China-EU partnership is strategic and comprehensive

ESADEgeo Center for Global Economy and Geopolitics organised last March 23 a seminar on the Socioeconomic interrelation between China and the EU held by Prof. Jiang Shixue, Deputy Director of the Institute of European Studies at CASS, and chaired by Prof. Javier Solana, President of ESADEgeo.

Professor Shixue gave an account of historical and economic relations established between China and the EU; “a comprehensive and strategic partnership, reflected in the remarkable evolution of trade exchanges between both countries: in 1975, bilateral trade amounted to only $ 2.4 billion, while in 2010, it reached $480 billion, that is, $1.3 billion a day; an increase of almost 200 per cent”.

As a result, over recent decades, China has become the EU’s second biggest strategic partner. Accordingly, the EU has become China’s biggest trade partner. “A win-win relation”, whose interest does not only apply to the economic field. As an example, Professor Shixue indicated that “there are almost 200,000 Chinese students in the EU”, and “more than 1 million tourists visit Europe every year”.

Nevertheless, not everything is bright. There are also bumps in the road of China-EU relations when it comes to understanding the nature of democracy and the role to be played at a global level. Moreover, the increase of economic exchanges has resulted in new frictions over trade. Consequently, both players have their “wish-list” for each other. In Professor Solana’s view, the EU wish-list can be summarised in one sentence: “the EU asks China to play by the rules and not with the rules”, in particular relating to international trade. “The second economy in the world needs to assume responsibilities”. For Professor Shixue, China’s “wish-list” is mainly: “no interference in China’s internal affairs; no use of anti-dumping; transfer of more technology; lift EU arms embargo on China; and recognition of Chinese market.

During the debate, Professor Shixue was asked about the political factor in China and its evolution over the near future. A debate which has always been ongoing but which has regained strength over the last months. Even Premier Wen Jiabao has raised the issue
personally, as it can be read in a recent article published by Keith B. Richburg in Washington Post. For Prof. Shixue, “what China—an emerging economy with 1.3 bn people— needs in the near term is, above all, stability to sustain economic development”; and “a slow-path of gradual political reforms afterwards”.

As far as global governance is concerned, the Deputy Director of the Institute of European Studies at CASS attached a great importance to the G-20. “A nice picture much better than G-1 or G-2”. In order to explain China’s stance on international affairs, he referred to Confucius and his concept of harmony. Last but not least, Prof. Shixue summarised Chinese attitude towards Spanish initiative for triangulation –that is Spain as a bridge for Asia-Pacific to develop its relations with Latin America; one of the initiatives of the Spanish government’s Asia-Pacific Framework Plan 2000. According to Prof. Shixue, 49% of the Chinese population are optimistic about this triangle relationship, while 51% are pessimistic, mainly because the extra transaction costs and the lack of knowledge about the Spanish initiative as a bridge. To overcome the latter position, Professor Shixue proposed to look for those areas where triangulation were really effective and encouraged to keep promoting EU-China debates directed at achieving consensus.