

China and Europe together could break the mould of global politics



Europe is politically more akin to China than America can ever be, says Geneva-based sinologist **Lanxin Xiang**. He describes here the steps the two partners should take to become the poles in a new system of international relations

The spectre of a neo-Yellow Peril haunts Europe, and the battle cry "Beware of the Chinese!" can be heard almost everywhere. China is supposed to be scheming to split the transatlantic relationship through its cunning diplomacy over the arms embargo issue, and is also suspected of deliberately setting out to destroy Europe's traditional industries. Most remarkably of all, China is seen to be seeking to dominate in regions like Africa where Europe has long had a leading role. All in all, China is viewed as the source of global energy panic, environmental apocalypse, Europe's high unemployment rates and, of course, avian flu or whatever pandemic may next appear.

Are these fears of China justified? Suspicions that stem from trade and jobs are a familiar tale in the history of economic competition, but the European policy elite's fear of a China plot aimed at weakening transatlantic ties is something

new. The US administration and the EU Commission have now begun regular transatlantic dialogues on China, something that would have been unthinkable even two years ago.

Fortunately, despite the EU's constitutional debacle, European politicians and the mainstream policy elite have not yet begun to use China as a scapegoat. They are less persuaded by the logic of the neo-Yellow Peril argument than those think tank analysts who remain nostalgic for their cold war research projects of yesteryear. But what few policy analysts have yet to see is the historic moment when Europe and China will come together once more, for the third time.

Because China and Europe lacked either a political or cultural sense of equality, the first two encounters were neither balanced nor mutually beneficial. Pioneered by the Jesuit missionaries, the first encounter



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during the 16th and 17th centuries was characteristic of a unilateral passion on the part of Europe, which received a major shock when it discovered the superb quality of Chinese products and began to eagerly absorb the ideas, values and technologies that constituted China's "resource portfolios". These intellectual properties directly inspired such monumental events in Europe as France's Enlightenment and the discovery of the *laissez-faire* economic doctrine, as well as the creation in 1848 of the "Usong" republic of the Swiss Confederation.

The Chinese side, however, remained completely indifferent to Europe's history and achievements, and considered Europe a quintessentially barbarian land. Later Eurocentric historians often dismiss, too, the crucial role of China during this first encounter in compelling the Europeans to define "Europe" in terms of the East's better governing model and stronger psychological state of mind. Perhaps one should add that the historic significance of this encounter is only matched by the EU's identity crisis of today in the wake of its constitutional crisis.

The second encounter in the latter years of the 19th century was also a one-sided affair. Ironically, the British were perceived to have "opened up" a China that was in fact one of the original "globalisers". The means used by Britain certainly swept away every value the Chinese had held for centuries, and that brutal Western shock no doubt helped shape the history of modern China after the Opium War. This time, it was Europe that compelled China to define

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By **Gordon C. K. Cheung**

But questions persist over "shared values"

Xiang Lanxin paints a vivid picture of Europe's coming "third engagement" with China, and puts forward some interesting and revealing ideas on how a genuinely closer relationship between the two partners is being achieved. I wouldn't challenge either the likelihood or the value of this closer engagement, but I do have one reservation. It is that China today is in fact losing some of the political and social values that are supposed to be Europe's core values.

The two previous major European engagements with China were first, through the Christian missionaries and secondly through imperialism. But it is still far from clear whether China has itself understood the importance of these engagements; the missionary engagement helped China to rediscover its identity as "a" rather than "the" country in the world, and to discover its own cultural differences with Europe. The second engagement, in the form of military imperialism, brought home to China the extent of its poor military skills and its technological backwardness. That is why the People's Republic of China (PRC) has been so vehement about making the country's technological and economic development its top priority.



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itself in the context of Western dominance. Today, as China's catch-up with Europe is becoming a real possibility, Europe and China once again find themselves in a position of fathoming one other and redefining their relations. This time it remains to be seen whether either or both sides are intellectually prepared to achieve genuine mutual understanding.

The conditions for mutual understanding are more conducive than in the past. China, for its part, is ready. In an interview with the French newspaper *Le Figaro*, Prime Minister Wen Jiabao made a very important remark when quoting Gu Hongming, a colourful 19th-century Confucian scholar who was also educated in the West. Premier Wen declared that "in this world, perhaps only the French could best understand China and Chinese civilisation, because the French possess the same almost unique spiritual quality as the Chinese – subtlety." Significantly, this statement can also be said to sum-up China's attitude towards the European Union as a whole.

Looked at in terms of China's foreign policy logic, Mr. Wen's "spiritual subtlety" seems to have three dimensions. First, China rejects the traditional eurocentric view of human history, and in this has found intellectual allies in Europe. The eurocentric view assumes the inherent superiority of Greco-Roman civilisation and sustains the myth that Europe's achievements derived from its cultural originality, technical innovation and free human spirit. Europe is thus chosen to be the only "unbound

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What about other European values? Two of the examples mentioned by Prof. Xiang could usefully be debated. To begin with, even if Prime Minister Wen Jiabao was right when he said that it is France that can best understand China and Chinese civilisation, how easily does China accept the three core ideas of the French Revolution; liberty, equality and fraternity? Far from embracing these concepts, the current political situation in the PRC has seen the government disassociating itself from all three concepts, notably through the filtering of information to be freely received by the general public through Google.

After more than two decades of the rapid economic development that followed Deng Xiaoping's 1978 reforms, China is still experiencing huge income inequalities between its coastal provinces and its inner and western provinces. The price has been the laying-off of workers too numerous to count, most of them without adequate pension rights, and the cause has been the privatisation or outright closure of state-owned enterprises. With many people also denied access to public medical services, the social fabric between the general public and the government is beginning to wear very thin indeed, and is being torn further by the strains of corruption, naked market competition and the growing power that is exercised by provincial and local officials.

To appreciate the achievement of Chinese thinkers, intellectuals, scientists and even businessmen in shaping the culture and the economy of the world, it is certainly

Prometheus" in human history, so the rest of the world, including China, has performed backward, despotic and barbaric.

Second, China hopes to work with the EU in dismantling the last bastion of the power theory of international relations that is so deeply embedded in the current system. The EU is the first multinational

political entity that has officially moved beyond the age-old logic of balance of power and hegemony. Its "spiritual subtlety" also helps the EU move beyond a "good and evil" view of the world. This fits very well with the Chinese call for the "democratisation of international relations" (Guoji Guanxi Mingzhuhua). Now that international rules and

EUROPE'S WORLD BACKGROUND BRIEFING

Economic tensions look like a long-term problem

China's economic relationship with the European Union has become increasingly fraught, thanks to a succession of trade disputes over clothing and shoe imports into Europe. The EU's trade deficit with China was less than €50bn in 2000, but by last year had doubled to around €100bn because Chinese exports to the Union have been growing at around 20% a year.

But it is not just the rate of import growth that is concerning European governments, it is also the widening range of products that are coming into the EU from China. As Julian Callow of Barclays Capital in London has noted, "The surge in Chinese exports is happening not just in lower value-added products such as textiles, furniture and leisure goods, but increasingly in capital

goods". China's exports of power generation equipment and electrical machinery have been surging as China has begun moving up the value chain.

What is also worrying EU governments is the thought that a re-alignment of global currencies could be underway which would further tilt the competitive balance against the Union. China will by the end of this year have built up foreign exchange reserves of \$1,000bn, a figure achieved in part by its policy of pegging the yuan to the US dollar. So now the biggest trade threat to the EU comes from the danger that the dollar will suffer a steady devaluation, and that China will follow it down, making its exports even cheaper and EU exports to China more expensive.

European manufacturers who take a longer-term view have been investing in production facilities in China, both to serve the potentially huge Chinese market and to outsource production. The European Commission believes that EU-25 companies had built up a stock of some €23bn of foreign direct investment (FDI) in China by 2003, compared with Chinese foreign direct investment in the EU of €700m.

Considering that over the past five years FDI into China from around the world has been running at close to \$50bn annually, Europe's stake is relatively small, and its growth may even be slowing down. The latest data for 2003 suggests that EU investment was only €3bn in that year. □

institutions are becoming crucial in China's foreign policy decision-making, multipolarity and multilateralism have begun to unify the entire Eurasian continent and are a result of the intense institution-building activity in the region that has been inspired by the EU's success.

Third, the idea that the China-EU relationship can only flourish at the expense of transatlantic relations is perceived by Beijing to be a "cold war mentality" (Lengzhan Siwei) as absurd as the idea that China will remain at the receiving end of Western-dictated globalisation. So far as China is concerned, the political and ideological West is disappearing, and harmony among civilisations has instead been placed on the global agenda.

Is Europe ready, intellectually and psychologically, to understand China? The Eurocentric view of history has long been challenged by the Europeans themselves. The French have been among the first to contest the eurocentric historical perspective, calling for an "archeological approach" and this perspective is undoubtedly closer to the Confucian view of cyclical and organic history than to the linear and mechanical one of the west.

It has also become politically incorrect in Europe to uphold racism, and this is one of Europe's few original contributions. The context of today's East-West debate is therefore different, so no one can easily hark back to Victorian notions of the white

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justifiable to quote Gu Hongming (1857-1928), a foreign-trained Chinese intellectual. Yet it might be more instructive to look to Gao Xingjian, the Chinese-trained French citizen who won the Nobel prize for literature in 2000, to see what Chinese intellectuals sometimes have to contend with. He was denied the right to return to China because of his criticism of the government, particularly during the Cultural Revolution.

Liberty, equality and fraternity are evidently still in short supply in China's political system. Europe is definitely trying to engage with China in cultural, economic and even strategic terms. So perhaps the big question is whether China will respond by wholeheartedly trying to understand and accept European values. □

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man's supremacy. The old Yellow Peril sentiment has in any case never run very deep in Europe, and throughout the history of Christian Europe, China never became Europe's "the other" in the same way as Islam. Even during the worst years of Sino-European alienation, the Chinese were seen as harmless and convertible "pagans", but never as infidels. And now that the last European cultural invention – the artificial East-West cold war based on an ideological divide – has disappeared, the European intellectual world is ready to accommodate China even if the foreign policy community is not. Those who have lived comfortably off transatlantic relations for so long seem to find it hard to discard the notion of a political west.

But Europe, unlike the United States, has become a genuinely secular yet humane society, whose governing principles are closer to Chinese political philosophy than many Europeans may care to believe. China's traditional governing principle has been the promotion of familial and social harmony, and justice. European democracy works better than discontented youth seems to believe, and Europe's political participation levels are much higher than in the United States. European-style social democracy tends to produce more harmonious societies than can laissez-faire America. Europe is more culturally tolerant and its racial relations are by no means as bad as last Autumn's French ethnic riots would suggest.

In sum, the EU has become a shining model for China. Europe and China seem to be on the way towards understanding each

other for the first time, and at a level that can hardly be matched either by transatlantic ties or by Sino-US relations. What remains to be seen is whether each individual EU member state will support the idea of multipolarity in international relations. The EU and China have become the key poles of the new international system, so they simply need to recognise the reality of multipolarity rather than putting their trust in what remains of the old unipolar system.

The challenge to the EU-China relationship is twofold. On the one hand, both need to understand one another's real intentions; the only war that Europe ever fought against China was the Boxer War of 1900. The political tensions of more recent times were simply cultural and diplomatic misreadings. On the other hand, the two sides must start defining their much-acclaimed yet largely empty "strategic partnership". For any tie to be called strategic it must consist of a long view and a number of durable elements. And because each political issue that arises is linked to the lasting features of the relationship, it would be short-sighted to consider the arms embargo issue from the tactical rather than the strategic level of EU-China relations. □

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ADDITIONAL READING

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