

DIPLOMATIC RELATIONS BETWEEN EUROPEAN UNION AND CHINA

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Abstract

Diplomatic relations between the EU and China are important, and at the same time include various areas of cooperation. Today what characterizes the unity and identity of the continent of Europe is the result of developments and events that happened in the second half of the twentieth century. Relations between EU countries after the Second World War changed dramatically, as a result of economic and political factors.

Taking into consideration that under the international law the EU establish agreements with China in various fields, such as: diplomatic, economic, industrial, technical, etc. Based on this, the aim of this paper is focused on the mentioned agreements in diplomatic aspect. Namely, this cooperation makes more popular these two countries in the world as largest traders, but always based on fulfillment of the rights and obligations set forth in the rules of the World Trade Organization.

This paper also is based on international and local literature, including different opinions from the authors and scholars. The methods that have been used in this paper are of historical and comparative aspect.

The role and importance of China's diplomacy results in maintaining its status as a developing country. However, the EU aim is to cooperate with China in all areas, in order to have economic and political benefits in international level.

Keywords: European Union, International, Treaty, Member, China

1. Introduction

The EU as an international organization has relations not only within its member states, but also with other states, in this case with China. The relations between them were established since 1975. However, the Maastricht Treaty of 1992 provided the common cooperation in important areas. It is in our understanding that this cooperation continues up to now.

The importance of China's diplomacy lies in its status of developing country, even it always promotes divisions between EU member states, and it can be considered as tactic of China to member states of the EU, which it seems that there is missing the importance of common cooperation of the EU member states. In this regard China always has benefits by these cases. Thus, this paper includes several forms of diplomatic relations as well as the conditions for being a member state of international organizations. As such, we have the case of China's membership in WTO organization. The importance of the China seems on its candidacy to aim to be a member of the mentioned organization, for which EU has a key role for China, even that US was against, but finally enabled China to be a member of the WTO.

Another issue that is important has to do with diplomatic policy. Namely, the diplomatic policy between both countries traps in different areas such as: rule of law, human rights, climate change, environmental policy, etc.

The part which also remains important has to do with the diplomatic tactics that China uses towards the EU, and that it gains from its own centralized authority and system of government.

The other issue involves the issue of human rights, which China initially seems to accept but in reality, rejects them.

What is considered in this part as more specific is that China exploits and promotes divisions between EU member states.

However, the bilateral agreements gave more opportunities for EU and China with the aim to have priorities to expand business, tourism, etc. Both countries adopted EU-China Agenda 2020 for cooperation in order to discuss political and economic relations as well as regional and global issues through annual summit.

2. Diplomatic relations between EU and China

The EU originates from the European Coal and Steel Community (ECSC), established on 18 April 1951, by the Paris Treaty. The European idea as well as the relations between European countries after the Second World War changed radically as a result of a number of economic and political factors. The Maastricht Treaty of 1992 was the one that gave to the EU the form, the name and the content that we know today. According to Maastricht Treaty, the EU is based on three pillars: the first pillar - the European Communities, which aimed at acquiring and securing part of the sovereign state's powers in EU institutions, the second pillar - common policy, foreign and security and the third pillar - justice and home affairs. Especially with the Treaty of Amsterdam of 1997, in comparison with other founding treaties, it was that in addition to promoting the EU as a trading and monetary power, it was to become a European power with an effective, common and representative foreign policy. While the Maastricht Treaty created a new framework for general action in common foreign and security policy, the Amsterdam Treaty goes further, incorporating EU principles and actions in this area, and paving the way for a common foreign policy (Reka and Sela, 2007: 10-15).

In international law, the EU enters into agreements with non-member states such as "Third countries", and with other international organizations, and these are the most diverse, from extended trade cooperation treaties or in the industrial, technical and social fields, until the agreements on the trade of particular products (Borchardt, 2010: 82).

Given China's spectacular export-led economic growth, it is rumored to be able to replace Japan in the next ten years (Sela, 2010: 255). The European Economic Community, as the EU predecessor, established diplomatic relations with China on 6 May 1975 (Morelli, 2018: 1). Both parties signed an agreement on trade and economic cooperation. So energetic were their economic relations which on 1985 China and the European Community signed a new agreement on comprehensive cooperation. Three years later, the Commission also sent its delegation to Beijing.

The relations between the European Community and China ended abruptly in June 1989, when the Chinese government relentlessly suppressed student demonstrations in Tiananmen Square. The European Council condemned China's repression and suspended bilateral summit meetings, incorporated several new cooperation projects and disrupted existing programs. After a year the European Community decided to gradually normalize relations with China, though the dilemma between protecting human rights and strengthening bilateral trade continued to concern some member states.

In 1995, the EU developed a comprehensive, independent and sustainable strategy for relations with China, which at that time was a power with political, economic ties, its fourth largest export market and supplier. Despite the progressive intensification of contacts, relations between them during the 1990s remained fragile. Negotiations on reducing quotas and other barriers were difficult and protracted. The EU did not tolerate what it regarded as persistent barriers to European exports to China. On the other hand, China did not endure the EU to

continue using anti-dumping measures. China's insistence on intellectual property rights was another reason that troubled their relationship. Therefore, China has finally enacted intellectual property laws, thanks largely to United States pressure, but problems remained with their enforcement (Sela, 2010: 256).

The EU and China are two of the largest traders in the world. China is now the second largest trading partner in the EU after the US. China commits to open trade relations with China. However, it wants to ensure that China is traded fairer, respects its intellectual property rights and fulfills its obligations as a member of the WTO (<http://ec.europa.eu>).

The agreement eased European concerns about Chinese restrictive practices in a number of areas, notably in financial services, public procurement and access to the Chinese domestic market. The EU wants to help China feed its large population, make better use of its natural resources, and alleviate poverty in rural areas. The EU promotes these objectives through funding and direct assistance, support for non-governmental organizations operating in China and humanitarian aid-Humanitarian Office of European Community (Sela, 2010: 257).

3. China in WTO

Conditional support of China in WTO membership was a separate rift for which the EU played a key role. Despite of US which openly opposed China's candidacy, while later removed some well-documented trade barriers, the EU supported China's entry into the WTO as an instrument to encourage economic reforms, which would include the argument that the EU had selfish motives too, perhaps that China would see European exporters and investors more preferentially. However, EU support for China was not unconditional. It was only after the EU and China concluded a bilateral WTO accession agreement that calmed and European concerns over financial services, public procurement, intellectual property rights and other sensitive issues, that the EU cordially supported Chinese candidacy. The EU-China agreement ended with another special agreement, between US and China for which US finally enabled the way for China's WTO membership (Sela: 232).

Moreover, in 2001 there was probably hope that a sustained process of Chinese reform, which took place before WTO accession, would continue. However, this rule could be subject to revision after several years. According to article 15 of the regulation, WTO members cannot use Chinese domestic prices to impose anti-dumping duties by applying the methodology provided for countries considered to be market economies unless "Producers under investigation cannot show clearly the conditions of market economy prevail in the industry producing the similar product in relation to the production and sale of that product". The status of market economy should be granted once China has fulfilled the criteria set by the WTO importing country. In the EU, five criteria are laid down in Council Regulation (EC) No. 1225/2009 (Pelkmans, et. al., 2016: 85).

4. Diplomatic policy

The EU's policy towards China is trapped in a so-called diplomatic circle. The divisions of European states reflect a lack of trust between member states that can act as an effective guarantor of their national interests. The EU has responded to the lack of guidance from its member states by adhering to a policy framework dating to an era when China was the largest developing country in the world. This encourages governments to follow their relations with China independently of Brussels, leaving the EU to deal with some fundamental issues and to fight battles over largely symbolic issues. Facts about the language in Taiwan, Tibet, the human rights that have little or no influence on the ground, are fought against the expense of progress, on vital issues such as access to trade, African governance or climate change. One such

example is the current discussion of a partnership and cooperation agreement, which would replace the trade and cooperation agreement as of 1985, as legal basis for the relationship between them. The EU has consistently claimed to have a drafted text that would be also benefit for China which will reflect on common values. But China has little interest in those parts of the agreement that go beyond trade and cooperation. Overcoming its divisions is the only way that the EU can hope to rebuild the values at both European and national levels. Europeans need to think about how to raise their game, to achieve the unity which is important, and to focus their demands on those areas where a change in Chinese policy is essential (Fox and Godement 2009: 30).

The EU organizes 24 sectoral meetings with China each year. Approximately 20 European Commissioners visit the country each year. In 2007, 80 parliamentarians and no fewer than 450 European delegations travelled to China. From all meetings, it turned out that the dialogues and visits were poorly coordinated. The ministers of member states went there in large numbers so their delegation could not even be counted. With the aim to make matters worse, some member states coordinated between them or provided information to the Chinese government from European capitals. As one of European diplomat said: the EU often appears as “A small diplomat, which submits a formal human rights complaint to the ministry of foreign affairs”, on behalf of the next presidency (Fox and Godement: 31).

In the absence of diplomatic breakthroughs, some projects can have a greater potential to induce some changes such as EU-China Environmental Governance Programme, which aims to increase expertise and capacity in environmental law in China as well as public awareness of citizen’s rights. At first glance, this might appear to be just an issue of environmental policy, but it showcases the benefits of functioning rule of law in a specific field. Another project is the EU-China Law School in Beijing, which aims to familiarise a future generation of Chinese lawyers with the rule of law (Rühlig, 2018: 94).

Since 2013, the 2003 EU-China comprehensive strategic partnership has been broadened and deepened in line with the EU-China 2020 Strategic Agenda for Cooperation. This has led to a high degree of institutionalization of EU-China ties, with an ever-growing number of dialogue formats that cover political, economic and people-to-people relations, but whose tangible results vary significantly (Grieger, 2009: 1). The Strategic Agenda provides strategic guidance to their relationship, through the three pillars directly underpinning the Summit (the annual High Level Strategic Dialogue, the annual High Level Economic and Trade Dialogue, and the bi-annual People-to-People Dialogue), through their regular meetings of counterparts and through their broad range of sectoral dialogues (EU-China 2020 Strategic Agenda for Cooperation, accessed on 2015: 2).

In foreign and security policy EU-China cooperation was a major factor in first, securing the Iran nuclear agreement and now in ensuring its full and effective implementation. They agreed that the denuclearization of the Korean Peninsula is essential to ensure stability in the East Asia region and beyond. The EU seeks a regular and substantial dialogue with China on disarmament and non-proliferation issues. The EU and China work towards fighting global challenges and tackling difficult situations in our respective neighborhoods. The EU wants to work more closely with China to promote peace and security, for example in Afghanistan. So, the EU wants to further build on cooperation with China on peacekeeping and security and defense matters in Africa. EU and Chinese coordinated approaches to counter-piracy operations in the Gulf of Aden and off the Horn of Africa have increased security of shipping in those areas. As regards to human rights, the EU will continue to work with China and its people to promote human rights and to foster the rule of law and civil society. A dedicated human rights dialogue is held on an annual basis (<https://eeas.europa.eu>).

5. Diplomatic tactics

As Europeans seek to win over China through unconditional commitment agreements, Beijing has carefully crafted a strategy to manage the EU, using three types of diplomatic tactics:

- First, China benefits from not coordinating its centralized authority and EU governance system, using its own administrative channels in order to restrict access to its markets (Fox and Godement 2009: 33). Even Chinese citizens and foreign firms have difficulty to secure their legal rights locally, and in most cases are faced with arbitrary decisions by local or regional authorities. However, the central government retains considerable authority in dealing with foreigners and large firms as well as those that are owned by the state. As one EU diplomat said: “The structure of the government party can control whatever it wants, but not always the party is the best to choose what want to control”.
- Second, China ignores EU pressures on specific issues, such as human rights. China shows as acceptable formal dialogue with the EU, and then turns them into unclear issues. It provides the EU by using soothing language of the virtues of multilateralism. But for Beijing, these meetings are special. The human rights dialogue avoids European calls for critical public resolutions. In some cases, the dialogues actually strengthen its influence in Europe rather than the influence of the EU (Fox and Godement: 34).
- Third, in some cases China exploits and promotes divisions between EU member states. While its close allies exploit its divisions as the US did on the eve of the Iraq war. China may do it with an unusual action, targeting the member states in particular. The most spectacular example is the last one happened in France. Following President Sarkozy’s refusal to participate in the Beijing Olympics and for the debate of the Paris Olympic Torch Station, travel agencies in Beijing were ordered not to tour France that resulted in reducing of visa requirements in May 2008 for 70%. The Chinese government also helped boycott of Carrefour supermarket in China, and the Prime Minister Wen Jiabao avoided Paris during his tour to Europe. As for Germany, two years ago, after Angela Merkel’s meeting with Dalai Lama in her office in Berlin on September 2007, China during this time suspended all diplomatic relations (Fox and Godement: 35).

China is progressively becoming an important factor in the EU’s Eastern Neighborhood, not only with regard to trade but also with regard to security policies. The crisis in Ukraine and the Five Principles of Peaceful Coexistence: the crisis in Ukraine puts China in a difficult position regarding the respect for the principles of peaceful coexistence. Officially, China demonstrated a balanced and neutral position. Informally, however, China expressed understanding of the Russian position. China’s view on the role of the US and the EU in the crisis is similar to the Russian official view while the cooperation between the EU and China over the Ukraine crisis is estimated as close to unsatisfactory (Burnay: et al., 2015: 10). In order to address China’s emergence in the EU’s Eastern Neighborhood, particularly in the context of China’s silk road initiative, the EU should see this emergence as an incentive to strive for better connectivity within the EU as well as with its neighbors, not only in the East and Mediterranean area but also with the “Neighbors of its neighbors”, such as the countries in Central Asia. In addition, the EU should carefully evaluate the potential of growing interconnectivity as well as its negative effects, e.g. organized crime, terrorist activities, and illegal trafficking (Burnay: 11).

6. Economic diplomacy

China has never defined the national well-being of its country. China has always defined it with the aim of making her place among the most powerful nation in the world. Attempts to achieve this goal with the help of the Soviet Union were abandoned when it became clear that this mode of economic development would result in maintaining its status as a developing country behind the Soviet Union. Then, after two decades of focusing on its own forces, it gave China an opportunity that could not capitalize on the dynamics of its neighbors, and the government changed again its development strategy. Since 1980, economic relations with market economies such as Japan, the EU and the US have been fully realized in order to achieve its international position economically.

Japan's position in East Asia is starting to fade and China may soon overtake the US. In this respect, its progress has been on rise of military power and historical and political, territorial disputes, and many analysts in the US and Japan is skeptical on so-called "Peaceful rise of China". However, the EU seems less concerned about these events and it is able to cooperate with China in all areas, in order to have mutual economic and political benefits (Klenner, 2005: 331-346).

On 29 February 2016, the EU and China signed an agreement on the abolition of short-stay visas for holders of diplomatic passports. This was only the first step in facilitating the movement of peoples between two countries. The bilateral negotiations will continue in the future. The next step will be to expand business, tourism and studies abroad, providing visa facilitation (Pelkmans, et. al., 2016: 221-222).

The EU is China's biggest trading partner while China is the EU's second largest trading partner. Trade in goods between the EU and China is worth 1.5 billion EUR a day. EU exported to China 198 billion EUR and imported 375 billion EUR in 2017. In 2017 the EU exported 45 billion EUR of services to China, while China exported 28 billion EUR to the EU (<https://eeas.europa.eu>).

7. Conclusion

In order to understand the importance and role of the states and international organizations in relation with other states and international organizations, it is important to establish relationships between them. Taking into consideration one of the important element of states such as the ability to enter into international relations, along with three other elements, which are defined as rules of international law, it can be said that the aforementioned topic-EU and China, fulfill the elements which make important the state or international organization as a subject of international law.

Starting from its founding of the EU and especially with regards to EU relations with other countries, in this case the relations with China were established since 1975. But the Maastricht Treaty, was who gave more importance to EU relations based on three pillars, among which the most important was the second pillar-the common foreign and security policy, which was reinforced by the Amsterdam Treaty, which in comparison with other EU treaties, gave it a monetary and trade power consisting of the establishment of the EU as a European power with an effective and indivisible foreign policy.

Establishing diplomatic relations between states or organizations is of particular importance internationally, as it produces legal effects in various spheres. In this respect, it is worth to mention some types of cooperation between the EU and China, for which they have significance and effects not only among them but also in relation to other countries. Therefore, what remains known is that the EU and China remain the two largest traders in the world after the US to this day. Particular importance should also be given to China's WTO membership,

which was initially opposed by the US but thanks to the EU China is now a WTO member. However, what makes the EU; especially its position to China is the lack of proper cooperation between member states, which always manifests itself in disunity, which helps China a lot in its favorable position. The lack of cooperation of member states is particularly noticeable in the organization of ministerial summits and meetings as well as sectoral discussions which are growing each year.

What makes China most important is the implementation of diplomatic tactics, among which China benefits greatly from its centralized authority, following the disregard of EU-wide pressures on human rights, as well as its China urge member states of the EU?

What is to be welcomed is the signing of agreements between them with the aim of abolishing visas to facilitate free movement of people, expanding business, tourism and studies abroad etc. Even were some disputes between the EU and China relations, which were resolved later, because the aim of the EU is to continue the cooperation with China in different areas.

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