark lost between \$ 50 and \$ 235 million in trade with China in the following years.⁴²

China suggested that the embargo might follow a similar path. A Swedish security expert told a reporter in March 2005 that Chinese officials had “warned Swedish and Finnish companies over possible negative repercussions if their governments continued to support the embargo”, hardball tactics in pursuit of its national interests, similar to how it has acted over international recognition of Taiwan.⁴³ And without the cover of Britain, which would have driven the cost of punishment to levels unacceptable to China, the small states had to follow their national interest and support the proposal.

American Involvement

In 2005, after consensus had been reached, the embargo became a major topic of conversation across the Atlantic. On February 1st, the House of Representatives passed H. Resolution 57, “Urging the European Union to maintain its arms embargo on the People’s Republic of China”. On February 17th, the companion bill, S. Resolution 59 was passed in the Senate. President George W. Bush travelled to Brussels on February 22nd to speak at a NATO summit. Before the visit, Congress held hearings on the embargo; the American sentiment on the EU’s plans was summed up by one speaker: “It is a breathtakingly myopic and stupid policy”.⁴⁴ During the trip, President Bush and members of his cabinet and staff pressed the Europeans not to take any action. They tried to create a Pacific coalition by asking Japan and Australia to lobby the Europeans against lifting the ban. The US lobbied parties, committees and national governments in the EU. “We were told there could be consequences if the EU lifted

40. R. FOOT, *op.cit.*, p.193. This group was derisively called “The Airbus Group”. See also R. WONG, *The Europeanization of French foreign policy: France and the EU in East Asia*, Palgrave Macmillan, Basingstoke, 2006, p.95.

41. S. MUFSON, *China cautions U.S., Denmark against human rights criticism*, in: *Washington Post*, 11.04.1997.

42. L. JAKOBSON, *Taiwan's Unresolved Status: Visions for the Future and Implications for EU Foreign Policy*, The Finnish Institute of International Affairs, Helsinki, 2004, p.61.

43. J. DEMPSEY, *op.cit.*

44. Dr. John Hulsman, Fellow at the Heritage Foundation (Conservative think tank). House Subcommittee on Europe and Emerging Threats, *An Overview on Transatlantic Relations prior to President Bush's visit to Europe*, US House of Representatives, 16.02.2005.

the embargo”, said the Foreign Affairs spokesman for the Free Democrats, a German opposition party.⁴⁵

The EU sent Annalisa Giannella, a special envoy of High Representative for CFSP Javier Solana, to brief Congress on the embargo. She travelled to Washington in mid-March and was “pummelled” by Congress, especially by senior members like Senator Ted Stevens of Alaska, chair of the Commerce Committee, and Senator John McCain of Arizona. Giannella’s failure to convince any member of Congress, and the fierce opposition of the Senate, traditionally more even-tempered than the House, were “alarm bells” to Brussels.⁴⁶ The EU’s will to act soon faltered.

Before Giannella’s trip, the EU had been certain that the embargo would be lifted. EU Trade Commissioner Peter Mandelson had stated in the press: “I think the [Bush] Administration would be wrong to pick a fight with Europe over this which it can’t actually win”.⁴⁷ But this confidence would be misplaced as the European Union started to step back from action in late March 2005. A week after Giannella’s trip, an official speaking to the *New York Times* said that “You won’t see a backing away from the commitment. But there’s no consensus to act right now”.⁴⁸ In other words, the EU would do something, but not within the predicted six-month window. Giannella was spinning a new story on the issue. “Nobody has said we are going to lift our embargo for free”, she asserted in an *International Herald Tribune* story dated April 15th.⁴⁹ Joschka Fischer said on April 6th that his Green Party wanted to reach a consensus to lift the embargo, but for that to happen it would be “necessary for China to move” on human rights and the Taiwan Straits.⁵⁰ One official stated outright: “The ball is in China’s court”.⁵¹ Suddenly, instead of talking of an outdated policy that the EU would lift by June 2005, the embargo was an instrument for leverage that would have been lifted but for China’s uncooperative nature. Only in April 2005 were these conditions being seriously attached to the debate.

The American reaction turned the embargo dispute into a “loyalty test” over the direction of the Atlantic Alliance, for which Britain, whose international position relied on a strong NATO, had to oppose France and Germany.⁵² German Foreign Minister Joschka Fischer stated that Blair had gone along with the plan to lift the embargo until the Americans came in. The need for goodwill from France and Germany was now outweighed by the need to prevent another major transatlantic dispute less than two years after Iraq. With Britain moving into opposition, it provided cover for the Netherlands and the Nordic countries to also state their minds about the em-

45. J. DEMPSEY, op.cit.

46. WEISMAN S., *Europeans said to keep embargo on arms to China*, in: *New York Times*, 22.03.2005.

47. M. EVANS, A. BROWNE, G. ROZENBER, *British arms firms will spurn China if embargo ends*, in: *The Times*, 22.02.2005.

48. S. WEISMAN, op.cit.

49. R. BERNSTEIN, *Backpedaling on the arms ban*, in: *International Herald Tribune*, 15.04.2005.

50. A.R. MUKHOPADHYAY, *EU Arms Embargo on China: The German Debate. Institute for Defense Studies and Analyses*, New Delhi, 02.05.2005.

51. C. BUCKLEY, *EU offers China hope on embargo*, in: *International Herald-Tribune*, 12.05.2005.

52. K. BARYSCH, op.cit., p.65.

bargo and the consensus that seemed almost certain to lift the embargo was shattered. The issue was never seriously addressed again.

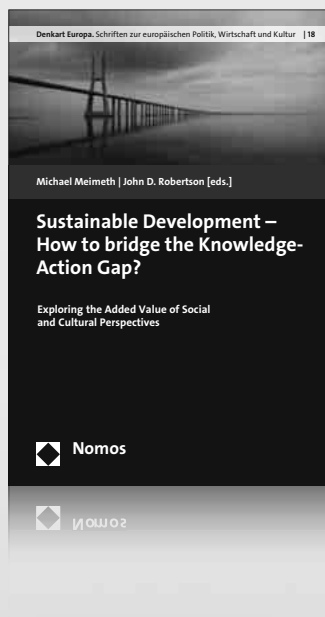
Conclusion

This dispute does not show the European Union in a favourable light. It raised an issue of the arms trade to China because of the domestic concerns of two of its Member States, reached a consensus in part because of threatened economic retaliation from China, and settled on their final non-decision because of pressure from the United States. However, it does help us understand the workings of EU foreign policy towards China – squeezed. The need for the EU to coordinate among many Member States allows avenues for influence from China, which is not shy about lobbying for its own interests, nor from the United States, which is not shy about lobbying against China's interests.

The EU has avoided the topic since this time. Though occasionally resurfacing, for example, by High Representative Catherine Ashton in December 2010, any movement has been quickly squashed. Whether this is because of a belief in the merits of the embargo, or an unwillingness to engage in another potentially fruitless debate, is unclear. Regardless of the specific issue, though, whether the EU will be able to resist pressures from great powers is a key test of its independence as a major global actor.

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EU-China Relations and Market Economy Status: EU foreign policy in the technical trap

Frank GAENSSMANTEL

In September 2011 an old issue returned to the fore of relations between China and the European Union (EU): the question of China's market economy status (MES). Chinese State Premier Wen Jiabao, in his opening speech at the World Economic Forum in Dalian, China, confirmed China's willingness to increase investment in Europe in support of the embattled euro, adding that it would be a sign of friendship if the EU could recognise China as a market economy and expressing his hope for progress on the matter during the next EU-China summit.¹ These remarks followed shortly on reports about Italian efforts to convince Chinese government funds to purchase Italian debt, in an attempt to stem the tide of rising interest rates requested on Italian government bonds.² Italy has been known as one of the EU member states with more protectionist reflexes when commercial relations with China are concerned, and the question arises of whether Wen's display of optimism on MES is in any way related to China's new leverage with Italy.

This points to a more general question: how to explain the EU's long and persistent refusal to grant MES to China? China has been asking the EU to recognise it formally as a market economy since 2002, and the EU has consistently refused recognition, despite repeated affirmations of various member states and EU institutions to grant MES to China. The official rhetoric of the EU has been that China does not fulfil the EU's technical criteria for recognising a country as a market economy, as defined in relevant Council Regulations.³ However, alternative explanations have pointed to deep divisions within the Council of Ministers between member states with more protectionist preferences and free-traders as main cause behind non-recognition.⁴

This article will first explore the significance of MES for China, then trace the evolution of the issue in China-EU relations, and offer conclusions on why the EU has continuously turned down China's request on the issue. I will argue that, rather than unfulfilled technical criteria or the simple fact of diverging interests of member states, it is the decision-making structure in Brussels that does not allow for the EU to go beyond the technical aspects and overcome its internal divisions. Although from

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1. W. WANG, *China Will Help Europe: Wen*, in: *Global Times*, 15.09.2011. See also Foreign and Commonwealth Office (UK), *China and the Eurozone – September 2011*, 21.09.2011, available at: <http://www.ukti.gov.uk/export/howwehelp/overseasbusinessrisk/item/195861.html> (consulted 28.09.2011).
 2. G. DINMORE, *Italy turns to China for help in debt crisis*, in: *Financial Times*, 12.09.2011.
 3. The criteria had been mentioned for the first time in Council Regulation (EC) No 905/98 of 27 April 1998, in: *Official Journal* (hereafter: *JO*), L128, 30.04.1998, and have been reaffirmed most recently in Council Regulation (EC) No 1225/2009 of 30 November 2009, *JO*, L343, 22.12.2009.
 4. For example J. FOX, F. GODEMENT, *A Power Audit of EU-China Relations. Policy Report*, European Council on Foreign Relations, London, 2009, p.35.

the perspective of certain member states this may be precisely the desired outcome, for the EU as a whole this is a serious impediment in designing and implementing a common foreign policy.⁵

The Commercial Significance of Market Economy Status for China

The market economy label has consequences in the context of anti-dumping measures under the rules of the World Trade Organisation (WTO), of which both the EU and China are members.⁶ According to the WTO's "Agreement on Implementation of Article VI of GATT 1994", or simply the Anti-Dumping Agreement (ADA), "dumping" means to be selling a product in an export market below its "normal value [...] in the ordinary course of trade".⁷ Therefore, a key element in determining whether or not dumping is occurring is the careful comparison between export price and "normal value", and it is in the definition of the "normal value" that MES becomes significant.

Elaborating on art.VI of GATT 1994, the ADA stipulates that usually the "normal price" for comparison should be the domestic price of the concerned product in the exporting country.⁸ When there are no domestic sales, or when their low volume or any "particular market situation" in the exporting country do not allow for a "proper comparison" of prices along these lines, other rules are available to determine the normal price, namely using "a comparable price of the like product when exported to an appropriate third country" or "the cost of production in the country of origin".⁹ In addition, however, the ADA also re-affirms the provisions on anti-dumping in Annex I to GATT 1994, where it is acknowledged that "in the case of imports from a country which has a complete or substantially complete monopoly of its trade and where all domestic prices are fixed by the State, special difficulties may exist in determining price comparability [...], and in such cases importing contracting parties

5. The research for this article is based on interviews with policy makers and policy consultants in China and Europe, conducted between summer 2006 and autumn 2008. Altogether there are 19 relevant interviews on the Chinese side and 39 on the EU side. All interviewees were promised anonymity therefore references are coded, including only indication on which policy process the interviewee is part of (China or EU) and on when the interview was held (quarter of a year).

6. The EU is among the founding members of the World Trade Organisation (WTO) and all its member states have been GATT signatories (prior to the founding of the WTO in 1995) or WTO members before joining the EU. China acceded to the WTO on 11 December 2001. See "Members and Observers". Understanding the WTO: The Organization (website), World Trade Organisation, last accessed 04.10.2011, http://wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm.

7. Agreement on Implementation of Article VI of GATT 1994, art.2(1).

8. GATT 1947 art.VI (1a) and Agreement on Implementation of Article VI of GATT 1994, art.2(1).

9. Agreement on Implementation of Article VI of GATT 1994 art.2(2).

may find it necessary to take into account the possibility that a strict comparison with domestic prices in such a country may not always be appropriate”.¹⁰

In the case of trade relations with countries in transition from a planned to a market-based economic system, instead of reverting on a case-by-case basis to the ADA rules on particular market situations, importing countries have usually preferred to benefit from the vague language of the GATT annex and the “significant discretion in the calculation of normal value of products exported from non-market economies”.¹¹ In practice, this means that transition economies are typically designated as non-market economies, often in defiance of the strict language on monopoly and state control in the GATT provision, and subjected to the so-called “surrogate” or “analogue” country approach, under which prices and costs in a non-market economy are disregarded completely, “on the ground that they are unreliable because they are not set by market forces”, and substituted with data from a third country that is recognised as a market economy. As there are no specific GATT rules on how to select the substitute country, it is hard to preclude a protectionist bias in the choice, and in fact the approach has been criticised as generating frequent and high anti-dumping duties.¹²

Against this background it is understandable that Chinese authorities expect a certain economic benefit for their exporters from being granted MES by the EU as their number one trading partner. As long as China is treated as a non-market economy, EU authorities enjoy a significant degree of freedom to revert to anti-dumping duties when this is deemed necessary to protect EU commercial interests. By contrast, recognition as a market economy can be expected to lead to less and lower anti-dumping duties on the part of the EU against Chinese exporters.

The Importance of Status

Aside from the commercial implications, for China MES is also a question of status in the true sense of the word. Observers have pointed out that “Beijing [...] attaches political significance to the status and sees it as another milestone in its efforts to be considered on an equal footing with the largest western industrialised powers”,¹³ and that, “symbolically, MES would herald China’s arrival as a major industrialised world

10. Agreement on Implementation of Article VI of GATT 1994, art.2(7); Annex I to GATT 1994, second Supplementary Provision to Art.VI, par.1.

11. WTO, Technical Information about Anti-Dumping, Anti-Dumping (website), last accessed 04.10.2011, http://www.wto.org/english/tratop_e/adp_e/adp_info_e.htm.

12. See E. VERMULST, *The WTO Anti-Dumping Agreement – A Commentary*, Oxford University Press, Oxford, 2005, pp.44-45.

13. J. LAU, R. MINDER, *Recognise China as a market economy, says UK*, in: *Financial Times*, 05.07.2005.

trade player".¹⁴ In 2004 Stephen Green, at that time head of the Asia Programme at Chatham House, noted that MES was "a matter of national pride", and that recognition would be, "like the 2008 Olympic Games, a stamp of international approval".¹⁵

Statements by Chinese officials confirm that MES matters *per se* as a symbol of China's international status. Two major interpretations can be distinguished. On the one hand, conferral of the market economy label is seen as an expression of approval for China's reform efforts.¹⁶ The spokesman of the Chinese Ministry of Foreign Affairs (MFA), Liu Jianchao, for example declared in July 2005 that the EU's recognition of "China's full market economy status" would mean acknowledging "China's positive efforts made in the establishment of [a] socialist market economy system".¹⁷ On the other hand, there is the view that granting MES would show respect for China as an equal partner. State Premier Wen Jiabao, for instance, stated at the EU-China summit in Helsinki in September 2006 that granting MES would "reflect mutual respect and equality".¹⁸ A similar view can be discerned in the comments of a Chinese diplomat in Brussels who said that non-recognition amounted to unfair treatment, in particular when compared with Russia which was granted MES in November 2002.¹⁹

It should be emphasised that the symbolic dimension, i.e. the emphasis on MES as a mark of progress and respect, is more than simple rhetoric. Questions of China's international status and the related symbols have indeed been of great importance for Chinese foreign-policy makers, as a reaction to what has been perceived as a "humiliation" at the hands of foreign imperial powers during the 19th and 20th century.²⁰ As a result,

"[a]lmost all powerful Chinese political leaders from the early twentieth century through today have shared a deep bitterness at this humiliation and have determined to restore China's pride and prestige, as well as its rightful place in the world".²¹

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14. A. CHANDA, *EU-China summit starts in Beijing, amid trade tensions and long-simmering disagreements*, in: Worlds Markets Research Centre, *World Markets Analysis*, 05.09.2005.
 15. S. GREEN, *China's Quest for Market Economy Status*. *Asia Programme Briefing Notes*, Royal Institute of International Affairs, London, May 2004, p.2.
 16. Interview China 7, Shanghai Q3 2007.
 17. *China calls for EU recognition of full market economy status*, in: *BBC Monitoring Europe – Political*, quoting Xinhua News Agency, 14.07.2005.
 18. D. IBISON, *Brussels refuses to yield over market economy status for China*, in: *Financial Times*, 11.09.2006.
 19. Interview China 11, Brussels Q1 2008.
 20. J.W. GARVER, *Foreign Relations of the People's Republic of China*, Prentice Hall, Englewood Cliffs, 1993, p.4.
 21. S. ZHAO, *China's Pragmatic Nationalism: Is It Manageable?*, in: *The Washington Quarterly*, 1(2005), pp.131-144, here: p.133.

Market Economy Status in China-EU relations during the 1990s

Even before China's accession to the WTO in 2001, MES was already an issue on the commercial agenda of China-EU relations. In fact, throughout the 1990s the EU did not distinguish between WTO members and non-members in its anti-dumping practice. Council Regulation (EC) No. 3283/94 of 22 December 1994,²² the first regulation setting out rules on anti-dumping after the termination of the Uruguay Round, contained special provisions for non-market economies in art.2(7) but no specification concerning WTO membership. In the past GATT signatories had indeed been on the list of non-market economies, like for example Hungary, Poland and Romania in the 1980s.²³

A few years before China's accession to the WTO, the country was promoted by the EU from the basic non-market economy regime towards a treatment more in line with the regular WTO rules that apply to market economies. For non-market economies, the EU's initial assumption had been that "all the means of production and natural resources belong to one entity, the State", therefore considered the "single producer", meaning that a "single rate" had to be applied "to avoid circumvention of the duties, that is the channelling of exports through the exporter with the lowest duty rate".²⁴ As a result, the analogue country approach, as established in the basic regulations on anti-dumping passed in 1994 and 1996,²⁵ was applied collectively to all producers of the exporting country.

However, according to the ADA, the magnitude of dumping and the anti-dumping duty should in principle be determined individually for every exporting firm.²⁶ In the mid-1990s already the EU started to introduce a slightly more flexible approach towards non-market economies in general, by which dumping and the related duties could be determined individually in "exceptional cases where a company can show that it operates independently from the state".²⁷ China, however, was selected for an exceptionally favourable treatment in April 1998, when it was removed, along with Russia, from the list of non-market economies to which anti-dumping duties were applied collectively. Instead a system was instituted by which individual firms could demonstrate "that market economy conditions prevail" based on specific market

22. *JO*, L349, 31.12.1994.

23. B.V. HINDLEY, *The Regulation of Imports from Transition Economies by the European Union*, in: P.D. EHRENHAFT et al., *Policies on Imports from Economies in Transition: Two Case Studies*, The World Bank, Washington DC, 1997, pp.43-65, here: pp.44-45.

24. EUROPEAN COMMISSION, *On the Treatment of Former Non-Market Economies in Anti-Dumping Proceedings* (COM (1997) 677 final), p.3.

25. See art.2(7) in both Council Regulation (EC) No. 3283/94 of 22 December 1994, in: *JO*, L349, 31.12.1994; Council Regulation (EC) No 384/96 of 22 December 1995, in: *JO*, L56, 06.03.1996.

26. According to art. 6(10) of the Agreement on Implementation of Article VI of GATT 1994 individual dumping margins must be determined for every concerned exporter or producer; these margins constitute the upper limit for anti-dumping duties according to art.9(3); in case exporters or producers are too numerous art.6(10) and 9(4) provide how to determine dumping margins based on samples and how to determine anti-dumping duties for individual firms based on this method.

27. EUROPEAN COMMISSION, *On the Treatment ...*, op.cit., p.3.

economy criteria.²⁸ If a producer passed the test, the same anti-dumping rules would be applied as for producers in market economy countries, if not the collective analogue country approach.²⁹

To a certain extent, these changes reflected the growing awareness that the situation on the ground in transition economies was far more complex than the perfect state monopoly model on which the original non-market economy regime was based. However, the EU's move also had a political dimension, related to the efforts it had made since 1995 to enhance relations with China.³⁰ It is no coincidence that the new regulation was passed little more than a month after the Commission had published a new policy document on relations with China and little more than three weeks after the first EU-China summit meeting had taken place in London.³¹ At the time, the European side was already well aware of the "great political significance" China attached to its status as a non-market economy,³² and the more favourable treatment of Chinese exporters was certainly intended as a friendly gesture towards China.

During the 1990s MES was also a big issue in China's WTO negotiations, but not in the bilateral ones with the EU. The provisions on China's status as non-market vs. market economy were a result of its negotiations with the US.³³ The China-US Agreement of November 1999 established that for 15 years after accession the US would be allowed continue to treat China as a non-market economy and to apply its current practice with regard to anti-dumping procedures.³⁴ Based on the most-favoured-nation rule, these stipulations were then applied to China's relations with all other WTO members as well.³⁵ As the EU's own anti-dumping rules were inspired by US practice, this also meant for the EU's treatment of China that nothing would have to change after China's accession to the WTO. Indeed, the Accession Protocol sets up a system that looks almost identical to the EU's approach as initiated in April 1998. The basic assumption is that market economy conditions do not prevail, with the burden to prove the contrary on Chinese producers. If they cannot demonstrate

28. Council Regulation (EC) No.905/98 of 27 April 1998, in: *JO*, L128, 30.04.1998; art.1, amending art 2(7) of Council Regulation (EC) No 384/96 of 22 December 1995, in: *JO*, L56, 06.03.1996.

29. Council Regulation (EC) No 2238/2000 of 9 October 2000, in: *JO*, L257, 11.10.2000 extended this hybrid regime to Kazakhstan, Ukraine, and Vietnam.

30. The first policy report exclusively devoted to relations with China was EUROPEAN COMMISSION, *A Long-Term Policy for China-Europe Relations* (COM(1995) 279 (final)).

31. See EUROPEAN COMMISSION, *Building a Comprehensive Partnership with China* (COM(1998) 181), as well as *EU-China Summit: Joint Press Statement*, 02.04.1998, Diplomacy (website), Chinese Embassy UK, last accessed on 05.10.2011, <http://www.chinese-embassy.org.uk/eng/wjzc/l27058.htm>.

32. EUROPEAN COMMISSION, *On the Treatment of Former Non-Market Economies in Anti-Dumping Proceedings* (COM (1997) 677 final), p.5.

33. S. GREEN, *op.cit.*, p.3, footnote 4.

34. See China-US Agreement on China's WTO Accession 1999, section "Anti-Dumping".

35. From a legal standpoint, for countries regarded as non-market economies WTO membership does not imply any change with regard to the anti-dumping regime (see B.V. HINDLEY, *op.cit.*, p.54); the fact that for China a deadline has been put to non-market economy treatment should be interpreted as a success of Chinese negotiators, although they have been criticised at home for the long transition period. Interview China 4, Beijing Q2 2007.

this, then “a methodology that is not based on a strict comparison with domestic prices or costs in China” can be applied.³⁶

Shifting Gear: China’s Post-Accession Attempts

Since China’s accession to the WTO, there are two ways, according to the accession protocol, to achieve recognition as a market economy by other members. First, if China can show “under the national law of the importing WTO Member, that it is a market economy”, or that a certain industry operates by market economy conditions, the special provisions of the accession protocol will end, for China as a whole or the industry in question, and the WTO’s normal anti-dumping provisions will apply to bilateral commercial relations. Second, the accession protocol stipulates that the option of not using domestic prices or costs if the concerned producer fails to demonstrate that the business operates under market economy conditions will be terminated 15 years after accession, i.e. by late 2016.³⁷ Generally this is interpreted as meaning that other WTO members will have to start treating China as a market economy.³⁸

Towards the EU, China showed soon after becoming a WTO member that it was aiming at an early recognition of its MES based on the first option. The first public evidence of this was State Premier Zhu Rongji’s invocation of the Chinese desire to be granted MES by the EU at the 5th EU-China summit in Denmark in September 2002.³⁹ A few weeks later, Ms. Wu Yi, Chinese Vice-Premier in charge of international trade, called on the EU to grant China full MES during a visit to Beijing of Trade Commissioner Pascal Lamy.⁴⁰ Then in June 2003, the Chinese Ministry of Commerce (MOFCOM) for the first time submitted a formal request to the Commission to be recognised as a market economy by the EU.⁴¹

36. WTO Decision of 10 November 2001 on Accession of the People’s Republic of China, par. 15a(i) and 15a(ii).

37. WTO Decision of 10 November 2001 on Accession of the People’s Republic of China, par.15d.

38. Strictly speaking, the provision is not very clear, as the paragraph that puts the burden of proof on Chinese producers will not be invalidated after 15 years. Although some WTO members, and also the EU, may be tempted to use this ambiguity to extend the current regime beyond 2016, the general rhetoric has been that China would enjoy full MES from 2016, and it would be very difficult to resist the resulting political pressure.

39. *China to further enhance China-EU relations*, in: *Xinhua General News Service*, 24.09.2002; S. SUN, *Zhu: Nation values China-EU dialogue*, in: *China Daily*, 26.09.2002. MES did not make it into the official press communiqué at the end of the summit though; see *Joint Press Statement of the Fifth EU-China Summit*, 24.09.2002.

40. *China calls on EU to grant it full market economy status*, in: *Xinhua General News Service*, 17.10.2002; *China urges EU to grant it full market economy status*, in: *Asia Pulse*, 18.10.2002.

41. S. GREEN, op.cit., p.2; The receipt of a formal request at that time is also acknowledged in: EUROPEAN COMMISSION, *A Maturing Partnership – Shared Interests and Challenges in EU-China Relations*, (COM(2003) 533 fin.), p.19; Interview EU 29, Brussels Q1 2008.

These initial approaches towards EU authorities, aimed at the Commission in particular, were very much in line with the logic of the EU's Common Commercial Policy where competence has been transferred to the EU level almost entirely. However, at the end of 2003 China shifted gears and lifted the MES issue from the channels of commercial diplomacy to the very top of its agenda for relations with the EU. Accordingly, it started exerting more pressure on the EU, and on a wider range of EU actors. Interestingly, this included also the member states although on most commercial issues their only formal influence is limited to participation in qualified majority voting in the Council. The first public indication that the Chinese approach was changing appeared during a visit of German Chancellor Gerhard Schröder to Beijing in December 2003. On this occasion Chinese Premier Mr. Wen Jiabao expressed his hope that Germany would exert a positive influence in bringing the EU to grant China MES.⁴² In March 2004, Chinese Minister of Commerce, Bo Xilai, emphasised China's desire to be recognised as a market economy towards Trade Commissioner Lamy and Irish Deputy Prime Minister and Minister of Enterprise, Trade and Employment, Mary Harney, also representing the Irish EU presidency.⁴³ The same month, during a visit of Italian Vice-Minister for Productive Activities, Adolfo Urso to Beijing, Bo stated himself that Italy would push for the EU to grant China MES.⁴⁴

The climax of this pattern of pressure on virtually any EU representative at hand, whatever the institutional affiliation, was Chinese Premier Mr. Wen Jiabao's 11-day visit to Europe in May 2004 which brought him to Germany, Belgium (including both Belgian government and EU institutions), Italy, UK and Ireland. During the meetings with top leaders, Wen called on his hosts to recognise China as a market economy. Chinese Vice-Premier Mr. Zeng Peiyan made a similar request in June 2004 during a visit to France.⁴⁵

EU Reactions to Chinese Pressure

China's increasing pressure on the MES issue was just one aspect of a general upgrade of its relations with the EU, a late success of more than eight years of European efforts towards building stronger ties with China. The new emphasis on Europe became evident when the Chinese Ministry of Foreign Affairs reciprocated the Commission's fourth policy paper on China of September 2003 with the publication of China's EU

42. *Chinese Premier, German Chancellor stress cooperation*, in: *BBC Monitoring Asia Pacific – Political*, quoting Xinhua News Agency, 01.12.2003.

43. *China will play active role in new WTO talks*, in: *Asia Pulse*, 16.03.2004.

44. *Sino-Italian [sic] to strengthen cooperation*, in: *Business Daily Update*, 05.04.2004.

45. *France, China discuss energy, transport, aviation cooperation*, in: *BBC Monitoring Asia-Pacific – Political*, quoting Xinhua News Agency, 12.06.2004.

Policy Paper a month later, the first document of this kind ever published by China.⁴⁶ If previously the Chinese leadership had tended to neglect the European integration process, by 2004 the EU was “at the top of China’s international agenda”.⁴⁷ Then at the 7th EU-China Summit in December 2004 the ambitious language of a “comprehensive strategic partnership” was used for the first time in a joint statement.⁴⁸

As China turned towards the EU, two issues were at the core of its agenda: recognition of China’s MES and the push for a lifting of the arms embargo that the EU had imposed on China in the aftermath of the violent repression of 1989. As China’s top leaders, in particular Wen Jiabao, invested enormous political capital in the promotion of these issues, the pressure on the European side to give at least partial satisfaction to its new strategic partner was growing. From the perspective of the EU as whole, MES was clearly more suitable for concessions than the arms embargo. Firstly, the protectionist effect of anti-dumping is negligible when compared to the overall volume of EU-China trade, although it may concern politically influential industries. Secondly, recognition of MES would not have meant the end of anti-dumping action against China. Instead it would most likely have led to fewer and lower duties. Thirdly, while it could not be taken for granted that China would immediately return the favour, the EU would have put itself in a strong position to ask for Chinese concessions on trade issues in the future. Lastly, contrarily to the arms embargo issue, MES does not have any security implications that risk alienating other major partners, in particular the US.

Commission President Romano Prodi initially seemed to approach the issue from this angle. At the 6th EU-China Summit in October 2003 in Beijing, he stated that he was “very optimistic about this” and that it was “something we will do within a short timeframe”.⁴⁹ This led to high expectations on the Chinese side. For example in March 2004 Chinese Minister of Commerce Bo Xilai asked for recognition of China’s MES “as promised by President Prodi”.⁵⁰ In the first half of 2004, member states also repeatedly expressed their support for the Chinese request. In March Irish Deputy Prime Minister Mary Harney assured Minister of Commerce Bo that the Irish Council Presidency would promote the finding of a solution to the issue at an early date.⁵¹ In

46. MINISTRY OF FOREIGN AFFAIRS, *China’s EU Policy Paper*, 13.10.2003. Aside from the Commission reports of 1995 and 1998 cited above (see footnotes 30 and 31), a third paper had been published in 2001; see EUROPEAN COMMISSION, *EU Strategy towards China: Implementation of the 1998 Communication and Future Steps for a more Effective EU Policy*, (COM(2001) 265 (final)).

47. L. XIANG, *China’s Eurasian Experiment*, in: *Survival*, 2(2004), pp:109-122, here pp.112-113.

48. See COUNCIL OF THE EUROPEAN UNION, *Joint Statement of the 7th EU-China Summit*, 08.12.2004. On the significance of “strategic partnership” concept for China, see A. GOLDSTEIN, *The Diplomatic Face of China’s Grand Strategy: A Rising Power’s Emerging Choice*, in: *The China Quarterly*, December 2001, pp,835-864, here: pp.855-856.

49. Prodi comments during press briefing at 6th EU-China summit; see also *Roundup: EU, China agree to address trade problems, seek economic partnership*, in: *AFX.com*, 30.10.2003.

50. *China will play active role in new WTO talks*, in: *Asia Pulse*, 16.03.2004.

51. *China willing to expand trade with Ireland*, in: *Business Daily Update*, 19.03.2004.

May State Premier Wen received assurance from all the five member states he visited that their governments backed China in its quest to receive MES from the EU,⁵² which led to a display of optimism on the Chinese side.⁵³

In stark contrast to these positive statements on the European side, at the end of June 2004 the Commission decided not to recognise China as a market economy, because it did not fulfil the EU's official criteria for market economies, as they had been established by the Council Regulation of April 1998.⁵⁴ The conclusion was that despite "significant progress", further reforms in the financial sector and with regard to corporate and banking law, state interference and property law were necessary for a favourable decision on Chinese MES in the future.⁵⁵ This reflected a different, more cautious line on MES that had been emerging slowly in the same months between 2003 and 2004. Already in October 2003, Trade Commissioner Lamy, unlike his boss Prodi, avoided any commitments, when he commented, in the context of the 19th meeting of the Joint Committee of Economy and Trade in Beijing, that the Commission was working on the issue and would decide no later than the first half of 2004.⁵⁶ By the time of Wen's visit to Europe in May 2004, Prodi had adopted the same approach and simply promised a decision by June 2004.⁵⁷

After the Commission's first refusal China continued for some time to press for MES at the highest level and EU member states continued their positive stance on the issue. For instance, at the Asia-Europe Meeting in Hanoi in October 2004, Mi-

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52. *Chinese premier, German chancellor address Berlin high technology forum*, in: *BBC Monitoring Asia Pacific – Political*, quoting from Xinhua News Agency, 04.05.2004; *Chinese premier urges rewards from EU on economy, arms ban*, in: *Channel NewsAsia*, 06.05.2004; *Chinese premier Wen Jiabao raises proposal for promoting ties with Belgium*, in: *BBC Monitoring Asia Pacific – Political*, quoting Xinhua News Agency, 06.05.2004; *China, Britain agree to strengthen bilateral relations*, in: *BBC Monitoring Asia Pacific – Political*, quoting Xinhua News Agency, 10.05.2004; *Wen urges Europe to recognise China as market economy*, in: *Channel NewsAsia*, 11.05.2004; *Premier pushes for stronger Sino-Irish partnership*, in: *China Daily*, 13.05.2004.
 53. *China Premier Wen confident of end to EU's arm ban*, in: *AFX.com*, 06.05.2004; *Wen's visit advances Sino-EU relations*, in: *China Daily*, 14.05.2004; *Chinese foreign minister views achievements of premier's European trip*, in: *BBC Monitoring Asia Pacific – Political*, quoting Xinhua News Agency, 14.05.2004.
 54. Council Regulation (EC) No.905/98 of 27 April 1998 (*JO*, L128, 30.4.1998) established the following criteria for a market economy (which have remained unchanged until the present): Decisions of firms on prices, costs and inputs must be based on the market signals of supply and demand; Firms must have one set of basic accounting records which are independently audited in line with international standards; Firms' production costs and financial situation must not be subject to distortions carried over from a former non-market economy system; Firms must be subject to bankruptcy and property laws that guarantee legal certainty and stability of their operation; Exchange rate conversions must be carried out at the market rate.
 55. *EU refuses to recognize China as 'market economy'*, in: *Associated Press Worldstream*, 28.06.2004; HONG KONG TRADE DEVELOPMENT COUNCIL, *EU Still Refusing Market Economy Status for Mainland China*, in: *General and Market Reports*, Issue 20, 29 September 2006.
 56. *China, EU to establish trade dialogue mechanism*, in: *BBC Monitoring Asia Pacific – Political*, quoting Xinhua News Agency, 30.10.2003.
 57. *EU/China: Customs deal but no move in arms row during premier's visit*, in: *European Report*, 08.05.2004.

nister of Commerce Bo repeated the call on the EU to grant China MES, and, on the same occasion, assured a supportive statement by a French trade official.⁵⁸ Similarly, at the 7th EU-China Summit in The Hague in December 2004, Premier Wen Jiabao raised the issue and received supportive statements from Dutch Prime Minister Jan Peter Balkenende both in his role as Council President and as Dutch head of government.⁵⁹ However, in the following year an almost “ritualistic” practice emerged during meetings between EU member states and China: while the Chinese side called for MES, the European states expressed support but pointed out at the same time that this was an EU matter and that a single member cannot do much about it.⁶⁰ This was the case, for example, in January 2005, both during the visit of Portuguese President Jorge Sampaio to Beijing, and when the head of the International Department of the Chinese Communist Party visited Italy.⁶¹ At the same time, Commission officials, like Deputy Head of EC Delegation in Beijing, Franz Jessen, or Peter Mandelson, new Trade Commissioner, tended to put more and more emphasis on the technical nature of the issue.⁶²

This practice has remained largely unchanged until the latest, more emphatic, comments by Wen Jiabao. Other issues, like for example textile trade in 2005, moved to the top of the China-EU agenda, pushing MES to a less prominent space. Nevertheless the Commission’s constant evaluation of China’s performance in light of the EU’s market economy criteria continued and the conclusions continued to be negative. In September 2006, Commission President José Manuel Barroso pointed out that the EU expected improvements with regard to state influence, accounting rules, bankruptcy laws, and financial services.⁶³ Another formal review in 2008 adopted very positive language on numerous Chinese achievements but concluded again that the criteria were not yet fulfilled.⁶⁴

58. *Chinese, French trade official discuss fabric trade, IPR*, in: *Business Daily Update*, 11.10.2004.

59. *EU moves to lift arms embargo*, in: *China Daily*, 09.12.2004; *Chinese PM holds talks with Dutch counterpart*, in: *BBC Monitoring Asia Pacific – Political*, quoting from Xinhua News Agency, 09.12.2004.

60. Interview EU 2 Berlin, Q1 2007; Interview EU 20 Beijing, Q3 2007.

61. *China, Portugal issue joint communiqué on EU, human rights*, in: *BBC Monitoring Asia Pacific – Political*, quoting from Xinhua News Agency, 13.01.2005; *Italy pledges to push for early lifting of EU weapons export ban on China*, in: *BBC Monitoring International Reports*, quoting from Xinhua News Agency, 21.01.2005.

62. See for example *China exports to the EU jump 38%, January to October*, in: *Asia Pulse*, 15.12.2004, or A. CHANDA (World Markets Research Centre), *EU trade commissioner discusses Chinese progress on market economy, human rights and IP protection*, in: *World Markets Analysis*, 24.02.2005.

63. *Brussels refuses to yield over market economy status for China*, in: *Financial Times*, 11.09.2006.

64. EUROPEAN COMMISSION, *Commission Staff Working Document on Progress by the People’s Republic of China towards Graduation to Market Economy Status in Trade Defence Investigations*, 9 September 2008, SEC(2008) 2503 final.

Explaining the European Refusal to Grant Market Economy Status

Why did the EU choose not to make any concession on MES while at the same time not lifting the arms embargo, China's other main request? A first response to this question is that member states were divided on the issue. Many of the north-western member states wanted to be accommodating towards China on this issue. By contrast, a large group of mostly southern and eastern member states opposed granting MES, as they considered their industrial bases too vulnerable to Chinese competition and would not let go of a tool that could facilitate protective measures.⁶⁵ As a result there was no qualified majority that would have supported recognition of China's MES.

To have member states divided on a specific policy issue is not unusual, especially when economic interests are involved. Oftentimes the Commission can act as a double negotiator in a two-level game, constructing an agreement that is acceptable both externally (to the international partner) and internally (to a qualified majority of member states), like for example in the final phase of the Uruguay Round.⁶⁶ However, in the case of MES, the Commission did not manage to overcome the divisions, although the stakes were far smaller than in the Uruguay Round negotiations. The reason behind this inability to promote the general interest of the EU against national egoisms is related to the policy-making rules of the Common Commercial Policy.

Within the EU's Common Commercial Policy, two types of policies can be distinguished.⁶⁷ First, there are those concerning the rules for imports into the EU. Here the Commission has the sole right of initiative and the Council accepts at qualified majority. Second, there are the rules concerning international negotiations. In this case, the Commission must first draft a negotiating mandate and have it approved by the Council at qualified majority.⁶⁸ Then, and only then, can it negotiate an agreement. During the negotiations there is a constant exchange with a committee of member state representatives, which allows the Commission to play effectively the role of double negotiator.

Rules on anti-dumping, including the question of MES, fall under the first category of rules. This means the Commission's action is constrained by existing EU legislation, in particular Council Regulation (EC) No.905/98 of 27 April 1998 and

65. Interview EU 2, Berlin Q1 2007; Interview EU 26, Beijing Q4 2007; Interview EU 27, London Q1 2008; see also J. FOX, F. GODEMENT, *op.cit.*, pp.26-27.

66. R.D. PUTNAM, *Diplomacy and Domestic Politics: The Logic of Two-Level Games*, in: *International Organization*, 3(1988).

67. See S. MEUNIER, K. NICOLAIDIS, *The European Union as a Trade Power*, in: C. HILL, M. SMITH (ed.), *International Relations and the European Union*, Oxford University Press, Oxford, 2011, pp.275-298.

68. This has changed with the entry into force of the Treaty of Lisbon, in that since then the ordinary legislative procedure applies to the Common Commercial Policy. This means that not only the Council but also the European Parliament has to accept Commission proposals. These are recent changes, however, which are not relevant for the period under review here.

its provisions on the evaluation of technical criteria.⁶⁹ As a result the Commission can only play a role of purely technical verification.

This limited scope of action stands in stark contrast to the political ambitions and sensitivities the Commission displayed in the context of MES. As visible in Commission President Prodi's statements in autumn 2003, there was initially a strong political will to grant MES as a foreign policy gesture. In 2005, Lamy's successor, Trade Commissioner Peter Mandelson expressed his awareness about the political dimension of the issue to a Chinese audience: "I know this is of great political importance for China. And I understand why. I am hearing you".⁷⁰ That same year Serge Abou, head of the EU Delegation in Beijing, clearly indicated a desire to "sell" MES to China if it was ready to pay the right price: according to him the EU was ready to talk about MES but he added that "there is no free lunch".⁷¹ Commission President Barroso took a similar line in July 2005 when he said MES could not be granted anytime soon and any EU concession would have to be reciprocated by China.⁷²

The only way out of this dilemma for the Commission would have been a mandate to negotiate on MES, and possibly related issues, with China. But a negotiating mandate was out of question given the adamant opposition to any concession by a number of member states, especially Italy.⁷³ This meant that the Commission remained confined to a role of periodical verification of the technical criteria. The Commission's strategy to make the most out of its limited scope for action was to look almost desperately for Chinese concessions that would either be generous enough to convince the sceptics among the member states or that could be interpreted in some way as bringing China closer to the market economy criteria.⁷⁴ However, the Commission's leeway was further reduced, as it came under strong pressure from the more protectionist member states not to engage in any "horse trading".⁷⁵

The result of all this was a deadlock in Brussels that made any change of the status quo virtually impossible, not least because it created frustration and suspicion among the involved actors in Brussels. The consequence was that the only way China could theoretically gain MES before 2016 was by fulfilling entirely (or almost) the EU's technical criteria, an outcome that was judged as close to impossible by European officials.⁷⁶ This forced fixation of Commission officials on the technical criteria constituted a strong mismatch with their Chinese counterparts who tended to emphasise

69. *JO*, L128, 30.04.1998.

70. A. CHANDA (World Markets Research Centre), *EU trade commissioner discusses Chinese progress on market economy, human rights and IP protection*, World Markets Analysis, 24.02.2005.

71. *Europe 'ready to talk' on granting China market economy status – official*, in: *Xinhua Financial Network News*, 13.06.2005; TSCHANG CHI-CHU, *Market economy status next for China? Europe says it will repay China for its decision to restrict its textile exports*, in: *Straits Times*, 14.06.2005.

72. *EU's Barroso says time not right for China market economy status [sic]*, in: *Xinhua Financial Network News*, 14.07.2005.

73. Interview EU 2, Berlin Q1 2007; see also J. FOX, F. GODEMENT, op.cit, p.86.

74. Interview EU 29, Brussels Q1 2008.

75. Interview EU 32, Brussels Q1 2008.

76. Interview EU 20, Q3 2007; Interview EU 29, Brussels Q1 2008.

more and more the status dimension of the issue, that China had a right to gain MES, and that it should not be required to make any concessions in exchange.⁷⁷ Eventually the discussions with China on the issue also ended in deadlock, as illustrated by the fact that the common China-EU working group on MES only met once in November 2004, and failed to bring any progress.⁷⁸

Conclusion

This article has started out with an analysis of why China wants to be recognised as a market economy by the EU, focussing on commercial implications as well as on the question of status and prestige in international relations. It then traced Chinese initiatives towards the EU concerning MES as well as the EU reactions to them over the years following China's WTO membership. From the point of view of a common, forward-looking EU foreign policy, granting MES would have been an expedient decision. China had finally reacted positively to the EU's efforts of building stronger EU-China ties and was investing considerable political capital on two issues, MES and the arms embargo. Of the two, MES clearly had less controversial implications, especially considering the transatlantic alliance and the US commitment to Taiwanese security.

Nevertheless, MES has not been granted to China until today. To a large extent, the reason for the repeated negative reactions of the EU lies in the decision-making rules for the Common Commercial Policy. Based on existing legislation, the Commission was confined to assessing the technical market economy criteria of the Council Regulation of April 1998. As a result it could not play the role of a double negotiator, within the EU and with the outside partner, that brokers an acceptable compromise for all. The strong opposition of a few member states to any concession on MES had the consequence that the Commission had only minimal flexibility on the issue, not to mention a formal negotiating mandate.

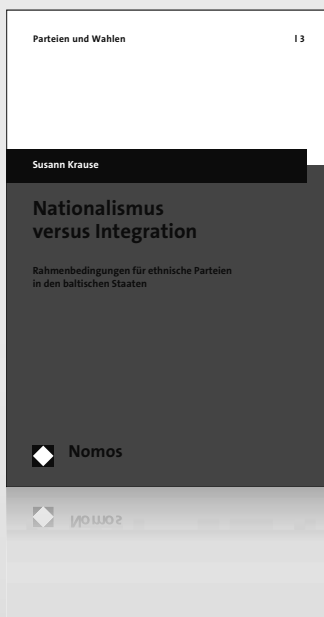
From the point of view of EU foreign policy the outcome is far from satisfactory. Due to the contradictory statements, shifting from very positive to negative, the EU has created disappointment with an international partner whose company it had been seeking very actively since the mid-1990s, if not loss of face for some of the top officials with the most prominent public exposure on the issue. It has failed to create a more favourable context for interaction with China. Also, if it wanted to achieve anything in exchange for granting MES, be it directly or indirectly as a "sign of gratitude", the value of what it can expect to receive in exchange is constantly decreasing as we approach the 2016 deadline when China will receive MES anyway as stipulated in its WTO accession protocol.

77. Interview EU 20, Beijing Q3 2007; Interview EU 29, Brussels Q1 2008.

78. Interview EU 24, Beijing Q3 2007; Interview EU 29, Brussels Q1 2008. See also *Nations hail Sino-European trade*, in: *Business Daily Update*, 15.12.2004.

The decision-making rules of the EU that led to a deadlock on the MES issue have been part of the EU's institutional structure since the Treaties of Rome. It is hard to imagine any feasible changes that would afford more freedom to the Commission, and hence more leeway to broker deals within and without the EU, so as to avoid a deadlock on strongly contested issues like MES. The latest changes resulting from Treaty of Lisbon may alter the game to a certain extent, not because the Council is no longer capable of blocking an issue, but rather because the involvement of the European Parliament may create a space of public debate in which it will be more difficult to take obstructive positions as in the case of MES. To get reliable conclusions on that, however, analysts will have to wait for an additional few years of practice under the Lisbon rules.

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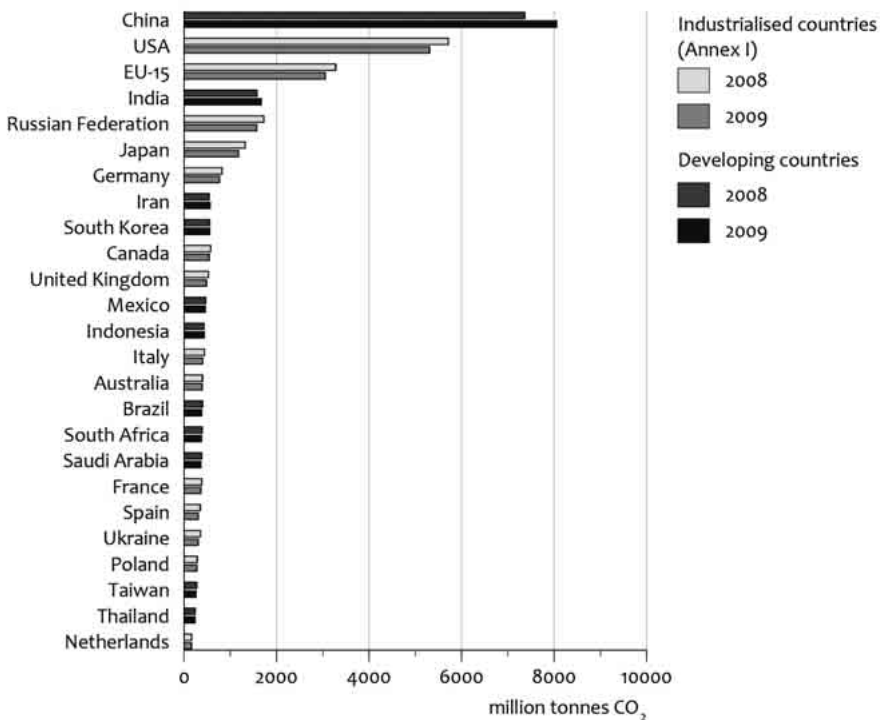
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The Role of the European Union and China in Global Climate Change Negotiations: A Critical Analysis

Rafael LEAL-ARCAS

Although climate change is a truly global issue, for the purposes of this article only two main players in the global climate change negotiations will be analyzed: the European Union (EU) and China. Each one of them is geographically and socially diverse, which is taken into account when analyzing them. As shown in the chart below, China and the EU are the world's first and third largest emitters of CO₂ respectively in absolute terms, and the EU has some of the strongest domestic support to address the climate change challenge. One should note that the chart shows the largest CO₂ emitters in a given year (2009).

Top 25 of largest CO₂-emitting countries in 2009



Source: Olivier and Peters, 2010.

www.pbl.nl

This means that the chart does not show cumulative amounts of CO₂ (taking into account also historic emissions). If the chart reflected cumulative emissions of pre-

vious years, it would have a different result in that many more developed countries would be at the top of the list. Moreover, the chart shows emissions in absolute terms, not per capita. If it were per capita GHG emissions, the outcome of the list would be very different in that China and India would be at the bottom of the list. In the bilateral relations between China and the EU, climate change is an important part of the agenda. Both parties are keen to improve the climate situation globally. The article first analyzes the Chinese position in climate negotiations. It then deals with the EU's position by analyzing the EU's greenhouse gas (GHG) emissions cuts and emissions trading scheme.

Chinese Position

Climate change will have a significant impact on China. Conversely, China's impact on climate change is considerable. The size and rate of growth of China's economy, of its energy demand, of its energy imports, and of its atmospheric emissions of various types make this country an essential major partner in any regional or global discussions relating to climate change or the production and consumption of energy. For example, China's coal-powered economic engine is overwhelming. In 2005, China produced 35 per cent of the world's steel, compared to just 13 per cent in 1996. A business-as-usual situation is not conducive to sustainable development either at the national or international level. If China continues on its business-as-usual path, predictions are that by 2030 its emissions will grow twice as fast as emissions from all the 30-member OECD.¹ At the same time, as a Chinese Vice Minister of the State Environmental Protection Administration put it, China's economic "miracle will end soon because the environment can no longer keep pace".²

China, a natural leader among developing countries, puts forward its counter-argument to the US position, arguing that even if it is the largest producer of GHG emissions in cumulative terms since 2007,³ its per capita GHG emissions were only about 25 per cent of US levels as of 2006.⁴ Notwithstanding this, China is recently questioning statistics published by the International Energy Agency, which is especially shocking given the unreliability of many of the statistical indicators published by the Chinese government.⁵

1. K. HALLDING, M. OLSSON, *Balancing climate concerns and energy security: China searching for a new development pathway*, in: *Stockholm Environment Institute Policy Brief*, 2010; E. ECONOMY, *The Great Leap Backward?*, in: *Foreign Affairs*, 5(2007); C. BRAHIC, *China's Emissions May Surpass U.S. in 2007*, in: *NewScientist.com*, 25.04.2007.
2. S. BYRNES, *The Man Making China Green*, in: *New Statesman*, 18.12.2006.
3. China's becoming the world's largest GHG emitter has come true faster than initially predicted by experts. See C. BRAHIC, *op.cit.*
4. For an overview of carbon dioxide (i.e., the main GHG) emissions of the top-20 countries in the world in 2006, see [www.pbl.nl/images/Top20-CO2andGHG-countries-in-2006-2005\(GB\)_tcm61-36276.xls](http://www.pbl.nl/images/Top20-CO2andGHG-countries-in-2006-2005(GB)_tcm61-36276.xls), Netherlands Environment Agency.
5. www.e360.yale.edu/content/digest.msp?id=2511.

China’s position, therefore, is that global climate change must be addressed principally by wealthy industrial nations, which have not only the wealth and technology to provide solutions, but also the moral responsibility to do so because they have produced perhaps as much as 80 per cent of the GHG emissions to date, as shown in the chart below.⁶ China’s refusal to agree to an internationally binding emissions target is commonly cited in the US as an argument to justify the lack of US legislative action.



Source: World Resources Institute

If the Kyoto commitment is not enough to solve the problem, developed countries should do more about GHG emissions reductions before they ask developing nations for commitment. Large developing countries-such as China, India, and Brazil-will not commit internationally to material reductions in their emissions in the absence of some comparable commitment by, say, the US. Conversely, the US has not participated in the Kyoto Protocol, and will not agree to mandatory emissions reductions targets due to concerns about a loss of competitive advantage, relative to developing countries that are not subject to the same obligations.

6. For a comparison of carbon dioxide emissions of the top-20 countries in the world in 2006 and a ranking of their per capita emissions, see [www.pbl.nl/images/Top20-CO2andGHG-countries-in-2006-2005\(GB\)_tcm61-36276.xls](http://www.pbl.nl/images/Top20-CO2andGHG-countries-in-2006-2005(GB)_tcm61-36276.xls), Netherlands Environment Agency.

This is a circular argument, bringing to mind the age old question: what comes first, the chicken or the egg? The US is not willing to ratify an international multi-lateral environmental agreement on GHG emissions reduction unless and until developing countries (especially China) are on board. On the other hand, China will only agree to being on board if the US complies with the Kyoto Protocol first. At the same time, as observed earlier, the more vulnerable it is to climate change, the greater incentives there is for China to accept binding GHG emissions cuts. Indeed, a large part of the relevant legal literature suggests that the main polluting nations can be held responsible under international law for the harmful effects of their greenhouse-gas emissions. As a result, affected countries may have a substantive right to demand the cessation of a certain amount of emissions. In some cases, they also have the procedural means to pursue intergovernmental litigation in an international judicial forum such as the International Court of Justice. Developing countries are understandably reluctant to challenge any of the big donor nations in an international court.⁷

Regardless of what the US Congress does or does not legislate in climate change issues, with EU emissions probably having peaked and US emissions possibly having done so as well, at least for the foreseeable future, the fate of article 2 of the UNFCCC more and more resides with the actions of China, Brazil, India, and the other large developing country emitters. Conceivably, the US would eventually accept a Kyoto-like approach if means could be found to involve developing countries with specific obligations. However, the politics of negotiating subsequent steps and a long-term target for GHG emissions reduction are fraught with difficulty as was obvious at the 2009 COP-15 in Copenhagen, where the US and the EU accused China of forcefully obstructing progress in the negotiations.⁸

One wonders why China is so vehemently opposed to legally binding commitments under a strong multilateral climate regime and to international checks to verify that it is on track to slow down GHG emissions. Not only are developing countries such as China unlikely to assume binding obligations until industrialized countries have actually met some initial targets, but their potential assumption of obligations would raise the difficult question of equity.⁹ With per capita CO₂ emissions from fossil fuels in the US about 4 times those of China and 20 times those of India, questions of equity loom large when long-term limits are considered. That said, article 3.1 of the UNFCCC expressly states that:

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7. For a possible legal argument for such a lawsuit and some observations on the potential impacts of bringing a case before an international court, see C. SCHWARTE, R. BYRNE, *International Climate Change Litigation and the Negotiation Process*, in: *Oil, Gas & Energy*, November 2010.
 8. D. HELM, C. HEPBURN, *The Economics and Politics of Climate Change*, Oxford University Press, Oxford, 2009.
 9. For a proposal of differentiated obligations among the UNFCCC parties regarding mitigation, adaptation, and financial commitments, see H. OTT, et al., *South-North Dialogue on Equity in the Greenhouse: A Proposal for an Adequate and Equitable Global Climate Agreement*, Deutsche Gesellschaft für Technische Zusammenarbeit, Eschborn, 2004.

“The Parties should protect the climate system for the benefit of present and future generations of humankind, on the basis of equity and in accordance with their *common* but differentiated responsibilities and respective capabilities. Accordingly, the *developed country Parties should take the lead* in combating climate change and the adverse effects thereof”.¹⁰

This clearly means that all countries share responsibilities, although at different levels. Nevertheless, limited progress on this issue has occurred. Starting with the COP-13 in Bali in 2007 and culminating at the 2010 COP-16 in Cancún, developing countries enthusiastically embraced a plan for voluntary accession to limits and reduction crediting in the forest sector (dubbed Reducing Emissions from Deforestation and forest Degradation [REDD] program), predicated, however, on financial support from developed countries. On the financial aspect, the UNFCCC reminds us that “[p]olicies and measures to deal with climate change should be cost-effective so as to ensure global benefits at the lowest possible cost”.¹¹

At the same time, developing countries are watching this environmental negotiation process to ensure that it helps them cope with climate change without threatening their hopes of economic growth, which is a right that every country has, albeit the hope is green economic growth. If a given climate policy means the reduction of economic growth, that policy will most likely have no future. Officials are beginning to consider the possibility that a world climate change agreement might not be merely a crude attempt to cut off their economic growth, but rather a possible source of help in dealing with the air pollution that is emerging as a major threat to public health.¹² For instance, the health costs of air and water pollution in China account for an estimated 4.3 per cent of the nation’s GDP. Moreover, 16 of the world’s 20 most polluted cities are in China. Pollution in Beijing is six times higher than in New York City.¹³ The ideal situation would be to have both developing nations on board and the US Senate ratify the Kyoto Protocol. This is currently unrealistic. We need to find a compromise.

Rich countries generally favour the creation of a new climate pact to succeed the Kyoto Protocol, placing more responsibility on key developing country emitters such as China and India, whereas developing countries continue to favour an approach that would implement a second phase of the Kyoto Protocol, which allows them to opt out of emissions reductions if these pose a threat to development. In fact, Chinese authorities have emphasized that the key to success in climate negotiations lies in commitments by rich countries to slash emissions and boost funding to developing

10. Emphasis added.

11. Article 3.3 of the UNFCCC.

12. J.W. ANDERSON, *Climate Change Diplomacy: The Next Step*, in: *Resources*, 142(2001), pp.11-13, here p.11. See also the views of R. BALME, *China’s Climate Change Policy: Governing at the Core of Globalization*, in: *Carbon & Climate Law Review*, 1(2011), pp.44-56.

13. *Cost of Pollution in China: Economics Estimates of Physical Damages*, available at siteresources.worldbank.org/INTEAPREGTOPENVIRONMENT/Resources/China_Cost_of_Pollution.pdf, World Bank and State Environmental Protection Administration of the People’s Republic of China, February 2007; OECD, *Cities and Climate Change*, 2010.

countries in the form of aid and the promotion of clean technology. China has concerns over emissions commitments because it expects GHG emissions levels to continue rising for some time. In fact, over the past decade, China's GHG emissions have more than doubled.¹⁴ This means that the EU's proposal to raise the bloc's target for cutting CO₂ emissions would have a limited impact on global warming, given that any benefit would be easily offset by China's rise in GHG emissions.

However, since the 2010 COP-16 in Cancún, China's attitude to combating climate change has been remarkable, and it has taken increasingly strong action to improve its energy efficiency, at both the national and sub-national level. For example, China has set a 2020 carbon intensity target as part of its national policy and is taking aggressive steps to implement it. Moreover, China has prepared a five-year plan (2011-2015) that is the clearest indication of its determination to become a clean-energy powerhouse. This five-year plan puts emphasis on economic and industrial restructuring towards a greener, more efficient, and lower carbon economy.¹⁵ As part of this five-year plan, China is developing regional domestic carbon trading programs and is also experimenting with emissions taxes.

There are both environmental and economic advantages and disadvantages to energy efficiency. Regarding the advantages, energy efficiency not only implies no GHGs, it saves money, it cannot be exported off-shore, and it has more potential than any other alternative. However, the disadvantages are that one must pay upfront as an investment, the oil industry wants more consumers to spend more energy, and there are tax incentives for energy use.

Climate change is one of the key drivers for China's fundamental shift. Investment in clean energy in China rose 30 per cent in 2010, to US\$ 51.1 billion-by far the largest figure for a single country-and represented more than 20 per cent of the total global investment of US\$ 243 billion, according to Bloomberg New Energy Finance.¹⁶ China's climate policy is largely motivated by factors other than concern about global warming, including energy security, the need to reduce local and regional atmospheric pollution from coal combustion that has caused serious health problems, and inter-

14. ICTSD, *China Stands on Unconditional Climate Funding ahead of Cancún Talks*, in: *Bridges Trade*, 1(2010).

15. See J. WATSON, et al., *UK-China Collaborative Study on Low Carbon Technology Transfer*, available at goo.gl/A4zKR. Final Report, University of Sussex, April 2011; M. FULTON, *12th Five Year Plan – Chinese Leadership Towards a Low Carbon Economy*, Deutsche Bank Group, 04.04.2011; S. WEI, N. MABEY, *Chinese Challenge or Low Carbon Opportunity? The Implications of China's 12th Five-Year-Plan for Europe*, available at tinyurl.com/6psxzba in E3G Briefing, January 2011; F. GANG, et al. (eds.), *The Economics of Climate Change in China: Towards a Low-Carbon Economy*, Earthscan, London, Washington, DC, 2011; D. ZILLMAN, C. REDWELL, Y. OMOROGBE, L. BARRERA-HERNÁNDEZ, *Beyond the Carbon Economy: Energy Law in Transition*, Oxford University Press, 2008; D. SELIGSOHN, A. HSU, *How Does China's 12th Five-Year Plan Address Energy and the Environment?*, World Resources Institute, 07.03.2011.

16. J. KANTER, *China, Once Suspect on Emissions, Is Rapidly Becoming a Clean-Energy Power*, available at goo.gl/5scT2, in *The New York Times*, 26.01.2011.

national competitiveness.¹⁷ It has pushed development of renewable energy technology to become the market leader in production of wind and solar technology, and adopted aggressive fuel economy standards for motor vehicles.

However, China has been, and would like to continue as, the de facto leader of the G-77 group of developing countries, which is the UNFCCC/Kyoto Protocol negotiating bloc for most developing countries. Accordingly, it would prefer not to take steps that would alienate other developing countries and jeopardize its role, unless there are very large compensating economic or other gains to be had. At the same time, China is also a member of the BRICS group (Brazil, Russia, India, China, and South Africa) to coordinate climate and energy policies. Furthermore, China's interests, like those of Brazil and a few other developing countries, no longer align with the G-77 very well since some of these major developing countries are among the largest GHG polluters in the world today. Moreover, China is not only the largest GHG emitter, but the leading producer of wind turbines and solar panels. How will this aggressive move into renewable energy markets affect its climate positioning versus other countries?

European Union Position

The European Union has long held a leadership position on climate change and has some of the strongest domestic support to address climate change. Moreover, the EU has been a firm supporter of the Kyoto Agreement, and it has been among the foreign voices to react to former President George W. Bush's decision to abandon the treaty. Its objective (and that of its then 15 Member States) was to ratify Kyoto and have it in force by 2002 at the latest, something that only happened in 2005.¹⁸ In an encounter between officials of the EU and the US in Washington in early April 2001, European officials clearly said they were going to continue with the Kyoto process, even if the US was absent. In fact, some Europeans saw the COP-6 at The Hague as an opportunity for European governments to show leadership and initiative. Among Europeans, there is a profound mistrust of the market mechanisms that the Americans propose in order to reduce the cost and impact of GHG reductions.¹⁹ On the other hand, the American view is that the European intransigence of asking parties to the Kyoto Protocol to accept Kyoto's commitments as they stand has killed the Kyoto Protocol because the current situation is unacceptable to the US. Europeans want a legally binding climate agreement with the US on board.

17. On air pollution, see P. BIRNIE, A. BOYLE, C. REDGWELL, *International Law and the Environment*, Oxford University Press, Oxford, 2009, Chapter 6.

18. See Interview given to Margot Wallström, former European Environment Commissioner, in: *Europe, The Green Issue*, published by the Delegation of the European Commission to the US, February 2001, pp.14-15, here p.15.

19. J.W. ANDERSON, *op.cit.*, pp. 11 and 13.

In response to former President Bush's decision to avoid his responsibility vis-à-vis the environment, former European Commission President Romano Prodi said to *La Repubblica* newspaper that "if one wants to be a world leader, one must know how to look after the entire Earth and not only American industry".²⁰

Furthermore, Margot Wallström, former European Commissioner for the environment, reacting to a statement from the US administration on their rejection of the Kyoto Protocol, said:

"The US position is extremely worrying. The US must understand that this is not a marginal issue for the EU. It has implications for external relations including trade and economic affairs, and it cannot be played down".²¹

Kjell Larsson, Sweden's former Environment Minister, said in a statement following meetings with US administration officials on Kyoto:

"Climate change is happening now and is a serious threat to the future of mankind. We are prepared if necessary to go forward without the US. We cannot allow one country to declare as dead the process for addressing this major global issue. However, we still hope to have the United States involved in the protocol as soon as possible".²²

Also Gerhard Schröder, former Chancellor of Germany, reacting to the US administration's decision to reject Kyoto, said: "Nobody should be relieved from his responsibility for climate control".²³

1. EU Emissions Cuts

Some people argue that in the EU there is much talk but little action concerning Kyoto. Even from a more technical viewpoint, European Finance and Trade Ministers are unlikely to let Environmental Ministers impose costly limits on emissions unless the US is also on board.

However, according to the UNFCCC, big EU economies such as the UK and Germany spewed smaller amounts of GHG into the atmosphere in 2008 than they did in 1990. Some of the biggest reductions of GHG emissions over the period between 1990 and 2008 took place in former Soviet countries such as Ukraine, partly because their industries were very polluting before 1990. Moreover, a new report by the European Environment Agency (EEA) based on GHG emission data for 2008-2009 shows that large drop in emissions during 2008 and 2009 gives the EU-15 a head start to reach and even go beyond its 8 per cent reduction target under the Kyoto Protocol.

20. BBC News, *Europe Backs Kyoto Accord*, 31.03.2001, available at news.bbc.co.uk/1/hi/world/europe/1252556.stm.

21. See press release, *Commission Reacts to US Statements on the Kyoto Protocol*, available at goo.gl/jYEH, 29.03.2001.

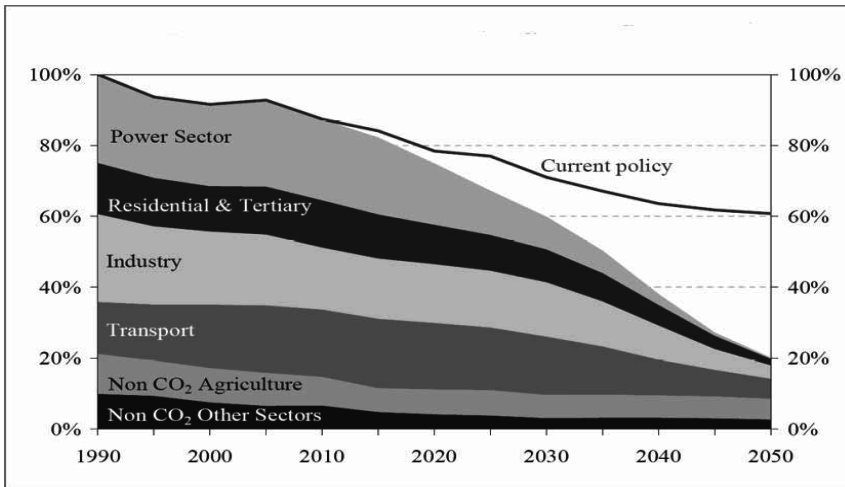
22. See *Europe*, Europe Update, 4(2001).

23. *Ibid.*

The EEA report also shows that the EU-27 is well on track towards achieving its 20 per cent reduction target by 2020. Furthermore, a report from the European Commission to the European Parliament and the EU Council shows the actual progress and determination in the EU to reduce emissions towards meeting the Kyoto target.²⁴

More recently, the EU has been arguing that emissions reduction is good for European business, thereby moving away from traditional reasons for deeper cuts in GHG emissions such as moral responsibility and the survival of humankind.²⁵ Furthermore, a 2011 analysis by the European Commission shows “that domestic emission reductions of the order of 40% and 60% below 1990 levels would be the cost-effective pathway by 2030 and 2040, respectively. In this context, it also shows reductions of 25% in 2020. This is illustrated in [the chart below]. Such a pathway would result in annual reductions compared to 1990 of roughly 1% in the first decade until 2020, 1.5% in the second decade from 2020 until 2030, and 2% in the last two decades until 2050. The effort would become greater over time as a wider set of cost-effective technologies becomes available”.²⁶ This means that GHG emissions would be reduced by a further 5 per cent.

EU GHG emissions towards an 80 per cent domestic reduction (100%=1990)



Source: European Commission

24. European Environment Agency, *Tracking Progress Towards Kyoto and 2020 Targets in Europe*, EEA Report, No. 7/2010, pp.30-32; European Commission, *Progress Towards Achieving the Kyoto Objectives*, COM(2010) 569 final, 12.10.2010.
 25. See J. CHAFFIN, *EU Warms to Business of Climate Change*, in: *Financial Times*, 30.11.2010.
 26. Communication from the European Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, *A Roadmap for Moving to a Low Carbon Economy in 2050*, COM(2011) 112 final, 08.03.2011, p.4.

However, the only sector in which the EU's GHG emissions continue to rise is in the transport sector. This may complicate the EU's target of reducing its GHG emissions between 80 per cent and 95 per cent by 2050 compared to the 1990 levels, since transport is one of the largest energy-consuming sectors in the EU, accounting for one-third of EU energy consumption.²⁷

2. EU Emissions Trading Scheme

The setup of transnational mitigation regimes is a challenging undertaking as is illustrated by the European Union's Emission Trading Scheme (EU ETS).²⁸ The EU ETS is the world's most important GHG emissions trading scheme, with an estimated value of EUR 63 billion of the overall EUR 86 billion value of the global carbon market in 2008. It is also the world's first mandatory cap-and-trade program for CO₂ emissions, albeit the GHG emission caps remain too high. Operational since 2005, the ETS's goal is to cut emissions by one-fifth from 1990 levels by 2020. It is the flagship policy covering half of the EU's carbon emissions, but, as is explained later, could turn intended restrictions on pollution into a trap that commits the EU to increasing carbon emissions for much of the next decade, unless changes are swiftly introduced.²⁹

A growing number of countries are integrating cap-and-trade schemes into their national climate policies, such as the United States, New Zealand, Australia, Canada, and Japan. The EU ETS is the frontrunner in this development. The main features of the EU ETS are: 1) it is a classic cap-and-trade system with a highly decentralized implementation mechanism; 2) it is set up in sequential multi-year periods with a declining cap: phase 1 is 2005-2007, phase 2 is 2008-2012, and phase 3 is 2013-2020; 3) offset is allowed up to 13% of GHG emissions; and 4) there is a system of free allocation of emissions evolving to full auctioning.³⁰

27. See a study by C. EGENHOFER, *The EU should not shy away from setting CO₂-related targets for transport*, in: *Policy Brief*, 229 (January 2011).

28. See ec.europa.eu/clima/policies/ets/index_en.htm; see also A.D. ELLERMAN, *The EU Emission Trading Scheme: A Prototype Global System?*, Discussion Paper 2, Harvard Project on International Climate Agreements, Cambridge, Mass, 2008.

29. Directive 2003/87/EC, in force since 25.10.2003; see also K. CAPOOR, P. AMBROSI, *State and Trends of the Carbon Market 2009*, The World Bank, Washington, DC, May 2009, pp.1-2; P. NUSSBAUMER, *Working of Carbon Market*, in: *Economic and Political Weekly*, 28.07.2007, p. 3081; C. EGENHOFER, et al., *The EU Emissions Trading System and Climate Policy towards 2050: Real Incentives to Reduce Emissions and Drive Innovation?*, Centre for European Policy Studies, 2011.

30. See F. JOTZO, R. BETZ, *Linking the Australian Emissions Trading Scheme*, in: *Climate Strategies*, March 2009, available at www.joanneum.at/climate/linking/CSLinkingAUS.pdf; S. WEISHAAR, *The European Emissions Trading System: Auctions and their Challenges*, in: M. FAURE, M. PEETERS (eds.), *Climate Change and European Emissions Trading: Lessons for Theory and Practice*, Edward Elgar, Cheltenham, 2008.

In the context of emissions trading, free allocation of emissions credits to energy-intensive industries has been considered a means to prevent “carbon leakage” to less regulated markets. Free allocation of emissions allowances may potentially have trade-related ramifications, with respect to the World Trade Organization (WTO) and the Agreement on Subsidies and Countervailing Measures (SCM Agreement). New market mechanisms are set in place to allow developing countries to foster products with a low carbon footprint. The issuance of emission credits to host governments may be interpreted as unlawful subsidies under the SCM Agreement.

Among the achievements of the EU ETS are: first, a price of carbon over 10 per cent of global GHG emissions. There have been modest reductions so far, but there seems to be a pervasive signal for investment and innovation; second, there is a mechanism in place for effecting further GHG emissions reductions as desired.

The European Commission sees the EU ETS as a blueprint for emerging schemes around the world and the nucleus for creating a global carbon market. It aims to establish full bilateral links to other ETS on the condition that these schemes are mandatory, are based on absolute caps, and do not contain price ceilings for GHG emission allowances.³¹ This vision includes achieving an OECD-wide carbon market by 2015 as well as the establishment and integration of trading systems in major emerging economies by 2020. The principal regulatory techniques to reduce carbon emissions are regulating technology, regulating the quantity of GHG emissions, regulating the price for GHG emissions, and regulating information.³²

Both the Fourth Assessment Report by the IPCC and the Stern Review on the Economics of Climate Change make clear the point that establishing a price for GHG emissions is one of the most effective ways to mitigate climate change.³³ The ETS is on course to require savings of, at best, a minuscule quantity of 32 million tons of emissions between 2008 and 2012, despite covering 12,000 installations and 1.9 billion tons of emissions annually. Regulating a single power station over the same period could have had a greater impact. An already weak cap for this period became a severe over-allocation of pollution permits when the 2008 economic recession caused a sharp drop in production and therefore carbon emissions. These lower emissions, far from helping the EU towards a low carbon future, may actually trap it into continued high carbon economy because the ETS allows the huge volume of unused

31. See the analysis of J. BAZELMANS, *Linking the EU ETS to Other Emissions Trading Schemes* and J. DE CENDRA DE LARRAGÁN, *Too Much Harmonization?: An Analysis of the Commission's Proposal to Amend the EU ETS from the Perspective of Legal Principles*, both in: M. FAURE, M. PEETERS (eds.), *op.cit.*

32. A.D. ELLERMAN, et al., *Pricing Carbon: The European Union Emissions Trading Scheme*, Cambridge University Press, New York, 2010; C. CHENEVIÈRE, P. NIHOUL, *Les règles européennes visant à lutter contre le réchauffement climatique*, in: *Journal de Droit Européen*, 17(2009), pp. 125-131.

33. See *Summary for Policymakers*, in: R.K. PACHAURI, A. REISINGER (eds.), *Climate Change 2007: Synthesis Report*, Cambridge University Press, Cambridge, 2007, p.18; N. STERN, *The Economics of Climate Change: The Stern Review*, Cambridge University Press, Cambridge, 2007, p. 349.

permits to be carried over into the next phase of the scheme that runs from 2013 to 2020.³⁴ These permits would then be available for companies as the economy picks up again from the 2008 economic recession, removing a key driver for investment in low carbon options. The ETS in its current form, although a very powerful and effective policy in principle, is in danger of actually hindering a low carbon economy for years to come.

There are a few ways to resolve these issues and avoid the carbon trap posed by the ETS.³⁵ These involve compensating for the fact that too many permits have been put into the system, and include the following points:

1. increasing the EU carbon reduction target from 20 per cent to 30 per cent by 2020. The EU has already achieved half of the existing target and a higher target would protect momentum towards a low carbon future;
2. setting caps for the next trading phase (2013-2020) based upon actual emissions and not on the permits allocated, which were too many.³⁶ This would require holding back 1.4 billion tons of permits from the scheme from the start, whilst a political decision is reached to cancel the permits permanently. This decision must be reached as quickly as possible;
3. amending the rules of the ETS (through a change in the Directive)³⁷ to allow flexibility to respond to large drops in demand such as those caused by the 2008 economic recession, in order to prevent an inundation of permits undermining carbon savings.

These measures face some stiff resistance. While too many permits have been handed out overall, this was not done evenly across those companies covered by the scheme. Some companies received a cap lower than their emissions, but others higher. A few of the latter received an enormous over-allocation of permits, making millions from their sale. These are the ‘carbon fat cats’, led by steel producer ArcelorMittal, and a number of them are lobbying hard to keep the ETS broken. If the international community manages to lower GHG emissions coming from the steel sector, climate change would largely be under control.

Millions of EU citizens are working hard to reduce their carbon emissions, saving a ton here, half a ton there. The ETS covers 1.9 billion tons annually, including those

34. O. KUIK, F. OOSTERHUIS, *Economic Impacts of the EU ETS: Preliminary Evidence*, in M. FAURE, M. PEETERS (eds.), op.cit.

35. See D. ELLERMAN, P. JOSKOW, *The European Union's Emission Trading System in Perspective*, Pew Center on Global Climate Change, 2008.

36. O. REYES, *EU Emissions Trading System: Failing at the Third Attempt*, Carbon Trade Watch, April 2011.

37. Directive 2003/87/EC of the European Parliament and of the Council of 13.10.2003 establishing a scheme for GHG emission allowance trading within the Community and amending Council Directive 96/61/EU, OJ L275, 25.10.2003; this Directive has been amended most recently by Directive 2009/29/EC, so as to improve and extend the GHG emission allowance trading scheme of the EU, OJ L140/63, 05.06.2009.

from electricity production.³⁸ To allow the ETS to fail, providing miniscule carbon savings and allowing some ‘carbon fat cats’ to make huge profits through over-allocated permits, would be a travesty.

Moreover, since the international negotiations for the creation of a global climate change agreement did not reach a conclusion in Copenhagen in 2009, the provisions of the Emissions Trading Directive on bilateral agreements have become more relevant than ever. International credits from projects or other emission-reducing activities in a third country are eligible for use in the EU ETS only if an agreement has been concluded between the EU and the respective third country. Furthermore, the Emissions Trading Directive also stipulates that once an international agreement on climate change has been reached, from 2013 onwards, international credits are disqualified from use within the EU ETS if these credits are generated from projects from third countries that have not ratified the said agreement.³⁹

The Directive mentioned above establishing the EU ETS explicitly empowers the European Commission to negotiate linking agreements with Annex B countries that have ratified the Kyoto Protocol.⁴⁰ For the period beyond 2012, an amendment is foreseen which allows linking agreements to provide for the recognition of emission allowances between the EU ETS and mandatory GHGs trading systems with absolute emissions caps of any other country or regional entity.

EU law does not indicate whether the adoption of linking agreements should be accompanied by the establishment of new institutions entrusted with the regulation and supervision of linked carbon markets. Once the linking arrangement enters into force, disputes and irregularities may indeed arise across the link between participants in each emissions trading scheme, thereby necessitating adequate dispute settlement mechanisms, but also raising the question of accountability by both participants and any institution or officials supervising the link’s operation. As the implementation of the Kyoto Protocol’s Clean Development Mechanism shows, these problems, if addressed insufficiently, raise important legitimacy concerns.

The carbon market is still largely unregulated, presenting opportunities for unscrupulous traders to trick customers. As the first phase of the EU ETS demonstrated, even where a supranational body acts in a supervisory function, widespread manipulation of the system can take place.⁴¹ While the carbon market is seeing explosive growth, particularly in the EU, such growth will not be boundless, particularly if the market is perceived as ineffective in reducing actual emissions. In order for the carbon market to achieve long-term, sustainable success, it must be regulated, and where the

38. European Commission, *Investment Needs for Future Adaptation Measures in EU Nuclear Power Plants and Other Electricity Generation Technologies Due to Effects of Climate Change*, March 2011, available at ec.europa.eu/energy/nuclear/studies/doc/2011_03_eur24769-en.pdf.

39. Directive 2009/29/EC of 23.4.2009, amending Directive 2003/87/EC, article 11a (5) and (7).

40. Directive 2003/87/EC, § 17.

41. Regulation No. 2216/2004 for a standardized and secured system of registries pursuant to Directive 2003/87/EC was amended in July 2007 by Regulation No. 916/2007 to address problems regarding the registration of emissions under the EU ETS.

right to increase emissions is being traded across international borders, the potential for affecting trade is heightened.

It is vital to assess what kind of institutions would be needed to supervise linked carbon markets and facilitate a smooth transition to a globally integrated carbon market. When exploring options for the improved governance of an integrated carbon market, the question of what could be learned from the trade field comes up. The international trading system, which started with bilateral free-trade agreements, evolved into a comprehensive multilateral regime (i.e., the GATT) and finally resulted in the creation of a powerful new organization, the WTO.⁴²

3. *Inclusion of Aviation in the EU ETS*

Given the limited progress in the UN climate change negotiations, as of 1 January 2012, the EU included aviation in its ETS, which means that airlines using EU airports will have to pay carbon charges for any flights that land or take off in the EU.⁴³ This new policy applies to EU and non-EU airlines (subject to a potential exemption), to passenger and cargo flights, to flights between EU airports, and between EU and non-EU airports. Not surprisingly, this step has raised vehement objections, particularly from the US, India, and China (which has outright refused to comply with the scheme). A paper backed by many Member States of the International Civil Aviation Organization stated that the inclusion of aviation in the EU ETS is a violation of the “cardinal principle of state sovereignty” as delineated by the Chicago Convention.⁴⁴

In response to a legal challenge put forth by Air Transport Association of America and Others, the Court of Justice of the EU’s Advocate General Juliane Kokott released an opinion in October 2011, stating that the inclusion of aviation in the EU ETS is legal and compatible with all the provisions and principles of international law. While the Advocate General’s opinion is not binding, the Court of Justice of the EU was expected to follow it. Indeed, in December 2011, the Court ruled that including aviation in the EU ETS is legal and does not violate international law or the Open Skies Agreement between the US and the European Community and its Member States.⁴⁵

42. See notably R. LEAL-ARCAS, *International Trade and Investment Law: Multilateral, Regional and Bilateral Governance*, Elgar, Cheltenham, 2010, Part 1; R. LEAL-ARCAS, *Proliferation of Regional Trade Agreements: Complementing or Supplanting Multilateralism?*, in: *Chicago Journal of International Law*, 2(2011), pp.597-629; R. LEAL-ARCAS, *The Fragmentation of International Trade Law: Is Now the Time for Variable Geometry?*, in: *The Journal of World Investment and Trade*, 2(2011), pp.145-195.

43. Directive 2008/101/EC of the European Parliament and of the Council of 19.11.2008 amending Directive 2003/87/EC so as to include aviation activities in the scheme for GHG emission allowance trading within the EU (OJ 2009 L 8, p. 3).

44. A. LEUNG, H. SUHARTONO, *China Airlines Won't Pay EU Carbon Tax*, Reuters, 06.01.2012; ICTSD, *Aviation Body Pushes for Exemptions under EU Emissions Scheme*, 14.11.2011; Convention on International Civil Aviation, available at www.mcgill.ca/files/iasl/chicago1944a.pdf.

45. Opinion C-366/10, delivered on 06.10.2011 (not yet published); Case C-366/10 (not yet published).

For its part, the EU has insisted that including only EU airlines will not be effective, as the resulting GHG emissions reduction may well be offset by a growth in emissions by non-EU airlines. Benoît Mayer, in support of the move, points out that there is no economic incentive for the EU in adopting this measure, and that one

“should take its environmental motivation duly into account; and mitigating climate change is certainly a legitimate purpose recognized in international law, therefore allowing certain forms of legislation with an extraterritorial effect”.⁴⁶

Joanne Scott and Lavanya Rajamani, however, while in agreement that the EU’s motives are to be sympathized with, argue that the “aviation decision may not sufficiently reflect or give adequate weight to the principle of Common but Differentiated Responsibilities and Respective Capabilities (CBDRRC)”, which calls for developed countries to take the lead in efforts to mitigate climate change.⁴⁷

With China refusing to comply and with the US waiting on a US Senate decision that may end up making compliance with the EU ETS illegal for US airlines, there is much that hangs in the balance. The inclusion of aviation in the EU ETS may lead to an all-out trade war.⁴⁸ In fact, a group of over 20 countries (including China, the US, India, and Russia) has argued that the inclusion of international civil aviation in the EU ETS may lead to serious market distortions and unfair competition. Among the options agreed upon by this group of over 20 countries are barring airlines from participating in the Brussels plan; imposing levies or charges on EU airlines as a countermeasure; filing a formal complaint at the International Civil Aviation Organization (ICAO); assessing whether the EU ETS is consistent with the WTO Agreements and taking appropriate action; and stopping talks with EU carriers on new routes.⁴⁹

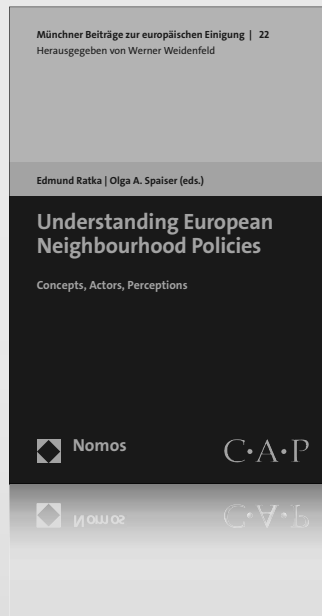
46. B. MAYER, *A Defense of the EU Emission Trading Scheme in Aviation Activities*, p.2, available at papers.ssrn.com/sol3/papers.cfm?abstract_id=1955817.

47. J. SCOTT, *EU Climate Change Unilateralism: International Aviation in the European Emissions Trading Scheme*, 01.11.2011, pp.1, available at papers.ssrn.com/sol3/papers.cfm?abstract_id=1952554.

48. ICTSD, *The Inclusion of Aviation in the EU ETS: Economic and Environmental Consequences*, Vol. 5, No. 4, November 2011; see also J. MELTZER, *Climate Change and Trade-The EU Aviation Directive and the WTO*, in: *Journal of International Economic Law*, 1-46, first published online: 02.02.2012. Regarding the impact of the EU ETS on US aviation, see the views of R. MALINA, et al., *The Impact of the European Union Emissions Trading Scheme on US Aviation*, in: *Journal of Air Transport Management*, 19(2012), pp.36-41.

49. See Joint declaration of the Moscow meeting on inclusion of international civil aviation in the EU ETS, available at www.ruaviation.com/docs/1/2012/2/22/50.

Europäische Nachbarschaftspolitik



Dieser Band untersucht die Entstehung, Umsetzung und Wirksamkeit der Außenpolitik der Europäischen Union und ihrer Mitgliedstaaten gegenüber der südlichen und östlichen Nachbarschaft der EU.

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Towards One Voice in Beijing? The Role of the EU's Diplomatic Representation in China Over Time

Frauke AUSTERMANN

Introduction: Speaking with One Voice in Beijing?

The European Union's difficulty to speak with one voice is said to be particularly problematic when it comes to relations with the People's Republic of China (PRC).¹ The disunity about the arms embargo on China or about the PRC's Market Economy Status testify to this. China has become too important a player in global politics. The national interests of EU member states are too pronounced and diverse for the EU to act as one entity towards the rising power in the East.²

The EU member states have taken a bold step in order to mitigate their inability to speak with one voice. The Treaty of Lisbon, which came into force on 4 December 2009, has created the post of High Representative of the Union for Foreign Affairs and Security Policy.³ The powers of the British noblewoman Catherine Ashton, who is the first to fulfil this role, are comparable to those of a minister for foreign affairs. The EU member states were nevertheless eager to tone down Ashton's title from

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1. This article builds upon the author's previous work, which was presented during the research seminar *EU Diplomacy after Lisbon: The Case of China*, a joint event by the EU Centre in Singapore and the East Asian Institute at National University of Singapore (NUS) on 7 December 2010 (see <http://eucentre.sg/details.php?j=240>). The author sincerely thanks the EU Centre and the East Asian Institute, the seminar's participants, and especially Dr. Bo Zhiyue for their support and valuable feedback. The main argument has been briefly summarised in the following article: F.AUSTERMANN, *One Voice in Beijing? EU Diplomacy One Year After Lisbon*, 13.12.2010, <http://euobserver.com/7/31488> (retrieved 17.12.2011). The author also expresses her gratitude to the Dahlem Research School for the generous financial support.
 2. J. FOX, F. GODEMENT, *A Power Audit of EU-China Relations*, European Council on Foreign Relations, London, 2009, p.30.
 3. EUROPEAN COUNCIL, *Implementation of the Lisbon Treaty – Appointments*, 17163/09 (Presse 368), Brussels, 4 December 2009, p.1, http://www.consilium.europa.eu/uedocs/cms_data/docs/press-data/en/gena/111771.pdf (retrieved 31.08.2011).

‘Union Minister for Foreign Affairs’ as foreseen in the failed Constitutional Treaty to a mere ‘High Representative’.⁴

Beyond such semantic disputes, Ashton is not a “one[wo]man-band” like her predecessor Javier Solana.⁵ She now directs close to 150 EU Delegations and other Union offices which function like an embassy-like network.⁶ These Delegations represent the European Union towards third countries and are key to maintaining and to strengthening the Union’s diplomatic ties. Yet, the Delegations are no new invention. The Commission has started developing a worldwide network of representations as early as 1954.⁷ Due to the existing infrastructure and the long-standing field expertise of these offices, it was convenient for Ashton to use them as her prototype Union-embassies.⁸

Most Commission Delegations started off as mere information offices or as agencies implementing development projects. Over the past decades, they have taken over more and more classical diplomatic tasks. With the Lisbon Treaty, they now have the exclusive right to represent the EU towards their host countries.⁹

The terms of a Treaty are one side of the coin; practical implementation is another issue. Given the difficulty of the European Union to speak with one voice towards China, Beijing provides a strong testing ground for the diplomatic role of the EU in third country capitals. By tracing the development of the EU’s diplomatic representation in the PRC over time, this paper sheds a different light on the EU-China relationship and the nascent EEAS. It reveals that the Union has been increasingly capable of centralising European diplomacy ‘on the ground’. Despite certain limitations, the

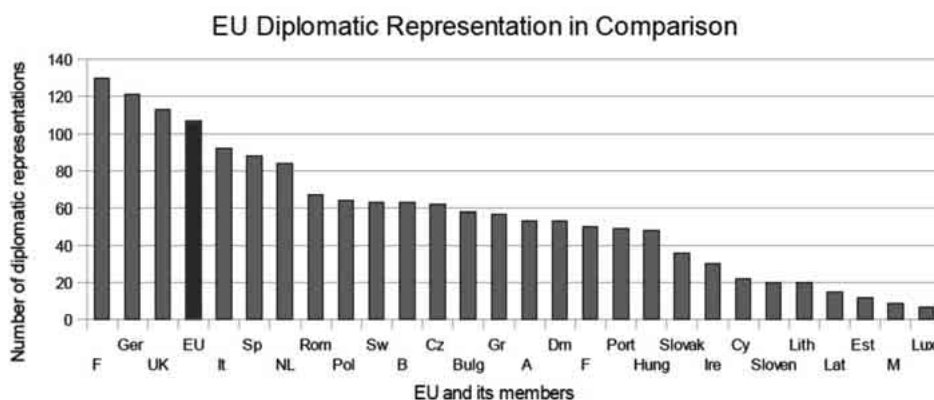
-
4. According to the Constitutional Treaty, Ashton would have carried the title of the 'Union's Minister for Foreign Affairs'. Although the title has been changed, most institutional powers have remained, also with the Lisbon Treaty. See: EUROPEAN UNION, *A Constitution for Europe, The Institutions of the Union*, http://europa.eu/scadplus/constitution/minister_en.htm (retrieved 31.08.2011); EUROPEAN UNION, *Consolidated Versions of the Treaty on European Union and the Treaty on the Functioning of the European Union*, Art. 18, in: *Official Journal*, 53, 2010/C 83/26. See also: J. WOUTERS, *The Union Minister for Foreign Affairs: Europe's Single Voice or Trojan Horse?*, Opinions. Institute for International Law, Catholic University Leuven, 2004, p.1. <https://www.law.kuleuven.be/iir/nl/onderzoek/opinies/JWuMFAjuli04.pdf> (retrieved 31.08.2011); A. SHAFIQ, *Political Reform in the European Union: The Treaty of Lisbon*, Institute of Strategic Studies, Islamabad, 2007, http://www.issi.org.pk/publication-files/1302769483_55478188.pdf (retrieved 31.08.2011).
 5. B. HOCKING, D. SPENCE, *Towards a European Diplomatic System? Discussion Papers in Diplomacy*, Netherlands Institute of International Relations 'Clingendael', The Hague, 2005, p.4.
 6. Counted by the author on the basis of EU Delegation websites (May 2011). EUROPEAN UNION, *Consolidated Versions of the Treaty ...*, op.cit., Art. 221.2.
 7. Cf. D. SPENCE, *The European Commission's External Service*, in: *Public Policy and Administration*, 3(2004), p.61.
 8. J. MORAN, F. PONZ CANTO, *Taking Europe to the World. 50 Years of the European Commission's External Service*, European Commission DG External Relations, Office for Official Publications of the European Communities, Luxembourg, 2004, pp.6 and 36, http://ec.europa.eu/external_relations/delegations/docs/50_years_brochure_en.pdf (retrieved 31.08.2011).
 9. Interview with a European diplomat on September 12, 2011, in Beijing; COUNCIL OF THE EUROPEAN UNION, *Council Decision Establishing the Organisation and Functioning of the European External Action Service*, Art. 5(8), 26.07.2010, in: *Official Journal*, 03.08.2010.

analysis testifies to the widening and deepening of EU integration, even concerning diplomatic representation, the supposedly last stronghold of high politics.

Widening and Deepening: The Role of the Commission-/EU Delegation in China Over Time

With globalisation, distances shrink and virtual meetings complement or even replace physical ones. This is also true for diplomacy. In the history of international relations, emails and video-conferences have been mere science-fiction until recently. Today, however, thanks to these means of communication permanent representations in other countries, such as embassies and consulates may seem less important. Nevertheless, virtual contacts lack the qualities of face-to-face meetings. This is particularly true for the field of diplomacy which is a highly secretive endeavour that requires trust. This trust can best be established through personal contacts.

Diagram 1: EU Diplomatic Representation in Comparison¹⁰



Additionally, the leaked diplomatic cables published by WikiLeaks have made the risks of virtual communication clear.¹¹ Also, seeing the conditions in a given country

10. Compiled by the author based on EU Delegation websites and websites of member state foreign ministries and embassies (accessed in February/March 2011). For the sake of comparison, only fully-fledged embassies (i.e. no consulates etc.) and EU Delegations to sovereign states outside the current EU-27 were taken into account (i.e. excluding firstly, embassies of one EU member state to another; secondly, permanent representations to international organisations; and thirdly, representations to disputed territories, such as Palestine).
11. I. NEUMANN, *Globalisation and Diplomacy*, Working Paper No.724, Norwegian Institute of International Affairs, Oslo, 2007, p.8; E. ROCCO, *Trust Breaks Down in Electronic Contexts but Can be Repaired by Some Initial Face-to-Face Contact*, Paper presented during CHI 98 Conference on Human Factors in Computing Systems, Los Angeles, April 1998, pp.496-502; International Institute for Strategic Studies, *WikiLeaks: The Price of Sharing Data*, in: *Strategic Comments*, 1(2011), pp. 1-3.

for oneself improves the evaluation of the exact situation and facilitates connecting home and abroad. It therefore remains advantageous to support diplomatic relations by maintaining a physical presence abroad. Despite not being a nation-state, the EU champions diplomatic representation. In terms of network-size, it ranks fourth compared to the 27 Union members.

As EU Delegations co-exist with member state embassies, third country capitals constitute a microcosm of EU foreign policy coordination, far away from Brussels. By historically tracing the role of Commission/EU Delegations generally and particularly in Beijing, I argue that they have become the central players in coordinating and representing European diplomacy abroad. This does not only apply to trade or environmental matters but also to 'high politics', i.e. traditional nation-state-based diplomacy and even security issues.

Jean Monnet, one of the founding fathers of the European Union, already claimed that the Community needed an identity abroad.¹² In line with Monnet's doctrine of incrementalism, the network of Community offices abroad grew in waves and not according to a federalist master plan.¹³ This is illustrated in Diagram 2.

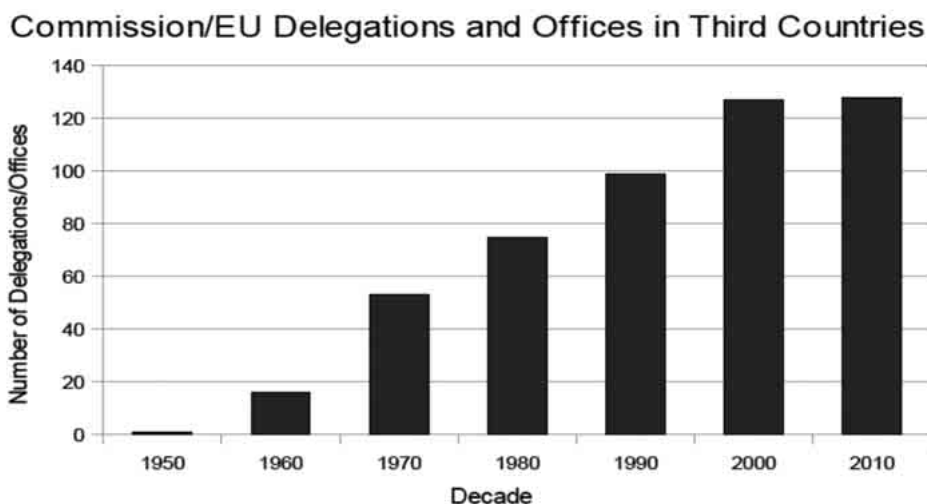
There are EU external and internal triggers to this development. Externally, it is a function of the (changing) relations of Union members with third countries. Taking a look at the first prototype Delegations illustrates this. Two years before opening a mission of the European Coal and Steel Community (ECSC) in London, the very first office truly outside of Europe was established in Washington DC in 1954.¹⁴ This reflects the close relationship between the ECSC founding members and the US. Ten out of all twelve Commission Delegations which opened in the 1960s were located in Africa.¹⁵ This mirrors post-colonial interests of member states such as France. Internally, the Delegations' development is linked to advances in European integration. The establishment of new offices followed major treaty revisions or agreements at Community level. The Single European Act, a major step in European (economic) integration, therefore sparked off a wave of new EC offices in capitals of (potential) trading partners. The Delegation in Beijing which was opened in 1988 is one example.

12. J. MORAN, F. PONZ CANTO, op.cit., p.11.

13. M. BURGESS, *Federalism and Federation*, in: M. CINI (ed.), *European Union Politics*, Oxford University Press, Oxford, 2007, p.79; D. SPENCE, op.cit., p.61. Cf. also a telephone interview with a European diplomat on September 19, 2011.

14. D. SHAMBAUGH, E. SANDSCHNEIDER, H. ZHOU, *China-Europe Relations: Perceptions, Policies and Prospects*, Routledge, Oxon, 2008, chap. From Honeymoon to Marriage. Prospects for the China-Europe Relationship, pp.306-308; M. BRUTER, *Diplomacy without a State: The External Delegations of the European Commission*, in: *Journal of European Public Policy*, 2(1999), p.183.

15. Calculated by the author on the basis of European Commission information (websites, email and telephone correspondence in spring 2011).

Diagram 2: Commission/ EU Delegations and Offices in Third Countries Over Time¹⁶

A third trigger for the widening and deepening of the Union's presence in the world is the "ability of political leaders".¹⁷ Back in the early 1970s, European Commissioner for External Relations Lord Christopher Soames, Chinese Premier Zhou Enlai, and Trade Minister Yao Yilin brought the EC and the PRC closer together.¹⁸ Initially, the Commission sought to establish relations with state trading countries, such as the USSR, Cuba, Vietnam and the PRC. The PRC was the only country to accept the invitation. The reason was highly political as the Chinese leadership considered the EC a potential geopolitical counterweight to transform the global bi-polar structure into a multi-polar one.¹⁹ Consequently, the PRC recognised the EC 20 years before the Soviet Union/Russian Federation. Nevertheless, 'low politics' filled Sino-European diplomatic relations with life. This only happened in the mid-1980s. Commission President Jacques Delors quickly realised the potential of Deng Xiaoping's economic reforms. Deng for his part must have taken note of developments within the EC, notably the preparations for the Single European Act and the Southern enlargement. Respectively, China and the EC codified relations in the 1985 Trade and Co-

16. Compiled by the author based on EU Delegation websites and correspondence with EU staff (between February and April 2011). For the sake of comparison, only EU representations to sovereign states outside the current EU-27 were taken into account (i.e. excluding firstly former Commission/EU Delegations to previous non-EU-members; secondly Commission/EU representations to international organisations; and thirdly, Commission/EU representations to disputed territories, such as Palestine).

17. D. SHAMBAUGH, E. SANDSCHNEIDER, H. ZHOU, *op.cit.*, pp.306-308.

18. P. DUCHATEAU, *La Chine et l'Europe*, in: *Revue du Marché Commun et de l'Union Européenne*, 474(2004), p.10.

19. Interview with a European diplomat on September 12, 2011, in Beijing; [Major Events in EU-China Relations], Xinhua Online, 29.09.2010, http://www1.china.com.cn/international/txt/2010-09/29/content_21034963.htm (retrieved 31.08.2011).

operation Agreement. The opening of a Commission Delegation in Beijing three years thereafter “was a logical consequence”.²⁰

Not only did the EC increase the number of offices abroad. It also incrementally equipped them with more tasks, rights and increasingly professional staff. Starting in the 1970s, more and more Delegations enjoyed full diplomatic status and protection, long before the set-up of the Common Foreign and Security Policy (CFSP). Also, the contract staff was largely replaced by Commission officials. Yet, the Commission still lacked the professionalism of national diplomatic services. Also, the Heads of Mission (HOMs) were not yet on par with the member state Ambassadors. As the Lisbon Treaty has transformed Commission Delegations into Union Delegations, the HOMs now carry the official title ‘European Union Ambassadors’.²¹ By now they certainly constitute an integral part of the community of European diplomats abroad.

Let us now take a closer look at the Commission/EU Delegation in Beijing. As leadership is key to understand EU external relations, we will analyse the terms of each of the five EU Ambassadors to China in turn, from 1988 until today. EU internal developments and external triggers that widened and deepened the role of the Union’s presence in Beijing will be embedded in the analysis. The study of the Delegation includes the Ambassadors’ profiles; the main tasks and human resources during each period; the relationship between the Delegation and the local member state embassies; and the Delegation’s role vis-à-vis the Chinese authorities. The analysis is backed by a rich variety of primary sources, such as original Commission/EU documents, newspaper articles, as well as interviews with diplomats from Europe and China.

1988-1994: Head of Delegation Pierre Duchâteau

The first Head of the Commission Delegation was Pierre Duchâteau. He led the Beijing representation from 1988 until 1994. With 30 years of work experience in the Commission, he knew Brussels from the inside out. The lawyer and son of a French diplomat spent the first years of his career at Euratom and in the executive floor of the Commission. In 1974, he became the Europe-Director of the External Relations

20. Email correspondence with a European diplomat on July 8, 2011; Interview with a European diplomat on September 12, 2011, in Beijing; Telephone interview with a European diplomat on September 19, 2011; COUNCIL OF THE EUROPEAN UNION, *Council Regulation concerning the conclusion of a Trade and Economic Cooperation Agreement between the European Economic Community and the People's Republic of China*, in: *Official Journal*, 19.09.1985.

21. V. DIMIER, M. MCGEEVER, *Diplomats Without a Flag: The Institutionalization of the Delegations of the Commission in African, Caribbean and Pacific Countries*, in: *Journal of Common Market Studies*, 3(2006), pp.483-505; J. MORAN, F. PONZ CANTO, op.cit., pp.32-33, 44; D. SPENCE, op.cit., p.65; Interview with a European diplomat on September 12, 2011, in Beijing; EU Delegation to China and Mongolia, *European Union Enters New Era as Treaty of Lisbon Comes into Effect on Dec 1*, 25.11.2009, http://eeas.europa.eu/delegations/china/press_corner/all_news/news/2009/20091125_03_en.htm (retrieved 06.09.2011).

Directorate. A decade later he embarked on his first ambassadorial post to the OECD in Paris. The job as Head of Delegation in Beijing was his last posting before retirement.²²

Duchâteau and his successors' seniority makes clear that Brussels attached much importance to the EC's presence in Beijing. Already back then it seemed common to call the Head of the Commission's Delegation 'EU/EU Ambassador'. Duchâteau was positively received by the Beijing-based European Ambassadors. The quality of this relationship however heavily depended on Duchâteau staying in his territory of competences. He and the Delegation staff were experts in commercial, agricultural and development policy. The member state Ambassadors by contrast were clearly in charge of political matters.²³

Nevertheless, trespassing into a 'forbidden territory' became possible in practice, for example at the occasion of the weekly meetings of the EC member state Ambassadors. During these meetings, Duchâteau 'traded' information on the Chinese position concerning WTO accession for political information. He thereby achieved full involvement in the Troika meetings. But the events at Tiananmen Square in 1989 made the limitations clear again: the EC-PRC economic dialogue was not resumed until the member states agreed to unfreeze political contacts to the PRC. Delors wanted to mitigate such barriers and asked Duchâteau to prepare a meeting with the PRC's Foreign Minister of the time, Qian Qichen. After a year of negotiations, Duchâteau and his team managed to bring Qian to Brussels. This strengthened the political dimension of the EU-China relationship. Nevertheless, over 90 percent of the Delegation's funds were used for the so-called EU-China Dairy Project, which was basically an "effort to reduce Europe's milk powder mountains".²⁴

Practically, the Beijing Delegation already functioned as a local manager and mediator of the European Parliament's (EP) delicate relations with the PRC. Legally, this function was only stipulated 20 years later.²⁵ In December 1992, the EP adopted a resolution in which it strongly criticised the human rights situation in Tibet. Even though Pierre Duchâteau only represented the Commission, he was summoned by the PRC's Foreign Ministry (MOFA). It was also the Head of the Commission Delegation whom the Chinese government officially invited to visit Lhasa in order to "check the accusations made by Parliament". Duchâteau was accompanied by eleven other EU member state Ambassadors when the trip took place in May 1993. He

22. Historical Archives of the European Union [henceforth: HAEU], European Oral History, All Programmes of Interviews, European University Institute, Florence, 1994-2009, p.114. Ibid.

23. Cf. Telephone interview with a European diplomat on September 19, 2011; P. DUCHATEAU, op.cit., p.10. HAEU, *Histoire Interne de la Commission Européenne 1958-1973*, Interview with Pierre Duchâteau by Yves Conrad and Anais Legendre on December 12, 2003, Catholic University Leuven, Brussels, p.22.

24. European Commission, internal document, September 1995, p.1; Interview with a European diplomat on September 12, 2011, in Beijing.

25. P. DUCHATEAU, op.cit., p.12; COUNCIL OF THE EUROPEAN UNION, *Council Decision ...*, op.cit., Art. 5(7).

thereby led the “highest level foreign delegation” since the PRC allowed political delegations to visit Tibet.²⁶

1994-2001: Head of Delegation Endymion Wilkinson

Shortly thereafter, Duchâteau retired and the British Endymion Wilkinson took over. Wilkinson had about ten years less work experience in the European Commission than Duchâteau at the time of arriving in Beijing.²⁷ However, in the person of Wilkinson a reputable China-expert was to head the Delegation for the following six years. Endymion Wilkinson had entered the Commission in 1974 and became in the same year the first *chargé d'affaires* of the Commission Delegation in Tokyo. Only one year later he accompanied Commissioner Soames to Beijing to establish EU-China diplomatic relations.²⁸

Similar to his predecessor, he was already referred to as the ‘EU Ambassador’ or the ‘EU Representative’ in newspapers and reports.²⁹ Whereas the Commission itself refused to call its Heads of Delegation ‘Ambassadors’, Wilkinson presented his credentials to the PRC’s Head of State, just like the member state Ambassadors. He was also a very respected colleague, not least because of his knowledge of China and his Mandarin skills.

Especially in the aftermath of 1989, the profile of the EC and its Delegation in the PRC was quite low. Suitable premises for the Commission Delegation first had to be organised and the Delegation personnel had to be reshuffled. This cumbersome task reflects that the Commission still lacked professionalism in managing its overseas offices. Moreover, the EC was “barely known” to the Chinese people. They at best associated it with the aforementioned milk project. It was therefore decided to di-

26. R. BARNETT, *High Level Commission Delegation to Visit Lhasa May 17th to 22nd*, Tibet Information Network, Montreal, 08.05.1993, http://www.tibet.ca/en/newsroom/wtn/archive/old?y=1993&m=5&p=8-2_1 (retrieved 01.09.2011).
27. EUROPEAN SOCIETY PEKING UNIVERSITY (EUS), [*Members of European Society (EUS) Meet With Former EU Ambassador Prof. Endymion Wilkinson*], 20.10.2006, <http://web5.pku.edu.cn/euc/chnhome/061025.htm> (retrieved 02.09.2011).
28. HARVARD BUSINESS SCHOOL, *Transition. Exploring China's Path Forward*, Harvard China Review, Sixth Annual Conference, 12.04.2003, <http://harvardchina.org/www/backup/conference/conf2003/speakers.html#WilkinsonEndymion> (retrieved 02.09.2011); S. KAWASAKI, *Diplomatic Relations between Japan and the European Communities*, Ministry of Foreign Affairs of Japan, Tokyo, 01.01.2009, http://www.mofa.go.jp/mofaj/press/pr/pub/geppo/pdfs/09_1_1.pdf (retrieved 02.09.2011); TSINGHUA UNIVERSITY LIBRARY, *Túshū guǎn jǔxíng wèi gēnshēn jiàoshòu zèng shū yìshì*, Tsinghua University, Beijing, 14.07.2005, http://oldweb.lib.tsinghua.edu.cn/homepage/wenku_view.jsp?id=1623 (retrieved 02.09.2011); Interview with a European diplomat on September 12, 2011, in Beijing.
29. *EU, China to Resume WTO Talks "Very Shortly": EU envoy*, 18.04.2000, in: *People's Daily*, http://english.peopledaily.com.cn/english/200004/18/eng20000418_39162.html (retrieved 20.09.2011); A. REYES, *Gearing Up for WTO*, in: *Asia Week*, 25.04.2000, <http://edition.cnn.com/ASIANOW/asiaweek/foc/2000/04/25/> (retrieved 20.09.2011).

versify and to raise the profile of the EC in China. The main areas next to agricultural cooperation were education, business cooperation, the environment, legal cooperation, information and media, and democracy in rural areas.³⁰ The implementation of these goals was project-based. Despite resistance from Europe, where China still ranked low on politicians' agendas, about 40 different projects were launched worth 250 million ECU.³¹ A well known example is the China Europe International Business School (CEIBS) which is now among the top business schools worldwide. Moreover, primary schools in Gansu province were modernised with EC-money. The Delegation also helped the city of Shenyang to develop its tourism industry. In addition, the EU emerged as a leader in the field of environmental protection in China.³²

The Delegation's increasing profile was firmly based on the flourishing trade relations between the EU and China rather than on traditional high politics. Ambassador Wilkinson was a frequent guest in the Ministry of Commerce but more rarely seen in the MOFA. This does not come as a surprise as China had become the EU's fourth biggest trading partner. More importantly, during Wilkinson's term, China applied for membership in the World Trade Organisation (WTO). The accession negotiations 'on the ground' were dealt with by the Commission Delegation, not by the single member state embassies.³³ Trade matters thus kept dominating the Delegation's portfolio and it clearly did not deal with certain 'high political' matters, such as consular or military affairs. Yet, the fact that then Trade Commissioner Pascal Lamy and Endymion Wilkinson enjoyed the Union members' "total support" to handle the WTO negotiations gave the Delegation the edge to do more.³⁴ Through the many projects it gained an expertise in a growing number of policy domains. This raised the Delegation's potential as a general coordinating force of European diplomacy in Beijing. In fact, Ambassador Wilkinson considered it his main task to make clear to the Chinese authorities that there are common European interests. Thus, the Delegation's coordinating role increased and did not limit itself to trade policy. After

30. Interview with a European diplomat on September 12, 2011, in Beijing; European Commission, internal documents, March 1995, p.2 and September 1995, p.2.

31. Before 1994, the Commission Delegation spent most of its budget (about 40 Million ECU) on agricultural cooperation. See: Interview with a European diplomat on September 12, 2011, in Beijing.

32. China-Europe International Business School, CEIBS Establishment, <http://www.ceibs.edu/today/establishment/chinaeu/index.shtml> (02.09.2011); *Business School Rankings*, in: *Financial Times*, <http://rankings.ft.com/businessschoolrankings/ceibs/global-mba-rankings-2011#global-mba-rankings-2011> (retrieved 20.09.2011); *Sino-EU Environment Project Launched in Liaoning*, in: *People's Daily*, 11.12.1999, <http://english.peopledaily.com.cn/english/199912/11/eng19991211B108.html> (retrieved 02.09.2011); *Project to Reduce China's Vehicle Emission*, in: *People's Daily*, 10.11.2000, <http://www.china.org.cn/english/2000/Oct/2693.htm> (retrieved 02.09.2011).

33. Interview with a Chinese diplomat on July 19, 2011, in Beijing; P. LE CORRE, *L'Europe se ferait-elle en Chine?*, in: *Perspectives Chinoises*, 31(1995), p.20; Interview with a European diplomat on September 12, 2011, in Beijing.

34. [Economic Storm], in: *Building the New Economy: What Does WTO Mean for China?*, October 2000, <http://www.shu.edu.cn/Admiss/guoshang/oldpage/ST/contemporary/ce0010013.htm> (retrieved 02.09.2011).

all, economics and politics are “in practice [...] indivisible”.³⁵ This reflects an upcoming task role of the Commission Delegation to China back at that time, which consisted in implementing a major goal of the Maastricht Treaty: a ‘Common’ Foreign and Security Policy.

In line with the incremental spill-over logic, which explains much of the EU’s development since its beginnings, the Delegation’s development consisted of incremental, pragmatic steps. To advance the CFSP ‘on the ground’ more high-level political coordination was necessary, e.g. through visits of the EU Presidency. But the organisation of visits has been and continues to be one of the most time-consuming jobs for embassies and for Commission/EU Delegations alike.³⁶ Although the number of European officials in the Delegation had grown from 7 in 1994 to 13 in 2000, this was not an easy task.³⁷

2001-2005: Head of Delegation Klaus Ebermann

Under the next Ambassador, Klaus Ebermann, the Delegation-staff immediately doubled, which was mainly due to the deconcentration policy. This policy gave Delegations worldwide much more leeway to implement their projects. With the increased manpower, representative tasks could be handled more easily, too, such as the visits of as many as eight European Commissioners to Beijing in 2003.³⁸ For his own first visit to Europe in May 2004, the PRC’s Prime Minister Wen Jiabao reserved ten days. The EU’s headquarters in Brussels were his final stopover. With flourishing personal relations of the leaders on both sides and without major critical political events, the EU-China relations underwent a “golden period” during Ebermann’s term. The Ambassador not only called the EU and China “trading partners” but also “best friends”. Nevertheless, the good relations were still anchored in economics. In 2003, China was the EU’s third most important trading partner while the EU ranked second

35. European Commission Delegation to China and Mongolia, Public Statement of Objectives, 1994; P. LE CORRE, *op.cit.*, p.20-21; European Commission, internal document, March 1995, pp.1-6; Interview with a European diplomat on September 12, 2011, in Beijing.

36. E. HAAS, *Beyond the Nation-State: Functionalism and International Organization*, Stanford University Press, Stanford, 1964; Email correspondence with a European diplomat on 08.07.2011.

37. NB: One of the seven European officials only worked part time for the Beijing Delegation. See: Interview with a European diplomat on September 12, 2011, in Beijing; C. ASHTON, *Staff in Commission Delegations, Answer to Parliamentary Question by MEP Ingeborg Gräßle from September 7, 2009, Given by Baroness Ashton on Behalf of the Commission*, Annex tables, Brussels, 17.12.2009, <http://www.europarl.europa.eu/sides/getAllAnswers.do?reference=E-2009-4251&language=EN> (retrieved 02.09.2011).

38. Telephone interview with a European diplomat on September 19, 2011; The China News Digest, Sino-EU Relationship to Benefit from Growth, April 2004, <http://thechina.biz/china-economy/sino-eu-relationship-to-benefit-from-growth/> (retrieved 02.09.2011).

for China, after the US.³⁹ The Commission Delegation in China was moreover leading in implementing rules and regulations following China's WTO accession.⁴⁰ Another factor was the upcoming enlargement. Consequently, the EU became China's top trading partner in 2005. This clearly raised the Delegation's profile and strengthened the bonds between Commission staff in Beijing and Chinese governmental officials.⁴¹

Building upon this advantageous position, Ebermann sought to foster the Delegation's professionalism and its political dimension. He hired a deputy Head of Mission from the Commission's middle management layers and promoted the Sino-EU relationship as being "much more than a simple trade in goods". Regarding Beijing's diplomatic list, he managed that the Commission Delegation was put into the same category as the EU member states and not amongst the international organisations.

When Ebermann arrived in Beijing he had served 27 years within the Commission. Throughout his career, the lawyer and economist held positions similar to Duchâteau, such as in the Commission Cabinet and in the External Affairs Directorate. Between 1984 and 1988 he was in charge of managing and professionalising Delegations worldwide. During this time he also negotiated the *accord du siège* for the Commission Delegation to China. Beijing was however Klaus Ebermann's first posting as Head of Delegation.⁴² Under his command, previous projects were continued and expanded, notably in the area of science and technology. These projects were not only

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39. China Radio International, Chinese Premier Leaves for Europe Visit, 02.05.2004, <http://www.china.org.cn/english/2004/May/94552.htm> (retrieved 02.09.2011); Q. WANG, *EU Delegation in Beijing Celebrates Europe Day*, in: *China.org.cn*, 12.05.2004, <http://www.china.org.cn/english/international/95216.htm> (retrieved 02.09.2011); *We Are the Best Friends – An Interview with Mr. Klaus Ebermann, EU Ambassador to China*, in: *People's Daily*, 09.06.2004, http://english.peopledaily.com.cn/200406/10/eng20040610_145870.html (retrieved 02.09.2011).
 40. Cf. K. EBERMANN, *Speech at the China Investment Forum in Beijing*, 07.12.2001, <http://www.china.org.cn/english/international/95216.htm> (retrieved 02.09.2011).
 41. People's Daily Online, EU Becomes China's Largest Trading Partner, 10.01.2005, http://news.xinhuanet.com/english/2005-01/10/content_2439568.htm (retrieved 05.09.2011); Telephone interview with a European diplomat on September 19, 2011.
 42. British University in Egypt, HE Klaus Ebermann, Former Ambassador of the European Commission Delegation at BUE, n.d., <http://www.bue.edu.eg/pdfs/HE%20Klaus%20Ebermann,%20Former%20Ambassador%20of%20the%20European%20Commission%20Delegation%20at%20BUE.pdf> (retrieved 05.09.2011); HAMBURG CHAMBER OF COMMERCE, *The Hamburg Summit: China Meets Europe 2004: Speakers*, <http://www.hamburg-summit.com/looking-back/hamburg-summit-china-meets-europe-2004/speakers-2/> (retrieved 05.09.2011).

related to environmental fields. Ebermann and his team also pushed for space technology cooperation, a much more sensitive area.⁴³

Although the premises of the Commission Delegation appeared rather modest and grey,⁴⁴ the cooperation and coordination work that went on inside was intense and manifold. As the Constitutional Treaty took shape, there was a clear prospect that the Commission's missions would be transformed into Union Delegations. As previously discussed, the Delegation in Beijing already functioned as a representation of the Union in many ways. Nevertheless, it was now clear that it would soon officially represent the EU as a whole. At that time, not only the Chinese authorities and the business community but also the general public became more aware of the European Union. Apart from China's WTO accession, the introduction of the Euro in 2002 was central in this regard. Accordingly, the role of the EU Ambassador as a middle man in EU-China public diplomacy increased, too.

Given the EU's profile in trade matters, the expectations on the part of China were high that the EU, and thus the Commission Delegation, would emerge as a unifying actor in political terms, too. Due to the nature of CFSP, the Delegation could not live up to these expectations. Ambassador Ebermann publicly clarified that the EU did not just take away all sovereignty from its nation-states.⁴⁵ Respectively, the Commission Delegation complemented the work of the local member state embassies instead of interfering in their competence areas. This distinction became more blurred under the following Ambassador.

2005-2010: Head of Delegation Serge Abou

During Serge Abou's ambassadorial term in Beijing the transformation of Commission Delegations into European Union Delegations took place. Having served in the Commission since 1974, Serge Abou belongs to the same generation of EU officials as Klaus Ebermann and Endymion Wilkinson. Differently from his predecessors, he has a background in mathematics and econometrics. Accordingly, he started his career

43. *China, EU to Enhance Cooperation in 2002*, in: *People's Daily*, 03.01.2002, <http://spanish.china.org.cn/english/investment/24678.htm> (retrieved 05.09.2011); CHINAHIGHTECH.com, [*European Commissioner for Research Visits Tsinghua to Inspect Environmentally Friendly Electric Cars*], 14.04.2004, http://www.chinahightech.com/views_news.asp?Newsid=3393833333 (retrieved 05.09.2011); [*EU and China Discuss Sustainable Development Strategy*], in: *People's Daily*, 29.08.2011, <http://www.envir.gov.cn/info/2001/8/829631.htm> (retrieved 05.09.2011); Xinhua, *EU Helps Liaoning Tackle Environmental Problems*, 11.09.2002, <http://china.org.cn/english/China/42715.htm> (retrieved 05.09.2011); Agence France Presse, *China Signs Agreement with EU on Galileo Project*, 30.10.2003, <http://www.spacedaily.com/2003/031030124730.ppien2mq.html> (retrieved 05.09.2011).

44. [*EU ambassador claimed middleman*], in: *Life Week*, July 2001, <http://www.qikan.com.cn/Article/slzk/slzk200130/slzk20013008.html> (retrieved 05.09.2011).

45. K. EBERMANN, *Speech at Peking University*, in Beijing, 23.10.2002, <http://www.aisixiang.com/data/2020.html> (retrieved 05.09.2011).

in the Directorate General (DG) for Economic and Monetary Affairs. Thereafter, he was entrusted with a key position in the DG Development. Furthermore he was Director-General for External Relations and Director for Trade Defence Policy. Similar to his predecessors, he also served in the executive floor of the Commission.⁴⁶

Abou's experience in a variety of thematic fields was certainly advantageous to cover the increased range of areas that the Commission Delegation in Beijing was working on. These were notably trade and investments and "hundreds of projects" in research and higher education cooperation. Environment, energy and climate policy remained "highly visible" in China, too, despite the modest role of the EU at the Copenhagen Climate Conference in 2009. Some development projects were implemented but with a decreasing tendency. Given the EU's growing visibility, public diplomacy had become a major task. Ambassador Abou was frequently present in the Chinese media. In this context, a central project organised by the Delegation was the EU's pavilion at the world exhibition 'EXPO' in Shanghai.

Most time-consuming was the organisation of the many high-level visits of EU- and PRC-officials and politicians, who now eagerly queued to visit Beijing. Respectively, reporting on China and maintaining good relations with the Chinese authorities became even more important. Interestingly, this was rather similar compared to the work of the EU member states' embassies. In that sense, the Delegation's profile can be considered as classically diplomatic. There are both national and EU-diplomats who remind that bilateral issues between EU members and China were clearly dealt with by the member state embassies. Others consider this distinction increasingly blurred and thus questionable. The Delegation's human resource development during Abou's time provides evidence for the further penetration of the Delegation into traditional diplomacy. Although the majority of new staff supported the trade section, an area of clear Union-competence, the political section was reinforced, too.⁴⁷

Serge Abou's term is particularly relevant as it marks the transition for his Delegation from a mere representation of the Commission to a European Union Delegation. Serge Abou was the first Head of Delegation who officially carried the title 'Ambassador of the European Union to China'. Only 54 out of all full EU Delegations

46. Salzburg Global Seminar, China: The New Global Economic Engine? Profiles, 05.-10.12.2010, http://www.salzburgglobal.org/current/includes/FacultyPopUp.cfm?IDSPE-CIAL_EVENT=1180&IDRecords=117901 (retrieved 05.09.2011).

47. Email correspondence with a European diplomat on July 8, 2011, in Beijing; Interview with a Chinese diplomat on July 19, 2011, in Beijing; See also L. GROEN, A. NIEMANN, *EU Actorness and Effectiveness Under Political Pressure at the Copenhagen Climate Change Negotiations*, Conference Paper, 12th European Union Studies Association Conference, Boston, 03.-05.03.2011, http://euce.org/eusa/2011/papers/5i_groen.pdf (retrieved 05.09.2011); EU Delegation to China and Mongolia, Roof Goes on EU Belgian Pavilion for Shanghai Expo; Veil Comes off on Exciting EU Exhibit, 13.11.2009, http://eeas.europa.eu/delegations/china/press_corner/all_news/news/2009/20091113_01_en.htm (retrieved 06.09.2011); Interviews with European diplomats between October and November 2010.

worldwide took over the Lisbon-tasks already in January 2010.⁴⁸ Most of them were located in Africa. In order not to diminish the profile of the Spanish Presidency of the EU Council, Delegations to former Spanish colonies or to third countries with whom an EU-summit was scheduled were exempt from the early transformation. This shows that the member states were wary of allowing a quick Lisbon-takeover by Delegations in strategically important places. Interestingly, the PRC was the notable exception to that rule. There are two main reasons why the Beijing Delegation was transformed early. First, the team in Beijing simply was “ready“, given its size and its expertise. Secondly, HR/VP Ashton sought to demonstrate a common European voice towards the PRC so as to push the EU-China strategic partnership.⁴⁹

When it comes to the transition from the Commission- to the Union Delegation, the incremental spillover mechanism is again very visible. Only since Lisbon the Head of the Delegation in Beijing was officially mandated to speak on behalf of the EU-27.⁵⁰ De facto, he did so before, e.g. by accompanying the Ambassador of the member state in charge of the rotating EU Council Presidency to meetings with the Chinese authorities, thereby “inspiring [the national Ambassador] what [...] to say”. In that sense, Abou can be viewed as the “animator of [the] circle of Ambassadors largely before being their Chairman”.

The Union’s member state diplomats in Beijing welcomed that the EU took “the responsibility of the coordination and representation of Europe”. Key motives were their busy bilateral schedules and the EU Delegation’s professionalism. Another factor was the location. In contrast to e.g. Washington, relations with Beijing are in constant flux. Also, no member state has a very loaded history with China as for instance the former colonies have. This could not do away with unanimous decision making in CFSP or with the disunity on matters such as the arms embargo and the market economy status. Nevertheless, it relativises these two issues and the related prophecies of doom that the EU is not and will never be capable of constructing a ‘common vision’ for Sino-European relations.⁵¹

The 14 different constellations of informal EU coordination meetings have been a practical means to discuss, coordinate and present a common position in Beijing. These are regularly scheduled meetings of diplomats from the EU Delegation and

48. A. RETTMAN, *EU Commission 'Embassies' Granted New Powers*, in: *EUObserver*, 21.01.2010, <http://euobserver.com/24/29308> (retrieved 06.09.2011). Not all Union representations can be considered 'full Delegations' as some of them are led by a *chargé d'affaires* and are thus dependent on a neighbouring Delegation. Others may function similarly to full Delegations but carry a different name for political reasons, such as the 'European Union Technical Assistance Office' in Palestine. See: European Union, *The Role of the Office of the European Union Representative*, http://eeas.europa.eu/delegations/westbank/about_us/delegation_role/index_en.htm (retrieved 06.09.2011).

49. Interview with a European diplomat on October 7, 2010, in Beijing; A. RETTMAN, *Ashton Names EU Foreign-Service Priorities at Low-Key Launch Event*, in: *EUObserver*, 02.12.2010, <http://euobserver.com/18/31413> (retrieved 06.09.2011).

50. A. RETTMAN, *EU Commission 'Embassies' Granted ...*, op.cit.

51. Interviews with European diplomats between October and November 2010, in Beijing, and Email correspondence with a European diplomat on July 8, 2011; Interview with a European diplomat on October 7, 2010, in Beijing; P. DUCHATEAU, op.cit., p.10; J. FOX, F. GODEMENT, op.cit.

from all 27 member state embassies in Beijing on various levels (i.e. Head of Mission, Deputy Head of Mission etc.) and concerning a diversity of thematic areas (i.e. trade counsellors, science and technology, etc.). Although the scheme has not been based on formal instructions from Brussels, it now reflects the Council working groups. Back in Pierre Duchâteau's time, only the Heads of Missions met regularly.⁵² When Serge Abou started off in Beijing, the scheme consisted of about five such groups. Already before Lisbon, the Commission Delegation was vital in providing expertise. Sometimes EU diplomats even acted as 'shadow-chairpersons'. Small member state embassies particularly benefited from this. Nevertheless, before Lisbon the meetings usually took place in the embassy of the member state that held the Council Presidency. Diplomats from that embassy set the agenda and chaired each meeting. When the Lisbon Treaty ended the rotating Presidency in third country capitals, these meetings were moved to the premises of the EU Delegation. Agenda-drafting as well as chairmanship are since then assumed by Union staff.⁵³

Reflecting the level of EU integration back home, some meetings may take place in member state embassies and be chaired by national diplomats, such as the culture- or the consular affairs group. But for practical reasons these groups are also hosted by the EU Delegation. To discuss sensitive issues, political counsellors sometimes meet in the bigger member state embassies as the Delegation is not yet equipped with a 'quiet room'. This example indicates that the EU Delegation has not yet fully reached the status of a Union-mission in the post-Lisbon sense. Such missions do not only continue to deal with the Union's sectorial policies. They now have an official mandate to handle classical diplomacy, such as foreign and security issues, on an everyday basis.⁵⁴ This is one of the central aspects being implemented under the next EU Ambassador, Markus Ederer.

2011-onwards: Head of Delegation Markus Ederer

Markus Ederer's appointment as EU Ambassador to China marks a sea change in the development of the EU's diplomatic service. He is among the first EU Ambassadors that have been selected by HR/VP Ashton under the new Lisbon rules.⁵⁵ The most remarkable innovation is the integration of the national foreign services within the EEAS. This is implemented through the recruitment of at least one third of diplomats from the member states' diplomatic corps instead of the European Commission.

Markus Ederer is a high-ranking national diplomat who served from 1990 until 2010 in the German Federal Foreign Office. In contrast to his predecessors, he is far

52. P. DUCHATEAU, *op.cit.*, p.11.

53. Interviews with European diplomats between October and November 2010, in Beijing.

54. Telephone interviews with European diplomats between April and July 2011.

55. T. VOGEL, *Ashton Names EU Ambassadors*, in: *European Voice*, 15.09.2010, <http://www.europeanvoice.com/article/2010/09/ashton-names-eu-ambassadors/68862.aspx> (retrieved 07.09.2011).

from retirement and is among the younger European Ambassadors posted in Beijing. Similar to the majority of his predecessors, Beijing is Ederer's first ambassadorial post. German media rejoiced that with him, for the first time in history, the European Union has an own Ambassador to China. In legal terms this is correct. However, we know from the above analysis that all previous Heads of Delegation in Beijing have already been referred to as "EU Ambassadors". Ederer's Curriculum Vitae gives evidence of his professionalism as a diplomat also in a European context. He worked in Brussels for three years as the Head of Cabinet in charge of coordinating the Stability Pact for South Eastern Europe. Nevertheless, especially small member states may have been sceptical regarding Ashton's choice for a national diplomat from a big member state to represent the Union in China. After all, there have been instances when large member states, sometimes together with the Commission Delegation, have gone their own way in Beijing.⁵⁶

The current Ambassador and his team are very conscious of the new presidential responsibility. They need to strike a delicate balance. On the one hand, the EU Delegation has a clear Treaty-based mandate to coordinate European diplomacy and to speak for the Union as a whole. On the other hand, EU diplomats in Beijing are careful not to claim a new leadership role at the expense of the member states. As a result, the new EU Ambassador seeks the role of a 'Chief Facilitating Officer' of all member states' interests. This is in line with the new role of the President of the EU Council. In order to do so, the EU Delegation team strives for a more transparent and "bottom-up" style of cooperation with the local member state embassies. This is particularly necessary when coordinating CFSP in Beijing as the unanimity principle remains in place. Practically, information sharing and common "local assessments on particular subjects should be promoted as much as possible". Notwithstanding these efforts, the EU Delegation is in charge, even to the extent that embassies sometimes take over reports drafted by the Delegation. Another method favouring team-work, would consist of a modularised analysis where the EU Delegation would provide the main text and member state embassies would add specific aspects, depending on their expertise. In some areas, this method is already used. Not only does this imply a certain reversal of the EU turning into a principal rather than remaining the member states' agent. Also, smaller national embassies in terms of human resources may be the mid-

56. Körber-Stiftung, Bergedorfer Gesprächskreis, Teilnehmer: Dr. Markus Ederer, Vita, <http://www.koerber-stiftung.de/internationale-politik/bergedorfer-gespraechskreis/teilnehmer/teilnehmer-detail/vita/ederer.html> (retrieved 07.09.2011); EU Delegation to China and Mongolia, Curriculum Vitae Dr. Markus Ederer, http://eeas.europa.eu/delegations/china/documents/about_us/me_cv_en.pdf (retrieved 07.09.2011). See also F. AUSTERMANN, *Political Theory versus Diplomatic Practice: Bridging the Sovereignty-Gap of EU-China Relations*, in: *EU External Affairs Review*, July 2011, p.57; *Von Rimscha wird Planungschef im Auswärtigen Amt*, in: *Tagesspiegel*, 17.12.2010, <http://www.tagesspiegel.de/politik/von-rimscha-wird-planungschef-im-auswaertigen-amt/3627776.html> (retrieved 07.09.2011); Auswärtiges Amt, Pressemitteilung: Europäischer Auswärtiger Dienst gibt Europa in der Welt eine Stimme, 01.12.2010, <http://www.auswaertiges-amt.de/DE/Infoservice/Presse/Meldungen/2010/101201-EAD.html> (retrieved 07.09.2011); Interviews with European diplomats between October and November 2010, in Beijing.

long-term consequence of this evolution. In any event, this development indicates a big step in centralising diplomacy at the EU-level.⁵⁷

The EU Delegation's role vis-à-vis the EEAS centre in Brussels is strengthened as well. Expertise that used to be considered technical before is now being politicised. As a European diplomat puts it, more information 'travels in a Maybach rather than by bike from Beijing to Brussels': instead of a simple email, selected information is encrypted through the Ambassador's office and directly delivered to Ashton's, Barroso's and van Rompuy's desks. While preparing the 2011 EU-China summit,⁵⁸ certain items were thus put high up on the agenda. Consequently, the Beijing Delegation becomes a key shaper of EU-China relations. To accomplish these tasks, the size of the political section has doubled. The Delegation's profile is also strengthened concerning the Union's representation to the Chinese authorities. It now conducts diplomatic *démarches* in the name of the EU. The MOFA addresses the Delegation for all EU-related matters and asks to pass on the message to member state embassies, to the detriment of the embassy of the country that holds the EU Council Presidency back in Europe. Depending on the Ambassador's ambition, that embassy still organises events, but these are "second-tier" and must be coordinated with the EU Delegation. In the MOFA's perception, this has considerably increased coherence of the EU in China as the Presidency's face does not change every six months anymore. Since personal relationships are particularly vital in the Chinese context, the new Lisbon-rules are promising to develop 'one European voice in Beijing'. Still, a Chinese diplomat has also observed an incremental change: after all, the previous Ambassador Abou already coordinated on all policy-fronts.⁵⁹

Raising the Delegation's political profile, Markus Ederer was quick to take action in human rights matters, the most sensitive issue in China-EU relations. Only one month after his arrival in Beijing, he spoke out against "the physical obstruction and detention" of journalists during the so-called 'Jasmine-walks' which supported the

57. Telephone interview with a European diplomat on July 12, 2011; Interview with a Chinese diplomat on July 19, 2011, in Beijing; Interview with a European diplomat on July 22, 2011, in Beijing; EUROPEAN UNION, *Consolidated Versions of the Treaty on European Union ...*, op.cit., Art. 15(6c) and Art. 24(1).

58. Due to the number of summits to deal with the European debt crisis the EU-China summit was postponed from October 2011 to February 2012. See EUROPEAN COUNCIL, EU-China Summit Postponed, PRES/11/384, 21 October 2011, <http://europa.eu/rapid/pressReleasesAction.do?reference=PRES/11/384&type=HTML> (retrieved 14.05.2012); COUNCIL OF THE EUROPEAN UNION, European Union Fact Sheet: EU Relations with China, 14 February 2012, http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/127836.pdf (retrieved 15.05.2012).

59. Interviews with European diplomats between October and November 2010 and on July 22, 2011, in Beijing; Interview with a Chinese diplomat on July 19, 2011, in Beijing. See also K. HWANG, *Face and Favour. The Chinese Power Game*, in: *American Journal of Sociology*, 4(1987), pp. 944-974.

democratisation movements in Arabic countries.⁶⁰ A few weeks later, he protested against the detention of the Chinese artist Ai Weiwei.⁶¹

The EU's role in security policy and defence cooperation is another sensitive issue. Despite a clear demand from the Chinese side, controversy prevails among EU members. In the White Paper on China's National Defence in 2010, the Chinese government explicitly states that it "explore[s] ways to develop military ties with [...] the EU". Integration prospects in the 'highest' of politics areas, defence, remain modest, also after Lisbon. Nevertheless, regular consultation on crisis management between the EU and China are now part of the EU Delegation's portfolio. Practically, the Delegation seeks closer ties with the PRC's military personnel and coordinates with member states' embassies in an informal way, e.g. through ad hoc meetings, on relevant security issues. Through this informal working mode, the added value of security cooperation and coordination via the EU and its Delegation shall be demonstrated. From the Delegation's standpoint, it would be desirable to appoint a fully-fledged security advisor in order to achieve "symmetric access to information between Beijing and Brussels". After all, "[w]ith no uniform here [the PRC's Defence Ministry] will always be tempted to talk to uniforms from [the member states] first. This does not serve the EU interest".⁶²

Overall, the above analysis shows that the EU Delegation in Beijing has developed into the key local player in both internal coordination of EU Diplomacy towards China and regarding external representation towards the Chinese authorities. This development testifies to the widening and deepening of EU integration even for diplomatic representation, the supposedly last stronghold of high politics. Nevertheless, there are still limits in terms of speaking with "one voice in Beijing" which are addressed in the final section.

60. EU Delegation to China and Mongolia, Statement by the European Union, 28.02.2011, http://eeas.europa.eu/delegations/china/press_corner/all_news/news/2011/20110228_01_en.htm (retrieved 08.09.2011); *No Awakening, but Crush it Anyway*, in: *The Economist*, 03.03.2011, <http://www.economist.com/node/18291529> (retrieved 08.09.2011).

61. EU Delegation to China and Mongolia, Statement by the Head of Delegation of the European Union to China on the Increasing Use of Arbitrary Detention in China, 05.04.2011, http://eeas.europa.eu/delegations/china/press_corner/all_news/news/2011/20110405_01_en.htm (retrieved 08.09.2011); M. BRISTOW, *Concern Mounts Over Missing Chinese Artist Ai Weiwei*, in: *BBC*, 05.04.2011, <http://www.bbc.co.uk/news/world-asia-pacific-12971879>; *Political Activism Cannot be a Legal Shield*, in: *Global Times*, 08.04.2011, http://europe.chinadaily.com.cn/opinion/2011-04/09/content_12297862.htm (retrieved 08.09.2011).

62. Chinese Government's Official Web Portal, China's National Defence in 2010, http://www.gov.cn/english/official/2011-03/31/content_1835499_11.htm (08.09.2011); Telephone interview with a European diplomat on July 12, 2011.

Conclusion, Limitations and Outlook

As the biggest of the emerging economies and upcoming political powers, China is important to every EU member state. Thus, the new centre stage which the Delegation takes in EU-matters does not loosen the strong bilateral ties of the 27 member states of the European Union with the PRC. Several aspects support this view. Firstly, all 27 member states maintain a diplomatic presence in Beijing. The majority has consulates in other Chinese cities in addition. Secondly, despite tight budget constraints, especially in the current economic climate, none of the embassies in Beijing has experienced any downsizing. By contrast, most of them have even reinforced their human resources over the past years.⁶³

As mentioned before, this is also the case for the CFSP. Despite the clearly upgraded political role, the EU Delegation cannot do away with either unanimity in CFSP or with the diverging interests of member states. This makes it difficult to speak always with one voice in Beijing. One example is Ambassador Ederer's protest against the detention of Ai Weiwei. All member state Ambassadors agreed on the text, but the Delegation could not speak on behalf of the whole EU in this matter.⁶⁴ In a similar vein, it remains to be seen if the Delegation will eventually be provided with military staff. The fierce opposition of the UK against more EU-level centralisation in defence matters puts this into question.⁶⁵

The division of labour between the EU and the member states in Beijing seems to work very well according to the PRC's Ministry of Foreign Affairs. At the same time, there is the impression that the work of the Delegation no longer seems really different from that of the national embassies. This implies a duplication of resources with the Delegation becoming the embassy of the "28th Member State"⁶⁶ instead of a force of centralisation. Some European diplomats entirely agree with this interpretation. As of yet, it is also still uncertain whether the new mix of EU-level and national diplomats will fuse the best of both worlds or whether it will accumulate all disadvantages instead. The temporary inclusion of national diplomats within the EEAS may be problematic as they remain fully affiliated to the national services.

This indicates a certain eagerness of member states to send 'their' top-diplomats to Beijing. As a result, Beijing has to deal with a very special situation: both the Head and the Deputy Head of the Delegation come from national services. In many other

63. B. HOCKING, D. SPENCE, op.cit., p.3; Z. BO, F.AUSTERMANN, *EU Diplomacy After Lisbon: The Case of China. Embassy Staff Development in Beijing. Research Seminar at National University of Singapore*, 07.12.2010, http://www.eucentre.sg/events/69/EUChina_7.12.2010.pdf (retrieved 08.09.2011).

64. Interview with a European diplomat on July 22, 2011, in Beijing.

65. *European Union Military Headquarters: Britain Says It Will Block Proposed Plans*, in: *The Huffington Post*, 18.07.2011, http://www.huffingtonpost.com/2011/07/18/european-union-military-headquarters_n_901567.html (retrieved 21.09.2011).

66. I. GRÄSSLE, *A Critical Analysis: The Creation of the European External Action Service*, European Issue, in: FONDATION ROBERT SCHUMAN, *Policy Paper*, 94(14.02.2011), p.1, http://www.robert-schuman.eu/doc/questions_europe/qe-194-en.pdf (retrieved 19.12.2011).

places where a member state diplomat has become Head of Delegation, the Deputy is a Commission official. Leaving aside member state competition, this special situation in Beijing has resulted in considerable administrative obstacles. All Heads of EU Delegations have 'double-hats', just like HR/VP Ashton, meaning that they represent the EEAS as well as the European Commission. This is important because some parts of the European Commission have been integrated into the EEAS, such as DG Relex. The Commission however keeps responsibility over policy domains, such as development or trade. As a result, the EU Delegations are accountable to two institutions, the Commission and the EEAS. Consequently, the EU Delegation must keep the Commission finances and the EEAS' finances separate.⁶⁷ If the Deputy Head comes from a national diplomatic service, he or she can only speak and act for the EEAS. The Head of Delegation can therefore not share responsibilities properly with his or her Deputy when implementing Commission projects. The problem of speaking with one voice is thus not only rooted in the diversity of the 27 member states. It also comes down to the diversity and changing power-geometry of the EU institutions in Brussels. To develop administrative processes and a working division of labour, the EEAS as a whole and the EU Delegations in particular need time, before they can work as smoothly as the long-established national diplomatic services. But after all, the defining characteristic of the EU is its diversity. Maybe a more appropriate and realistic goal for the EEAS and its Delegations should not necessarily be to speak with one voice. As a high-level European diplomat suggested, they should compose a common text with one melody. That way, the EU, its members and its institutions may sing the same song from the same sheet of music and, by all means, with several voices.

67. T. VOGEL, *Ashton on Defensive Over EU's Diplomatic Service*, in: *European Voice*, 26.01.2012, <http://www.europeanvoice.com/article/imported/ashton-on-defensive-over-eu-s-diplomatic-service/73094.aspx> (retrieved 26.01.2012). <http://www.bbc.co.uk/news/world-asia-pacific-12971879>.

Book reviews – Comptes rendus – Buchbesprechungen

Gérard BOSSUAT, *Émile Noël, premier secrétaire général de la Commission européenne*, Bruylant, Bruxelles, 2011, 473 p. – ISBN 978-2-8027-2913-6 – 75,00 €.

Gérard Bossuat, historien de la construction européenne, entreprend ici la biographie d'Émile Noël, personnalité influente – mais de l'ombre – de la Commission européenne. De 1958 à 1987, Noël est le secrétaire exécutif tout d'abord, le secrétaire général ensuite de la Commission. En comptant ses jeunes années au Conseil de l'Europe, Noël est resté plus de trente ans au service des institutions et de l'idée européennes. De fait, cette biographie européenne analyse dans le détail le parcours d'un «grand commis de l'Europe» (p.3), son action, son rôle, son influence sur la Commission européenne ainsi que sur le processus de construction européenne, mais aussi son engagement, ses convictions. À travers l'homme, c'est un portrait de l'institution centrale de l'histoire communautaire qui se dessine: trente ans de succès et de crises de la Commission. L'ouvrage est basé sur des sources nombreuses et riches, qu'elles soient écrites: archives privées et publiques (européennes et nationales), dont le fonds Émile Noël (essentiel) déposé aux Archives historiques des Communautés européennes à Florence; ou bien orales.

Le (très) court chapitre ouvrant le livre évoque la jeunesse d'Émile Noël, les années de formation. Né à Constantinople en 1922, le jeune Émile grandit en France, à La Ciotat, puis à Aix-en-Provence où il fréquente le collège catholique. Il obtient son baccalauréat en 1939 avant d'être admis à l'École Normale Supérieure. Sa licence de mathématiques et de physique en poche, menacé de STO, il entre dans la clandestinité en 1943 et rejoint le mouvement *Résistance*. À la Libération, poursuivant son engagement, Noël participe à la fondation des *Camarades de la liberté*, mouvement syndical de jeunesse laïc, s'inspirant des «idées d'éducation populaire de l'époque» (p. 17). Présent en 1948 au congrès de La Haye, sa carrière européenne commence en 1950, après avoir rencontré le secrétaire général de la SFIO Guy Mollet, lorsqu'il est recruté comme secrétaire de la commission des Affaires générales de l'Assemblée consultative du Conseil de l'Europe. Deux ans plus tard, Noël dirige le secrétariat de l'Assemblée *ad hoc* chargée d'élaborer un projet de communauté politique européenne (CPE). Réunions, déplacements, conférences à l'échelle européenne sont quotidiens jusqu'en 1954, date à laquelle il est débauché par Mollet, alors président de l'Assemblée consultative du Conseil de l'Europe. Il le suit comme chef de cabinet, puis directeur adjoint du cabinet en 1956 lorsque Mollet est désigné président du Conseil en France. Émile Noël devient le «principal rédacteur des textes du président» (p.27) et travaille notamment sur les deux importants dossiers que sont les négociations du Marché commun et de l'Euratom.

C'est fort de son expérience au Conseil de l'Europe et auprès de Mollet que Noël est nommé à la Commission de la CEE (chapitre 2) en 1958, comme secrétaire exécutif sous l'autorité directe de son président, Walter Hallstein. Des missions de

coordination et d'administration (greffe, relations avec les autres institutions communautaires, cohésion des services) l'attendent à Bruxelles à un moment où tout est à mettre en place. Le développement de l'administration communautaire occasionne selon Noël lui-même «une marée montante de papiers» (p.50) et d'activités bureaucratiques. Mais l'homme de la IV^e République, fidèle de Mollet, doit aussi faire face aux crises et difficultés engendrées par le gouvernement de Charles de Gaulle (chapitre 3) qui vont jusqu'à empêcher le bon fonctionnement de la Communauté lors de la crise de la chaise vide. La «guérilla» (p.105) est alors féroce entre la diplomatie gaulliste, défiante à l'égard des institutions européennes, et la Commission. Cette crise a pour conséquence, malheureuse aux yeux de Noël, l'arrangement de Luxembourg en 1966 (recherche constante de l'unanimité; intergouvernementalité renforcée).

En 1967, la fusion des exécutifs des trois communautés (CECA, CEE, Euratom) donne naissance à la Commission unique. Noël est déjà incontournable à Bruxelles. Secrétaire exécutif, il devient alors secrétaire général de la Commission, fonction qu'il conserve jusqu'à sa retraite en 1987. En «bon mécanicien» (p.88), il est de ceux qui mènent à bien l'organisation de la nouvelle Commission, vaste chantier. Pendant vingt ans, il est le réel «pilote» de la Commission (chapitre 4) jusqu'à en incarner la mémoire. Il participe à la stratégie de la Commission, de la gestion du personnel aux affaires extérieures. Bossuat définit ainsi avec précision le rôle du secrétariat général. Noël jouit d'une grande crédibilité auprès des commissaires, directeurs généraux, hauts fonctionnaires, etc., de par sa mémoire des décisions prises et des discussions, sa capacité de compromis, sa force de travail et sa disponibilité. Il intervient dans l'organisation du travail de la Commission (préparation de l'ordre du jour des réunions et planification des délibérations), l'arbitrage des questions concernant le personnel, l'organisation des réunions internes (entre commissaires, chefs de cabinet, directeurs généraux), la circulation (et le contrôle!) de l'information. C'est ainsi qu'Émile Noël est devenu un «conseiller apprécié des présidents de la Commission», voire un guide pour certains (Franco-Maria Malfatti), même s'il est difficile de mesurer l'influence de Noël sur chacun des présidents.

Le rôle d'Émile Noël n'est pas cantonné à la Commission. Sa fonction de secrétaire général est en interaction constante avec les autres institutions communautaires (chapitre 5): Conseil des ministres, Comité des représentants permanents (Coreper), Parlement européen; mais également avec les gouvernements des États membres auprès de qui il assoie l'autorité de la Commission et défend sans relâche ses positions et son droit d'initiative. Noël est au premier rang du jeu institutionnel par lequel, malgré les obstacles, se développe «l'esprit communautaire» (p.249), mis à mal lors de la crise budgétaire de la Communauté des années 1974-1985 par exemple, suite à l'adhésion britannique (chapitre 6). La négociation par la Grande-Bretagne de la baisse de sa contribution tourne à la «confrontation épuisante» (p.262) pour Noël. Enfin, le secrétaire général est également actif dans les relations extérieures de la Communauté (chapitre 7): réception de personnalités, voyages avec le président de la Commission, etc. Dans sa vision du monde, les États-Unis et le monde méditerranéen occupent une place particulière, notamment la Turquie pour laquelle il manifeste un vrai «tropisme» (p.302).

L'analyse de la fonction, du rôle et de l'influence d'Émile Noël conduit logiquement l'auteur à s'intéresser aux convictions, à la pensée européenne de Noël (chapitre 8), laquelle s'est affinée parallèlement à son activité européenne. Noël est très proche du Comité d'action pour les États-Unis d'Europe et de Jean Monnet dont il relaye les intentions à la Commission «les discutant aussi, les enrichissant certainement» (p. 334). Engagé en faveur de l'Europe communautaire qu'il contribue à construire, Noël est également resté fidèle au socialisme et à Mollet, mais de façon discrète. Son action, son engagement reflète l'idée selon laquelle, au-delà d'une communauté économique et politique, c'est une société européenne, une «société des Européens» (p.347), qu'il faut construire (subventions à des organismes œuvrant au renforcement de l'esprit communautaire, à des initiatives universitaires, etc.). «Comblé, autant que faire se peut, le fossé entre les institutions communautaires et les citoyens» (p.357) est déjà une préoccupation des élites dirigeantes à Bruxelles et «faire aimer l'Europe communautaire», déjà un challenge. En 1987, Noël prend sa retraite de la Commission européenne pour présider l'*Institut universitaire européen* de Florence jusqu'en 1993. Il décède trois ans plus tard, en 1996.

Cette biographie d'Émile Noël l'Européen, acteur fidèle et tenace de la construction européenne, «praticien raisonnable des affaires communautaires» (p.387), éclaire de l'intérieur et dans la durée l'institution centrale qu'est la Commission européenne.

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Chercheur du FNR-Luxembourg

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Dermot HODSON, *Governing the Euro Area in Good Times and Bad*, Oxford University Press, Oxford, 2011, XIV + 170 p. – ISBN 978-0-19-957250-2 – 65,80 €.

Dermot Hodson is a scholar in European studies with a "political economy" approach, combining insights both from economics (also as a former official at the Commission) and political science. In this book, "Governing the Euro Area in Good Times and Bad", Hodson explores the governance of the euro area, from the launch of the euro in 1999 to the end of 2010. Hodson takes here very much a political science perspective, focusing on governance modes in the European Union, especially the "Community method". In his view, "Economic and Monetary Union (EMU) represents a radical departure from the EU's traditional *modus operandi* [...]. Under the Community method [...] the Commission proposes and the Council disposes. Under EMU, in contrast, the Commission patrols and the Council cajoles when it comes to economic policy coordination, while the European Central Bank (ECB) controls monetary policy" (p.VI). Contrary to the traditional political science approach, Hodson resisted the temptation to build another theory of EMU. Instead, he takes a "theory-testing approach", "that confronts specific hypotheses about euro area governance from the copious conceptual literature on this topic with fresh empirical evidence" (p.15).

Like other scholars, Hodson is confronted with a "cliffhanger", the European sovereign debt crisis. Hodson concluded his manuscript on "Good Times and Bad" in December 2010. Since then, times were significantly worse. Both Herman Van Rompuy and Mario Draghi, in speeches in December 2011, characterised the crisis as "systemic". One also sees that Hodson, who discusses the period 1999-2010, has been adjusting his manuscript to take into account the unfolding crisis, a marked contrast with the rather quiet first decade of the euro. This also led to a, not always straightforward, mix of analyses of governance models and of the European sovereign debt crisis.

The study is divided into three parts: new institutions, new instruments and new modes of diplomacy. Hodson is careful to situate EMU in a wider institutional context, linking policymaking in the euro area to national, EU, and global governance. Part one analyses the interplay between two new institutions, tailor-made for EMU, the European Central Bank (ECB) and the Eurogroup, and the EU's legal order. Part two considers the interaction between two key instruments of euro area governance, the Stability and Growth Pact (SGP) and the Broad Economic Policy Guidelines (BEPGs), with the machinery of national policymaking. Part three explores European influence on the world stage, discussing the role played by the EU and the euro area in multilateral settings and in bilateral dialogues with third countries. A concluding chapter summarises the main findings and considers their implication for contemporary debates about policymaking in the EU and the euro area.

Hodson clearly defines the objective of his study, "An attempt to understand how EMU has fared in the absence of the Community method and what this means for three overarching debates [...]. The first of these debates concerns the sustainability of the single currency without a more centralized approach to economic policy. The second one sees EMU as a trial run for new modes of policymaking in other areas of EU decision-making. The final strand of debate is interested in the euro area's ability to exert influence in the international arena and what this means for the EU's ambitions to be a global actor" (pp.VI-VII).

With respect to the first debate, the sustainability of the single currency without a more centralized approach to economic policy, Hodson argues "that policy coordination in the euro area has yielded mixed results, but not necessarily because of EMU's decentralized approach to economic policy. Member states' patchy track record of compliance with the stability and growth pact, it is argued, is due not only to shortcomings in EU budgetary surveillance but also to serious deficiencies in national budgetary institutions" (p.16). Also with the European sovereign debt crisis, Hodson is sceptical that this will lead to fundamental changes in the governance of the euro area: "The EU's permeable plans for a permanent crisis resolution mechanism notwithstanding, the likelihood of a major shift in EMU's policymaking architecture in the light of the global financial crisis appears remote at the present juncture. For the foreseeable future, therefore, it would seem that the euro area's experimental system of economic governance is here to stay. Uncertainty may surround the fate of the euro, but member states seem in no mood to countenance the Community method or

otherwise cede control over their economic policies to the EU. The result is that EMU is set to remain a tender union that is wed, for better or worse, to new modes of EU policymaking" (p.146). The scale of the Greek debt problem clearly illustrates that the monetary union was too tender, even if many Greeks do not regard the union as very tender any more. A further year of crisis has also brought new initiatives in European economic policymaking, especially the fiscal compact. The crisis is also posing more fundamental questions, like the relation between monetary union and political union and the role of the European Council of Heads of State and Government in economic policy-making (both at the level of the EU and of the euro area). However, as also observed by Hodson, a greater centralisation of economic policy-making raises very fundamental issues of legitimacy, as it would limit the power of national parliaments in budgetary policy, a fundamental element of national sovereignty.

An important focus of this book are the scope and limits of new modes of policymaking in the EU. Hodson draws here on various political science theories. For Hodson, the ECB did not behave as one would have expected from a new European institution in European integration theory: "The ECB's opposition to initiatives for enhancing European integration in cases where it sees a threat to price stability jars with standard assumptions about what EU institutions want. An implication of this finding is that delegation to function-specific agencies may be one way for member states to ensure that they do not get 'more Europe' than they bargained for" (pp.6-17). Hodson further analyses the Broad Economic Policy Guidelines (BEPGs) from the perspective of the literature on sanctions. It leads him to a rather pessimistic conclusion on the BEPGs, "The limits of new modes of policymaking in the EU are exemplified by the BEPGs, which showed some value-added as an overarching instrument of coordination but failed to bite as an instrument of peer pressure. This is because non-binding recommendations under Article 121 (4) lacked credible sanctioning institutions, precise sanctioning criteria, and legitimacy in the domestic arena" (p.17).

With respect to the broader international system, Hodson argues, "that the euro area and the EU exhibited an unexpected degree of influence on the international stage" (p.17). However, with the unfolding European sovereign debt crisis and the European attempts to search for financial resources around the globe, this might be a rather optimistic view.

EMU, with the transfer of monetary sovereignty to the European level, marked a watershed in the history of European integration. After a relatively quiet first decade, the unfolding European sovereign debt crisis led to turmoil and new reforms (which are only partly captured in this book as it was concluded in December 2010). While this volume will mainly be attractive to political scientists, it offers valuable insights into the new modes of economic governance which accompanied the euro.

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David BURIGANA, Pascal DELOGE (dir.), *L'Europe des coopérations aéronautiques*, in: *Histoire Économie & Société*, 4(2010), Armand Colin, Paris, 128 p. – ISBN 9782200926373 – 18,00 €.

Il faut passer les sigles intimidants et les noms d'oiseaux, mécaniques, du sommaire pour entrer dans la riche matière de cette livraison d'*Histoire Économie & Société* consacrée aux coopérations aéronautiques européennes, des années 1950 aux années 1980. Les six études de cas réunies sont certes rédigées en français et globalement centrées sur la France, mais ont le grand mérite de ne pas présenter une vision hexagonale de cette histoire. L'origine et les travaux antérieurs des deux co-directeurs de la publication, David Burigana (Université de Padoue) et Pascal Deloge (Institut libre Marie Haps, Bruxelles) étaient de ce point de vue une garantie. Cette ouverture est aussi le résultat d'échanges dans la durée entre les contributeurs, qui ont formé depuis quelques années une équipe. Ce numéro est un des premiers fruits éditoriaux de ce travail collectif, et en cela aussi il est important.

À celui ou celle qui n'est pas spécialiste des questions aéronautiques, le volume rappellera que l'avion s'est imposé non seulement comme un objet, mais comme un outil de politique étrangère (voir en particulier l'article de François Le Roy sur la vente de l'avion de combat français Mirage III à l'Australie dans les années 1960). Il révélera surtout la diversité des expériences de coopération engagées dans le secteur. L'ère des «co-productions aéronautiques» s'est ouverte au lendemain de la Seconde Guerre mondiale et ne s'est pas refermée depuis. Sur ce plan, Airbus est l'arbre qui cache la forêt. Si ce grand succès de l'aéronautique européenne n'est pas au sommaire, les autres expériences présentées permettent de mieux le mettre en contexte, qu'elles aient réussi ou échoué.

Un phénomène de fond traverse la période et pousse à la coopération: la hausse conjointe des coûts de recherche et développement et des coûts de production des appareils, qui nécessite pour les industriels européens en particulier de partager les charges et de chercher des débouchés au-delà du marché national pour survivre à la concurrence américaine. Ce trait est commun à d'autres secteurs industriels à forte intensité technologique. La difficulté propre à la coopération dans l'industrie aéronautique, notamment lorsqu'elle touche au militaire comme ce fut le cas de manière exclusive jusqu'au milieu des années 1960, est d'arriver à une triple harmonisation en amont de la production en commun, elle-même délicate: des programmes de modernisation de la flotte, des exigences opérationnelles et des budgets, de manière à s'assurer des commandes futures en aval.

Sur le plan des acteurs, qui sont au cœur des analyses, il apparaît que, comme Airbus, les coopérations aéronautiques étudiées n'ont pas de lien originel direct avec le cadre et les institutions communautaires. Elles ont en outre une très forte dimension transatlantique, l'aéronautique étant un terrain industriel et stratégique où joue le plus fortement ce ressort (article de David Burigana sur les origines de la co-entreprise CFM International, qui produit des turboréacteurs).

Les initiatives françaises sont absolument décisives dans les années 1950 et 1960. Les partenaires sont alors essentiellement les Allemands et les Britanniques. Les relations sont toujours complexes. Ces partenaires principaux sont en effet aussi ceux qui concurrencent les intérêts français au sein même des structures de coopération mises en place. Dans l'ensemble, les différents partenaires mobilisés refusent de fragiliser leurs relations industrielles et politiques (les deux étant intimement liées) avec les États-Unis ou la Grande-Bretagne, au détriment de projets de coopération renforcée avec les acteurs français (voir notamment l'article de Florian Seiller sur les toutes premières initiatives franco-allemandes dans les années 1950 et de Pascal Deloge sur le positionnement difficile de la Belgique dans la décennie suivante, face à l'offre française d'une fusion des industries aéronautiques des deux pays).

Mais les contributions montrent qu'il faut se garder d'une présentation définitive des points de vue par pays. Les décisions nationales sont le résultat d'une construction souvent contradictoire entre de multiples acteurs, principalement les différentes administrations publiques, les autorités politiques, les constructeurs. Le paysage s'est compliqué dès lors que sont apparus des projets de coopération dans le domaine de l'aéronautique civile, à partir de la seconde moitié des années 1960, les compagnies aériennes clientes des constructeurs entrant dans la ronde.

Les contributeurs mettent bien en lumière le rôle des constructeurs privés, dans les négociations qu'ils peuvent avoir entre eux ou dans le sort des négociations entre gouvernements. En France, le rôle de Marcel Dassault ne saurait être minoré. Il explique dans une large mesure l'échec du projet franco-britannique d'avion à géométrie variable GVFA (article d'Andrew D. James et Phil Judkins) et de l'European Fighter Aircraft (article de Yohan Droit), respectivement dans les années 1960 et 1980. La durée des projets de coopération et la durée de vie des appareils qui en résultent fait que la situation actuelle, marquée dans le domaine militaire par la rivalité entre différents appareils européens et la position isolée du Rafale de Dassault, est d'ailleurs la conséquence directe de cette dernière expérience, de ce «rendez-vous manqué» (Yohan Droit). L'industrie européenne aurait pu se consolider sur des bases différentes, plus larges, que celles du consortium EADS formé à la fin des années 1990.

Clos par un ensemble de comptes rendus d'ouvrages opportunément centré sur l'aéronautique, ce numéro spécial, très cohérent, apporte beaucoup à la connaissance de questions complexes, à la croisée d'enjeux d'histoire économique, technique et diplomatique. Les auteurs ont choisi une même porte d'entrée dans le sujet: les acteurs et les processus de décision. Leurs articles se complètent et se répondent, ce qui rend la lecture intégrale très productive. Nous attendons donc avec impatience la suite des «co-productions» de cette équipe de travail, en suggérant d'ici-là quelques pistes. Les auteurs pourraient d'abord clarifier l'approche transnationale dont ils se réclament, cette dimension n'étant pas toujours clairement définie ni apparente dans les textes. Il faudrait en ce sens aller plus en détail dans l'analyse des réseaux d'ingénieurs, de patrons d'industrie ou de responsables politiques qui portent ou sabordent les projets de coopération. Une réflexion plus systématique sur les situations,

les formes de «coopération», paraîtrait d'ailleurs profitable, ce mot recouvrant des réalités tellement différentes, de la fabrication sous licence à la production en commun. Les auteurs, et leurs lecteurs, gagneraient enfin à élargir leurs perspectives dans deux directions: chronologique, pour intégrer l'entre-deux-guerres, période fondatrice à bien des égards dans ce secteur, y compris dans les projets d'internationalisation, et géographique, pour aller au-delà de la petite Europe des Six plus la Grande-Bretagne, qui paraît certes pratique mais bien arbitraire comme base d'appréhension historique du déploiement des ailes de l'Europe (quid de l'Espagne, de la Suisse, des pays scandinaves, de l'Europe centrale et orientale?).

Léonard Laborie

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Alexander BADENOCH, Andreas FICKERS (eds.), *Materializing Europe. Transnational Infrastructures and the Project of Europe*, Palgrave, Basingstoke, 2010, 360 p. – ISBN 978-0-230-23289-1 (hb) – 56,00 €.

Most works on the history of European integration discuss politics and policy-making. Even Alan S. Milward's seminal books published in 1984 and 1992 respectively were more concerned with economic policy-making than economic history. This focus on politics and policy-making has resulted in a predominantly narrow understanding of what constitutes European integration. First, as the present-day European Union was only founded in the 1950s, most research has *de facto* treated the end of World War II as a kind of "zero hour" of integration as politics and policy-making. Second, the historiography of European integration has shown at best a marginal interest in cultural and material dimensions of integration more broadly defined.

The edited book by Badenoch and Fickers addresses the second shortcoming. With their academic background in history of technology and the media (and its technological aspects) they have brought together authors who work on the integration of cross-border infrastructures. With cross-border rail transport a major phenomenon of the second half of the nineteenth century, such infrastructures were obviously not a novelty in post-war Europe. However, as several chapters in this book demonstrate, technological innovations have massively increased the need for constructing such infrastructures and for their regulation. The creation of a transnational telecommunications infrastructure for mobile telephony as discussed by Patrick Kammerer in this volume is a case in point.

The book is slightly arbitrarily divided into three sections. Three chapters in the first section raise conceptual questions about links between infrastructures and the development of "Europe". Badenoch's "constructivist" analysis of the role of maps in shaping our understanding of infrastructure networks is particularly innovative and illuminating. The chapter includes several such maps of rail or motorway connections across borders, for example. But the connections appear smoother than they really are, as infrastructures have been disrupted by different technical specifications, trans-

port rules or preferences of users, for example. This theme of the fragility of cross-border infrastructures is also taken up in several of the chapters in the second section entitled *Mediating Europe*. These chapters inter alia treat food infrastructures (Erik van der Vleuten), the technical specification for the cashless mass payments system (Barbara Bonhage) or the European mobile phone standard. Indeed, failures of and problems with cross-border technological systems can have massive impact on the everyday lives of Europeans as in recent cases of the breakdown of sections of the pan-European electricity network or of air-traffic as a result of the eruption of a volcano on Iceland. The third section, finally, comprises three chapters on Europe between *Projects and Projections* including a chapter by Andreas Fickers and Suzanne Lommers on televised European programmes which have contributed to “eventing Europe”, such as the Eurovision song contest, for example.

Alongside the ten chapters, the book includes seven very short so-called “biographies” that zoom in on one individual transnational actor or a significant place of transnationalisation – a playful idea, which does not really work, however, as these short texts remain superficial. Moreover, the ten chapters also vary enormously in terms of their source base. Some are strongly based on archival sources like the chapter by Fickers and Lommers, while others rely on literature like Badenoch. As a sociologist, Cornelis Disco, who discusses waterways, also has not drawn upon archival sources although they would have been available for this topic. Despite these shortcomings, however, the book and several individual chapters make a substantial contribution to the state of the art in two important ways. First, they help the history of technology, which used to be interested in the technologies as such, not so much their application or use, let alone in transnational contexts, connect with other historiographies of European integration and the cultural history of Europe, for example. Second, and more importantly for the readers of this journal, the book also makes a decisive contribution to broadening the research agenda of European integration in historical perspective to include material and cultural dimensions much more alongside the politics and policy-making of European institutions. In this sense the book also serves as an appetizer for the *Making Europe 1850-2000* series of six monographs, which will come out with Palgrave in 2013-14 and deal with different dimensions of technology in European integration broadly speaking.

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Martin HEIPERTZ, Amy VERDUN, *Ruling Europe. The Politics of the Stability and Growth Pact*, Cambridge University Press, Cambridge, 2010, 314 p. – ISBN 978-0-521-19750-2 – 75,71 € (hardcover).

Der 1997 verabschiedete Stabilitäts- und Wachstumspakt diente dem Ziel, die Mitgliedsstaaten der europäischen Wirtschafts- und Währungsunion auf strikte Haushaltsdisziplin zu verpflichten. Überstieg das Defizit, gemessen am Bruttoinlandspro-

dukt des jeweiligen Landes, die 3-Prozent-Marke, drohten Sanktionen. Dass ausgerechnet Deutschland, ohne dessen massiven Druck dieser Pakt gar nicht zustande gekommen wäre, zu den ersten „Defizitsündern“ zählte, wurde andernorts nicht ohne eine gewisse Schadenfreude registriert. Sanktionen wurden indes seither nicht verhängt, vielmehr wurde der Pakt 2005 in Richtung größerer Flexibilität „reformiert“ – oder sollte man zutreffender sagen: aufgeweicht? Unter dem Eindruck der Finanz- und Wirtschaftskrise seit 2008 geht es jedoch wieder in die entgegengesetzte Richtung. Der im März 2012 unterzeichnete „Vertrag über Stabilität, Zusammenarbeit und ökonomische Lenkung in der Wirtschafts- und Währungsunion“ sieht eine nach deutschem Vorbild konstruierte „Schuldenbremse“ und härtere Regeln bei Defizitverfahren vor.

Vor diesem Hintergrund verspricht das Buch von Heipertz und Verdun – Praktiker u. a. in der Europäischen Investitionsbank und im deutschen Finanzministerium der eine, Professorin für Politikwissenschaft an einer kanadischen Universität die andere – spannende und lehrreiche Lektüre. Auf der Grundlage einer differenzierten, theoretisch angeleiteten und mitunter mit Insiderkenntnissen gespickten Analyse der Entstehung, Anwendung, Krise und Reform des Stabilitäts- und Wachstumspakts in dem Zeitraum zwischen 1995 und 2007/2008 wollen sie erklären, welche Faktoren, Entwicklungen und Ergebnisse den Pakt beeinflusst haben, mit dem Ziel, in exemplarischer Absicht Schlussfolgerungen für das allgemeinere Verständnis des europäischen Integrationsprozesses zu ziehen. Das theoretische Rüstzeug holen sie sich aus vier unterschiedlichen Ansätzen: Intergouvernementalismus, Neofunktionalismus, Mehrebenen-Modell und Konstruktivismus.

Ihr Interesse galt sowohl staatlichen wie nicht-staatlichen Akteuren, also vor allem Regierungen, Zentralbanken, Ministerien, der Europäische Kommission und anderen EU-Institutionen. Der Fokus liegt auf Deutschland und Frankreich, den beiden für Entstehung, Inhalt und Entwicklung des Stabilitätspakts ausschlaggebenden Ländern, die jeweils als „Sprecher“ anderer Mitgliedsländer fungierten. Als Quellen dienten vorrangig Medienberichte, interne Papiere aus Ministerien, Zentralbanken und EU-Gremien sowie wissenschaftliche Analysen, ferner 35 „face-to-face“-Interviews basierend auf einem formalisierten Fragebogen zur Vorgeschichte des Pakts und 20 zusätzliche Interviews zur Krisen- und Reformphase. Gerade die aus Interviews gewonnenen Informationen werfen mitunter ein neues Licht auf den Entscheidungsprozess.

Das Buch ist in zwei große Teile untergliedert: Zunächst analysieren Heipertz und Verdun mit Hilfe der vier Erklärungsansätze den Entstehungsprozess des Stabilitäts- und Wachstumspakts. Die unterschiedlichen Perspektiven ergeben ein ebenso differenziertes wie umfassendes Bild; mit anderen Worten, der theoretische Eklektizismus, zu dem sich Heipertz und Verdun ganz offen bekennen, macht sich durchaus bezahlt. Im zweiten Teil rekapitulieren sie in vier Kapiteln die wechselhafte Geschichte des Pakts seit seiner Implementierung, während das Schlusskapitel eine pointierte Zusammenfassung der Befunde und des wissenschaftlichen Ertrags bietet,

verbunden mit einem engagierten Plädoyer zugunsten ihres eklektizistischen Ansatzes:

„We argue that such a strategy is useful for overcoming what we see as being counter-productive and artificial boundaries inside political science discipline by applying different approaches of integration theory in an eclectic manner for empirically rich and complex studies“ (S. 16).

Historiker und Historikerinnen der europäischen Integration werden das hochaktuelle Buch ebenfalls mit großem Gewinn lesen, enthält es doch zahlreiche wichtige, wenngleich nicht immer gänzlich neue Erkenntnisse etwa zum Einfluss und zu den Durchsetzungsmöglichkeiten wirtschaftlich oder politisch dominanter EU-Mitgliedsstaaten wie (in diesem Fall) der Bundesrepublik und Frankreichs. Den Stabilitätspakt deuten sie zu Recht als prägnantes Beispiel gegenwärtiger „Regierungspraxis“ auf europäischer Ebene: „using rules when institutional bodies at the supranational level are unattainable“ (S. 203). Der Buchtitel enthält so einen schönen und treffenden Doppelsinn: Europa „regieren“ und „verregeln“, „regieren“ durch „verregeln“.

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Nicolas BADALASSI, *Adieu Yalta? La France, la détente et les origines de la Conférence sur la Sécurité et la Coopération en Europe, 1965-1975* – Université Sorbonne Nouvelle, Paris III

Supervisor/jury: Frédéric BOZO, Université Sorbonne Nouvelle, Paris III; Christine MANIGAND, Université Sorbonne Nouvelle, Paris III; Marie-Pierre REY, Université Panthéon Sorbonne; Andreas WILKENS, Université Paul Verlaine, Metz; N. Piers LUDLOW, London School of Economics

Date of the exam: 03/12/2011

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A partir de 1965, l'URSS cherche à profiter de la politique de «détente, entente, coopération» lancée par le général Charles de Gaulle auprès des pays du pacte de Varsovie pour obtenir, via une conférence sur la sécurité européenne, le gel de l'ensemble des frontières du continent et la reconnaissance de la mainmise soviétique sur l'Europe de l'Est. Sauf que la France, partisane au contraire d'une détente censée aboutir au dépassement de l'ordre bipolaire issu de la guerre froide, n'entend pas entériner le statu quo politique et territorial européen. Dès 1969, la France décide peu à peu de se servir du projet de conférence pour promouvoir sa vision de l'Europe: la Conférence sur la Sécurité et la Coopération en Europe, qui réunit trente-trois pays européens, les Etats-Unis et le Canada de 1972 à 1975, doit d'une part favoriser le rapprochement entre tous les peuples du continent et d'autre part encourager chaque nation à s'exprimer en son nom propre, en dehors des alliances militaires.

S'appuyant sur les archives de l'Elysée (Archives nationales de France), du Ministère français des Affaires étrangères, de la CSCE (Prague) et de la Maison-Blanche (Gerald Ford Library, Ann Arbor, Michigan), ce travail de recherche montre que la CSCE se veut le prolongement multilatéral de la politique de détente initiée par de Gaulle au milieu des années 1960. On retrouve ainsi dans l'Acte final d'Helsinki

ki les préceptes généraux de la vision gaullienne de la détente. C'est notamment le cas lorsqu'on regarde les principes qu'il contient. Comme de Gaulle en son temps, il développe l'idée selon laquelle la détente est un processus à long terme qui doit être entretenu quotidiennement par la création d'un climat de confiance et de tolérance; il en appelle au droit de chaque Etat à mener sa politique étrangère sous couvert de sa pleine et entière souveraineté; il soutient le principe d'une réunification à terme de l'Europe dans des conditions pacifiques; il proclame le droit des peuples à disposer d'eux-mêmes; il soutient la coopération entre Etats et entre personnes physiques ou morales.

Surtout, cette étude prouve que, contrairement à ce qu'a pu affirmer une certaine tendance historiographique, les trois premiers présidents de la Ve République n'ont jamais été hostiles à l'idée de voir l'Allemagne un jour réunifiée, au contraire. Lors de la conférence, la France se pose en défenseur acharné du principe de changement pacifique des frontières, allant même parfois plus loin que la RFA elle-même. En outre, les Français et leurs partenaires ouest-européens œuvrent pour que la conférence facilite la coopération culturelle et la circulation des personnes entre l'Est et l'Ouest, le but étant, selon le président Georges Pompidou, de transmettre aux pays communistes le «virus de la liberté» et d'enfoncer un coin dans le système des blocs.

Au final, bien que considéré en 1975 comme un «nouveau Yalta» par l'opinion occidentale éclairée en ce qu'il gèlerait les frontières et confirmerait la mainmise soviétique sur l'Europe orientale, l'Acte final d'Helsinki est brandi par les dissidents de l'Est pour faire valoir leurs revendications. En outre, on se réfère à ce document lors des négociations conduisant à la réunification de l'Allemagne en 1990. Parce que Paris a fait en sorte que sa vision de l'Europe et de la détente transparaisse dans le texte de la CSCE, il n'est pas exagéré de dire que la France a en quelque sorte contribué à la fin de la guerre froide.

Muriel BOURDON, *The Europe of scholars. Birth and development of European policies. The Grenoble University and its networks* – University of Grenoble

Supervisor/jury: Bernard BRUNETEAU, University of Grenoble; Gérard BOSSU-AT, University of Cergy-Pontoise; Sabine SAURUGGER, Institut d'études politiques de Grenoble; Michel CATALA, University of Nantes; Christine MANIGAND, University of Poitiers

Date of the exam: 27/10/2010

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This thesis lies at the crossroads of the history of European Integration and the development of the European idea. It shows the building of Europe from the bottom, highlighting the practical approach of both scholars and members of the European Commission, indeed the pioneers of the Erasmus programme. It also testifies of Jean Monnet's will to call researchers to cooperate in the shaping of the European Communities. Based on more than 110 interviews, this study emphasizes the role of collective ideas carried out by different groups (scholars, politicians, economists). By focusing more on actors than on institutions, it complements the work conducted by

Luce Pepin with the members of the Commission on *The history of European cooperation in the field of education and training* (2006).

The analysis of the Europe of scholars is carried out at two levels. It examines the development of European policy through the spectrum of Grenoble University of social sciences. This long-term history (1949-2011) allows us to identify five generations of scholars committed to Europe showing the shaping of the Union through an interdisciplinary approach.

The Europe of scholars has played a double role in European history. Firstly, it has helped shape European education and university cooperation which are now the keystones of the European Union with the Bologna process and the building of the Europe of knowledge in a globalized world. Secondly, the personal commitment of scholars to Europeanizing their research fields and cooperating with other EU (or future EU) members has conveyed an idea of Europe, which contributed to the enlargement of the Union and to the democratization of former Soviet satellite states.

Sara LAMBERTI, *Helsinki disentangled (1973-75): West Germany, the Netherlands, the EPC and the principle of the protection of human rights* – School of International Studies – University of Trento

Supervisor/jury: Mark F. GILBERT, University of Trento/John Hopkins University; Antonio VARSORI, University of Padua; Daniel C. THOMAS, University College Dublin

Date of the exam: 13/02/2012

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This thesis is situated at the intersection of the historiographies on European integration, the Cold War, and human rights. Based on numerous archival sources from the EU archives in Florence as well as a range of archives in Germany and the Netherlands, it scrutinizes the Conference on Security and Cooperation in Europe (CSCE, 1973-1975) from the specific angle of the history of European integration. According to a narrative that has become standard in historiography, the EC countries achieved remarkable cohesion in the CSCE process through the newly-created European Political Cooperation (EPC), an informal intergovernmental mechanism set up in 1970.

The thesis argues instead that the EPC was less successful in achieving cohesion and a common position of the EC's member states than has been claimed so far. Human rights was a divisive issue, and ideas of détente differed widely in the West European camp. The thesis emphasizes the political fault lines among the nine member states, and in particular between West Germany and the Netherlands, two countries that stand out for their quite different negotiating style and equally different political goals. The author argues that while West German and Dutch foreign policy eventually achieved a degree of coordination, common understanding was lacking. West Germany and the Netherlands often fought for very different goals. In the case of West Germany, its key goal at the CSCE was human relief, a long-standing goal

of West German policy that had marked Ostpolitik since its very beginnings: the conspicuous sufferings of German people and the personal experiences of German leaders had a powerful impact on West German foreign policy. The Dutch, by contrast, thought of human rights as a principle of international law to be used in an ideological confrontation. The work emphasizes the multifaceted nature of the domestic discussions about human rights at the time, points out that the very idea of human rights needs to be historicized, and highlights the role played by domestic influences and by individuals, with a specific focus on domestic political actors, like the Dutch Foreign Minister Max van der Stoep, who emerges as a staunch – and relatively poorly known – key-advocate of human rights.

Eirini KARAMOUZI, *Greece's path to EEC membership, 1974-1979: The View from Brussels* – London School of Economics and Political Science

Supervisor/jury: N. Piers LUDLOW, London School of Economics; Anne DEIGHTON, University of Oxford; Kiran Klaus PATEL, University of Maastricht

Date of the exam: 09/12/2011

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Greece's accession to the EEC represents a fascinating case-study of the history of enlargement, of European integration and finally of the Cold War in the late 1970s. Karamouzi's thesis is the first detailed archives-based study of the second enlargement. It is based on an extensive multi-archival and multinational research, including records of the Greek, American, British, French and German governments, of the EEC institutions (Commission, Council of Ministers) and a collection of personal papers.

The conventional account of the second enlargement focuses solely on Greece and its policy towards the EEC. In contrast, this thesis casts new light on the way in which the Nine as a whole responded to the challenges posed by the Greek accession. Through this Community-based approach, this thesis challenges traditional views of the reasons that led Greece to apply for EEC membership, the rationale behind the Nine's acceptance of the Greek application, and generally casts new light on the way in which the Nine thought and finally acted regarding Greece's membership during the actual accession negotiations. Looking at these actors can tear down common misconceptions or, indeed, confirm existing beliefs about the communautaire behaviour of the Nine in the second enlargement. It also allows new conclusions to be drawn about the internal development of the Community in the 1970s, especially in relation to the perennial dilemma of widening versus deepening, while highlighting important aspects of the mechanics of the enlargement process. Last but not least, this thesis aims to place the details of the Greek negotiations within the context of regional and international considerations dominated by the realities of the Cold War, thus underlining the linkage between the two parallel developments of European integration and the Cold War.

Matthieu OSMONT, *The French Ambassadors in Bonn (1955-1999)* – Institut d'Études Politiques de Paris

Supervisor/jury: Maurice VAÏSSE, IEP Paris; Guillaume DEVIN, IEP Paris; Wilfried LOTH, University of Essen; Hélène MIARD-DELACROIX, Paris IV; Bernard de MONTFERRAND (diplomat); Sylvain SCHIRMANN, IEP Strasbourg.

date of the exam: 12/12/2011

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"The Franco-German relationship is doing so well that one might ask oneself what the point is of having ambassadors in Bonn and Paris". This sentence, pronounced in June, 1960, by Ambassador François Seydoux, epitomizes the challenge of this thesis. Since France and Germany developed increasingly close relations between the 1950s and the 1990s, the place of the permanent representatives in the relationship between the two countries has to be examined. Do the ambassadors still have a role to play when the heads of state and of government, the Ministers, but also the French and German senior officials meet frequently and occupy the centre stage? The close examination of the action of the French ambassadors in Bonn however contradicts the thesis of a "decline of the embassies". Accompanying the institutionalization of the Franco-German partnership, the twelve French diplomats who worked in Bonn between 1955 and 1999 do not cease to perform their traditional functions of information, negotiation and representation. However, they constantly reinvent this role. This thesis also casts a new light on the recent evolutions of an important administration, the French Ministry of Foreign Affairs. Despite the weight of certain traditions and the persistence of a certain idea of Germany, the diplomatic corps is far from being immovable and the vision of the international relations or the conception of their mission are not the same from one diplomat to another. In particular, the thesis brought to the fore many different ways of considering the European integration process among the French ambassadors in Bonn that had their consequences on the decision making process in Paris. This research is mainly based on the French and German diplomatic archives as well as on private archives and interviews.

Der „Schwarze“ ist ein „Muss“!



Artikel für Artikel werden die komplexen Regelungen der europäischen Verträge auf höchstem Kommentarniveau erläutert und in den Kontext ihrer durch vielfältige Kompromisse geprägten Entstehungsgeschichte gestellt. Ob es um bewährtes Unionsrecht oder um neue Vertragsregeln geht, der

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Abstracts – Résumés – Zusammenfassungen

Lirong LIU

The Evolution of China's EU Policy: From Mao's Intermediate Zone to a Strategic Partnership Based on Non-Shared Values

The “red thread” which characterizes China's Europe/EU policy during the last 60 years is going beyond value differences and seeking to establish a multi-polar world. China's policy adjustment towards the EU has been influenced by global strategic patterns, the process of European integration and the enhancement of China's comprehensive national power. During the Cold War, Mao Zedong proposed the concept of a second intermediate zone in order to improve the relations with the Western European countries and thus counterbalance the hegemony of the United States and the Soviet Union. After the Cold War, China's EU policy concentrates on economic and trade cooperation. With the widening and deepening of European integration, Beijing has attached more importance to the role of the EU in international affairs. China-EU's comprehensive strategic partnership is based on non-shared values but restricted by value disparities. As China's largest trading partner, the EU has played rather a subordinate role in China's diplomatic strategy, and vice versa.

L'évolution de la politique européenne de la Chine: des zones intermédiaires de Mao au partenariat stratégique fondé sur des valeurs non-partagées

Le fil rouge qui caractérise la relation entre l'Europe/UE et la Chine pendant les 60 dernières années va au-delà des questions de valeurs et des différends idéologiques. L'ajustement de la politique chinoise sur l'UE a été influencé par des considérations stratégiques globales, par le processus d'intégration européenne et par l'accroissement considérable de la puissance nationale de la Chine. Pendant la Guerre froide, Mao Zedong avait proposé le concept d'une seconde zone intermédiaire afin d'améliorer les relations avec les pays d'Europe occidentale dans le but de contrecarrer l'hégémonie des États-Unis et de l'Union Soviétique. Après la Guerre froide, la politique européenne de la Chine se focalise sur la coopération économique et commerciale. Au fur et à mesure que l'UE s'élargit, voire s'approfondit, Pékin attache une importance croissante à l'UE en matière de relations internationales. Le partenariat stratégique global entre la Chine et l'UE est basé sur un système de valeurs non-partagées, mais est limité par l'existence de disparités au niveau des valeurs humanitaires. À titre de principal partenaire commercial, l'UE joue un rôle plutôt subordonné au niveau des stratégies diplomatiques de la Chine, et vice-versa.

Die Entwicklung der chinesischen Europapolitik: Von Maos Zwischenzonen zur strategischen Partnerschaft auf der Basis nicht geteilter Werte

Wie ein „Roter Faden“ war die chinesische Außenpolitik in den letzten 60 Jahren gegenüber Europa geprägt durch das Bestreben, über Wertedifferenzen und Ideologieunterschiede hinauszugehen und eine multipolare Weltordnung zu etablieren. Die

Anpassung der chinesischen Europapolitik wird sowohl von globalen strategischen Überlegungen, als auch vom Prozess der Europäischen Integration und dem Zuwachs der nationalen Stärke Chinas geleitet. Während des Kalten Krieges hatte Mao Zedong das Konzept der „zweiten Zwischenzone“ unterbreitet mit dem Ziel, durch die Verbesserung der Beziehungen Chinas zu den Europäischen Staaten ein Gegengewicht zur Hegemonie der USA und der UdSSR zu schaffen. Nach dem Kalten Krieg konzentrierte sich Pekings Europapolitik auf die wirtschaftliche Zusammenarbeit und den Handel. Mit der Erweiterung und Vertiefung der Europäischen Integration, maß Peking der Rolle der EU in internationalen Angelegenheiten mehr Bedeutung zu. Die umfassende strategische Partnerschaft zwischen China und der EU beruht auf einem System der nicht geteilten Werte und ist durch die Existenz unterschiedlicher Auffassungen in humanitären Belangen unvermeidlich eingeschränkt. Als größter Handelspartner spielt die EU in Chinas diplomatischer Strategie eine eher untergeordnete Rolle, und umgekehrt auch.

Marie Julie CHENARD

Seeking Détente and Driving Integration:

The European Community's opening towards the People's Republic of China, 1975-1978

This article analyses how European integration and the Cold War intersected in the EC's opening to the PRC. Of particular interest is why the Community opened diplomatic relations with China in 1975 and concluded a trade agreement in 1978, and who was primarily responsible for these initiatives.

Based on multi-national and multi-archival research, the article argues that an intersection can be seen in three main ways: first, superpower détente enabled greater Community action in international politics, and the Community generated a European détente; conversely, the extension of the Community's foreign policy activity furthered détente in Europe; finally, individual EC institutions capitalized on détente by asserting their own role in EC decision-making.

Sir Christopher Soames, Vice-President of the European Commission responsible for external relations, was primarily responsible for the China policy initiative. The main factor behind his decisions was inter-institutional jockeying for power.

Accélérer la détente, approfondir l'intégration:

L'ouverture de la Communauté Européenne à la République Populaire de Chine, 1975-1978

À travers l'ouverture de la CE à la Chine populaire cet article analyse les rapports entre l'intégration européenne et la guerre froide. Les raisons de l'établissement de relations diplomatiques en 1975, puis la conclusion d'un accord commercial en 1978, et la compréhension des principaux architectes de ces initiatives sont au centre de l'analyse.

La recherche démontre une convergence de trois axes principaux: La détente des superpuissances permettait d'avantage d'action de la CE dans la politique interna-

tionale et renforçait sa propre définition de détente; à l'inverse, l'extension de son initiative encourageait la détente en Europe; finalement certaines institutions de la CE se servaient de la détente pour mieux peser dans la politique communautaire.

Sir Christopher Soames, Vice-président de la Commission, responsable des Affaires étrangères, a été le promoteur clé de cette initiative de politique communautaire envers la Chine. La raison principale pour ses décisions était de pousser les pions de la Commission dans la CE.

**Fortgeschrittene Détente, vertiefte Integration:
Die Öffnung der Europäischen Gemeinschaft gegenüber der Volksrepublik China,
1975-1978**

Dieser Artikel analysiert den Zusammenhang zwischen Europäischer Integration und Kaltem Krieg in den Beziehungen der EG zur Volksrepublik China. Von besonderem Interesse sind die Fragen, warum die EG 1975 diplomatische Beziehungen mit China aufnahm und 1978 ein EG-China Handelsabkommen abschloss, und wer hierfür in der EG die Drahtzieher waren.

Die umfassende, auf multinationale Archivquellen und Sekundärliteratur gestützte Recherche verdeutlicht Zusammenhänge auf drei Ebenen: zunächst ermöglichte die Entspannungspolitik der EG international aktiver zu werden, wodurch die EG eine eigene Definition von Détente generierte; umgekehrt förderte die erweiterte EG-Außenpolitik eine Détente in Europa; schließlich instrumentalisieren einzelne EG-Institutionen die Détente, um sich innerhalb der EG-Politik zu profilieren.

Letztendlich war es Sir Christopher Soames, der Vize-Präsident und Kommissar der Außenbeziehungen, der maßgeblich für die Initiative der EG-China Politik verantwortlich war. Ausschlaggebender Faktor für seine Entscheidungsmotivation war das inter-institutionelle Kompetenzstreben.

**Christopher OATES
Porous Foreign Policy: The EU's Embarrassing Arms Embargo Episode**

In 2003, the French Defence Minister suggested lifting the EU's 14-year old embargo on the sales of defence goods to China, beginning a two-year debate on the issue. During this time, the EU shifted from near-universal opposition to the proposal towards consensus in favour to lifting the embargo and then to delaying a decision indefinitely. This article examines the reasons for these three shifts in position, arguing that though national interests from Member States began the debate, lobbying from China and the United States were crucial factors in its resolution. This external influence exposed a weak point in the EU's foreign policy apparatus – since decisions at the Council are made by states with their own external relations, third party pressure on vulnerable Member States can shift the position of the entire EU. In economic matters, China, with a tremendous trade surplus towards the EU and a state-directed economy, can offer significant carrots and sticks, while the United States, through its institutional ties and defence markets, offers similar pressures in security affairs.

Une politique extérieure spongieuse: l'épisode embarrassant de l'embargo sur les ventes d'armements en provenance de l'UE

En 2003, le ministre français de la Défense suggéra de lever l'embargo qui existait depuis 14 ans sur la vente d'armements à la Chine, ouvrant alors un débat de deux ans relatif à cette question. Pendant ce temps, l'UE changea sa position. D'une opposition quasi universelle, elle passait d'abord à une proposition de consensus en faveur d'une levée de l'embargo, avant d'ajourner *sine die* sa décision. Le présent article examine les raisons de ce triple changement de position, soutenant que, quoi que les intérêts nationaux des Etats membres ont ouvert le débat, le lobbying chinois et américain a été un facteur déterminant dans l'élaboration de cette résolution. Cette influence extérieure a mis au jour un point faible dans l'appareil européen de politique étrangère: depuis que les décisions au Conseil sont rendues par les Etats qui s'appuient sur leurs propres relations extérieures, la pression exercée pas des tiers sur les Etats membres vulnérables peut ainsi modifier la position de l'UE dans son ensemble. En matière économique, la Chine dispose avec son énorme excédent commercial à destination de l'UE et son économie dirigée par l'Etat un puissant moyen pour pratiquer une politique du bâton et de la carotte, tandis que les Etats-Unis, à travers leurs relations institutionnelles et leurs défenses de marché, peuvent exercer des pressions similaires au niveau des affaires de sécurité.

Eine durchlässige Außenpolitik: die peinliche EU-Debatte um die Aufhebung des Ausfuhrverbots für Rüstungsgüter

Als 2003 der französische Verteidigungsminister den Vorschlag unterbreitete, das 14-jährige EU Waffenembargo gegen China aufzuheben, entfachte er eine zweijährige Diskussion in der Europäischen Union. Während dieser Zeit, verschob sich die Haltung der EU von der absoluten Opposition zur fast völligen Zustimmung des Waffenhandel mit China. Nichtsdestotrotz wird die endgültige Entscheidung darüber schließlich unentwegt vertagt. Dieser Artikel beschäftigt sich mit den drei Stadien der europäischen Haltung. Dabei wird argumentiert, dass die Diskussion zur Aufhebung des Waffenembargos zwar aufgrund der Interessenlage einzelner EU Mitgliedstaaten ins Leben gerufen wurde, im weiteren Verlauf aber durch die USA und China wesentlich beeinflusst wurde. Dieser durch Außenstehende herbeigeführte Positionswechsel unterstreicht deutlich die Schwächen der europäischen Außenpolitik. Da die Entscheidungen des EU Parlaments durch die jeweiligen Mitgliedsstaaten getroffen werden, ist der Druck durch externe Interessengruppen auf einzelne Mitgliedsstaaten so gewaltig, dass er zum Positionswechsel der gesamten EU beitragen kann. In wirtschaftlicher Hinsicht können sowohl China, mit seiner staatlich gelenkten Wirtschaft und seinem immensen Wachstumspotential, als auch die USA, mit ihren institutionellen Verbindungen und ihrer florierenden Waffenindustrie, die EU zum Einlenken bewegen.

Frank GAENSSMANTEL**EU-China Relations and Market Economy Status: EU foreign policy in the technical trap**

Since 2002 China has been pressing the European Union to formally recognise it as a market economy, and the EU has consistently refused to do so. This article argues that, rather than unfulfilled technical criteria, as in the EU's official rhetoric, or the simple fact of diverging interests among member states, it is the decision-making structure for commercial policy in Brussels that does not allow the EU to go beyond the technical aspects of the matter and overcome its internal divisions. Although from the perspective of some members this may be precisely the desired outcome, for the EU as a whole it is a serious impediment in designing and implementing a common foreign policy. The discussion will first explore the significance of the issue for China, then trace its evolution in China-EU relations, and lastly draw conclusions on how the EU's position can be explained.

Les relations sino-européennes et le statut d'économie de marché: un piège pour la politique extérieure de l'UE

Depuis 2002, la Chine fait pression sur l'Union européenne afin d'obtenir la reconnaissance officielle comme économie de marché, mais l'UE continue à refuser de le faire. Le présent article affirme que cela ne s'explique ni par le fait que la Chine ne remplit pas les critères techniques de l'UE ni par des divergences entre les États membres, mais par la structure décisionnelle de la politique commerciale à Bruxelles qui ne permet pas à l'UE d'aller au-delà des aspects techniques de la question et de surmonter ses divisions internes. Bien que cette situation corresponde aux préférences de certains membres, elle constitue pour l'UE, dans son ensemble, un obstacle sérieux dans la conception et la mise en œuvre d'une politique étrangère commune. L'exposé analysera d'abord l'importance de la question pour la Chine; ensuite il retracera l'évolution des relations UE-Chine avant de tirer des conclusions sur les explications pour la position de l'UE.

Europäisch-chinesische Beziehungen und Chinas Status als Marktwirtschaft: eine Falle für die Außenpolitik der EU

Seit 2002 bedrängt China die EU, das Land formal als Marktwirtschaft anzuerkennen, wohingegen die EU sich beharrlich weigert dies zu tun. Der vorliegende Artikel argumentiert, dass dies weder primär auf nicht erfüllte technische Kriterien zurückzuführen ist, wie es in den offiziellen Verlautbarungen der EU heißt, noch auf divergierende Interessen zwischen den Mitgliedstaaten. Vielmehr sind es die europäischen Entscheidungsstrukturen für Handelspolitik, die der EU nicht erlauben, über die technischen Aspekte der Materie hinauszugehen und innere Spaltungen zu überwinden. Obwohl dies manchen Mitgliedsstaaten eigentlich sehr gelegen kommt, ist es für die EU als Ganzes ein ernsthaftes Hindernis in der Ausarbeitung und Umsetzung einer gemeinsamen Außenpolitik. Der Aufsatz stellt zunächst die Bedeutung des Themas für China dar, um dann seine Entwicklung in den China-EU-Beziehungen

nachzuzeichnen und Schlussfolgerungen zu ziehen, wie die Position der EU erklärt werden kann.

Rafael Leal-Arcas

**The Role of the European Union and China in the Global Climate Change Negotiations:
A Critical Analysis**

Although climate change is a truly global issue, for the purposes of this article only two main players in the global climate change negotiations will be analyzed: the European Union (EU) and China. Each one of them is geographically and socially diverse, which is taken into account when analyzing them. China and the EU are the world's first and third largest emitters of CO₂ respectively in absolute terms, and the EU has some of the strongest domestic support to address the climate change challenge. In the bilateral relations between China and the EU, climate change is an important part of the agenda. Both parties are keen to improve the climate situation globally. The article first analyzes the Chinese position in climate negotiations. It then deals with the EU's position by analyzing the EU's greenhouse gas (GHG) emissions cuts and emissions trading scheme.

**Le rôle de l'Union européenne et de la Chine dans les négociations du changement
climatique global: une analyse critique**

Quoique le réchauffement climatique fusse un sujet vraiment mondial, l'article sous rubrique se contente d'examiner la positions des deux principaux acteurs des négociations autour du changement climatique global: l'Union européenne et la Chine. Distincts de par leur géographie et leur sociologie – notre analyse en tiendra compte – la Chine et l'UE sont respectivement le premier et le troisième plus grand émetteur de CO₂ en termes absolus. En plus, l'Union européenne connaît en son sein un puissant courant favorable au relèvement du défi climatique. Dans les relations bilatérales sino-européennes le changement climatique est un sujet important à l'ordre du jour. Aussi les deux parties tiennent-elles à améliorer globalement la situation. L'article analyse d'abord la position chinoise, avant de présenter celle des Européens à travers leur politique de réduction des gaz à effet de serre et du commerce des droits d'émission.

**Die Rolle der Europäischen Union und der Volksrepublik China in den Verhandlungen
über die globalen Klimaveränderungen: eine kritische Analyse**

Obwohl die Klimaerwärmung eine wirklich globale Angelegenheit ist, behandelt dieser Beitrag lediglich die Positionen der beiden Hauptakteure in den weltweiten Klimaverhandlungen: die Europäische Union und China. Trotz ihrer geographischen und soziologischen Unterschiede, auf die gebührend hingewiesen wird, stehen China und die EU an jeweils erster bez. dritter Stelle der Hauptverursacher von CO₂-Emissionen in absoluten Zahlen. Überdies gibt es innerhalb der Union eine starke Strömung zugunsten einer Bekämpfung der Klimaerwärmung, womit diese natürlich zu

einem wichtigen Thema in den chinesisch-europäischen Agenda wird. Beiden Parteien ist sehr daran gelegen die globale Lage zu verbessern. Der vorliegende Beitrag analysiert zunächst die Position Chinas, bevor er diejenige der Europäer mittels ihrer Politik der Treibhausgasreduktionen und des Emissionshandels darlegt.

Frauke AUSTERMANN
Towards One Voice in Beijing?

The Role of the EU's Diplomatic Representation in China Over Time

The European Union's difficulty to speak with one voice is said to be particularly evident when it comes to relations with the People's Republic of China (PRC). China has become too important a player in global politics. As a result, the national interests of EU member states are too pronounced and diverse for the EU to act as one. Many criticise that the new European External Action Service (EEAS) has not yet solved this issue. This article sheds a different light on the EEAS and on EU-China relations. By tracing the development of the EU's diplomatic representation to the PRC over time it shows that the Union is increasingly capable of centralising European diplomacy 'on the ground', i.e. in the PRC's capital Beijing. By now, the EU Delegation in Beijing is the main local player in both internal coordination of EU Diplomacy as well as in representing the EU towards China. Despite certain limitations, the examination of the EU Delegation in Beijing testifies to the widening and deepening of EU integration even when it comes to diplomatic representation, the supposedly last stronghold of high politics.

Vers un parler d'une seule voix à Pékin?

Le rôle de la Représentation diplomatique de l'UE en Chine au fil du temps

La difficulté de l'Union européenne de parler d'une seule voix est particulièrement visible en matière de relations avec la République populaire de Chine (RPC). La Chine s'est transformée en un acteur tellement important à l'échelle de la politique mondiale, que les intérêts nationaux divergents des États membres de l'UE sont devenus tellement forts qu'ils menacent d'empêcher l'UE d'agir de concert. Le nouveau Service européen d'action extérieure (SEAE) a été vivement critiqué pour ne pas encore être parvenu à résoudre le problème. Le présent article donne une vision différente du SEAE. Basé sur une analyse historique approfondie du rôle de la Délégation de l'UE en Chine, il montre que la Communauté est visiblement capable de centraliser la diplomatie européenne «sur le terrain», c'est-à-dire à Pékin. Jusqu'à aujourd'hui, la Délégation de l'UE à Pékin est le principal acteur local en ce qui concerne la coordination interne de la diplomatie de l'UE et la représentation de l'Union face à la Chine. Malgré certaines limites, l'analyse de la Délégation de l'UE à Pékin témoigne de l'élargissement et de l'approfondissement de l'intégration européenne, même dans le domaine de la représentation diplomatique qu'on se plaît d'ordinaire à présenter comme le dernier bastion de la 'haute politique'.

**Eine einheitliche Stimme in Peking?
Die Rolle der EU Delegation in China im Laufe der Zeit**

Die Schwierigkeit der europäischen Union mit einer Stimme zu sprechen wird in den Beziehungen der EU zur Volksrepublik China besonders deutlich. China ist zu einem so wichtigen Akteur in globaler Politik geworden, dass die nationalen Interessen der EU Mitgliedstaaten gegenüber der VR mit mehr Eifer verfolgt werden als die Bildung einer einheitlichen europäischen Politik. Es wurde vielfach kritisiert, dass der Europäische Auswärtige Dienst (EAD) dieses Problem bisher noch nicht lösen konnte. Der vorliegende Artikel wirft ein anderes Licht auf den EAD und auf die Beziehungen der EU zur VR China. Mit Hilfe einer detaillierten historischen Analyse der Rolle der EU Delegation in China wird gezeigt, dass die Union zunehmend in der Lage ist, europäische Diplomatie „vor Ort“, d.h. in Peking, zu zentralisieren. Heute ist die EU Delegation in Peking der wichtigste lokale Akteur hinsichtlich der internen Koordination von EU Diplomatie sowie der offiziellen Vertretung der Union gegenüber China. Trotz gewisser Einschränkungen ist die vorliegende Analyse ein wichtiger Beleg für die fortschreitende Vertiefung und Erweiterung der EU Integration, sogar in Bezug auf diplomatische Repräsentanz, die vermeintlich letzte Bastion 'hoher Politik'.

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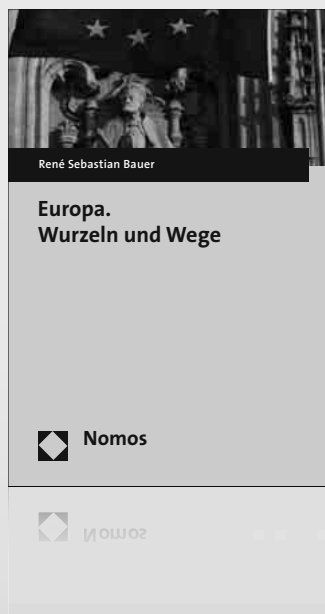
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