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China's apparent cost-free slight to Europe by Francois Godement

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China's cancellation of the annual EU-China summit four days before it was to be held in Lyon is explained by French President Nicolas Sarkozy's decision to meet the Dalai Lama in Poland a few days later. But what looks like a diplomatic spat shows European leaders that they need to face up to some hard truths about their relationship with China.

China's leaders have become much more skillful at sugarcoating their bullets. There will be official talk from China about postponement of the summit rather than cancellation. And the country will be suave and open-minded to its European friends, open to business the very next day.

But China's leaders will not have taken this decision lightly. One has to go back to the Sino-Soviet split of the 1960s to find a multilateral precedent. They have only behaved similarly to individual neighbours such as Japan or Singapore, or more recently to Germany for a very short time. They are second to none at judging their international partners' strengths and weaknesses. So European governments should reflect on why China feels able to dismiss them like this at such short notice, like junior officials participating in a human rights dialogue.

Ironically, China's main ally in this undertaking has been European divisions. Tibet itself, the proximate cause for the cancellation of the meeting, provides a salutary lesson in the dangers of disunity. When German Chancellor Angela Merkel met the Dalai Lama in September 2007, Germany was left unsupported by its European partners. When Tibet erupted in riots in March, just months before the Beijing Olympics, Europe's leaders spectacularly failed to coordinate their responses. Merkel said she had never planned to attend the games, Britain's Gordon Brown said that he had always said he'd only attend the closing ceremony, Jose Manuel Barroso, head of the European Commission, that he had never considered not attending, and Sarkozy opined that he would think about it.

Things failed to improve once the Olympic flame was extinguished. Last month, with extravagant timing, the UK chose the day of a formal meeting between the Dalai Lama's envoys and China to announce the reversal of its century-old policy on Tibet's "autonomy," apparently without informing its European partners. Whatever the justification for that move, Chinese officials took it as a diplomatic freebie, lambasting the Tibetans and turning their fire on France, which currently holds the rotating presidency of the EU. There is little evidence that President Sarkozy consulted other

Europeans before announcing he would meet the Dalai Lama in Gdansk less than a week after the EU-China summit.

Chinese perceptions of European weakness, already evident in the EU's bumbling and chaotic approach to China, will have been strengthened by the successive failures of the 2005 European Constitutional Treaty and the 2007 Lisbon Treaty. And there may be worse to come. In its official reaction to the cancellation of the summit, the EU cited the "present need for tight economic cooperation between Europe and China at a moment of global economic and financial crisis." This, like the rumours that Gordon Brown dumped Tibet to keep China sweet, may be taken as an admission of European weakness.

For some time now, the buzz among Chinese foreign policy experts has been that Europe need not be taken seriously. It has moral rather than strategic goals, it is unfocused on its priorities with China, and the competition for favors from China is so acute among member states that China need not even stoke the fire under Europeans' feet – they light it themselves. This is why China feels able to cancel a longplanned top-level summit. Of course, by showing so graphically that the days of irresolute lecturing by Europeans are past, China is also alerting the incoming Obama administration that it is a partner to be reckoned with.

It is time for Europe to see the light. The dreams of nostalgic Gaullist diplomats in Paris and British empire holdovers in London to have their own "China policy" are outdated and unrealistic. Germany's isolated position as the main economic actor in the Sino-European relation brings with it a huge collective cost.

A revived European policy toward China would include the following elements. First, Europe should hold firm on Tibet and the Dalai Lama. Second, member states must coordinate their China policies at the highest levels. Third, Europe must carefully weigh and balance its interests with China. The case for financial cooperation is compelling. But does Europe need it more than China does? Europe should quietly advance a financial diplomacy with China that serves mutual interests – and there is no need to compromise principles.

Finally, we should learn patience from the Chinese. We should point out the double standards in China's action – China has not used the Dalai Lama as an excuse to walk out on meetings with anyone else. We should note that, as China's economy slows down, the country's leaders may have domestic reasons for finding scapegoats abroad and striking a staunch nationalist posture. Meanwhile, there are many European grievances China is failing to address: the trade surplus, intellectual property rights, product safety, a level-playing field for investments. Europe has conceded all the advantages of its open market and system to China, and is still

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being treated as no more than a diplomatic irritant. Until Europe's leaders get their act together, there seems little prospect of improvement.

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