

Understanding China-EU relations in the context of the Belt and Road initiative

In December, the EU unveiled a new 'Global Gateway' project that has been widely viewed as an attempt to challenge the influence of China's Belt and Road initiative. Catherine Jones assesses what the future might hold for China-EU relations.

Changes are coming thick and fast in relations between China, the EU, and EU member states. The presence of China as a significant – but strained – international actor is exacerbating existing fissures in relations among 'western states' that will make coordinated international action more difficult. In the context of China's relations with the EU (as an institution) and the member states these tensions are already apparent.

As eastern and southern member states leverage the opportunity of China's Belt and Road initiative (BRI), and as northern states become more concerned about human rights violations, these pressures will only increase. Economic and political drivers of EU policies in relation to China are on a collision course. In July 2021, Pepijn Bergsen described this as an '[unsustainable policy](#)'. I would take this analysis one step further by highlighting the potential impotence of the EU in being able to address the new nature of China as a global actor.

Bergsen's analysis [succinctly argues](#) that "the EU's approach to the economic challenge from China, as well as to broader geopolitical and geo-economic issues, has been to pursue 'strategic autonomy'". This argument is, however, rapidly developing. In recent months, Lithuania has sought to extend ties with Taiwan, leading to a trade dispute between China and Lithuania.

Stuart Lau and Barbara Moens [argue](#) that China's response is aimed at preventing any further recognition of Taiwan by EU members. Lithuania may only be a small state, but the significance to the rest of the EU is worthy of note, as German car manufacturers have had parts stopped at Chinese ports because they were manufactured in Lithuania. The EU response has been muted and limited to recourse to the trade department or the World Trade Organization (WTO).

This example is indicative of a wider problem for the EU that is expertly outlined in a [range of recent books](#). To date, the EU has tried to strike a balance in relations with China, engaging in some areas and becoming a competitor in others. Yet, implementing this balance depends on the approach of individual member states, as well as coordination with arms of EU policy that are directly under the control of the Commission. The problem – as a 2019 Commission report notes – is that to pursue this model, the EU "requires a flexible and pragmatic whole-of-EU approach enabling a principled defence of interests and values". The example of Lithuania seems to aptly demonstrate the problems that come with this approach.

The change in power in Germany may also affect this balance – offering some potential hope or new fears. Under Angela Merkel's leadership, an engagement policy was pursued which appeared to be in line with the EU approach. However, with the advent of the traffic light coalition, and Green Party control of the foreign ministry under the leadership Annalena Baerbock – a noted China critic – Germany's approach towards China may pivot. In the words of one [Bundestag official](#), "I think you will see a quick shift, possibly even a drastic one".

This may offer hope to some that the EU can coalesce around a new approach towards China that can be more consistently followed. A new German approach that has less concern for large industrialists and more concern for political issues including the Uighurs, Hong Kong and Taiwan, might help to tighten the ties between member states. Similarly, a new approach from Germany may bring the preferences of France and Germany closer together. As Francois Nicolas [noted in February 2020](#), despite the 'strategic partnership between the two states', France is likely to begin to implement a 'firmer' line with respect to China.

The EU's counteroffer to the Belt and Road initiative, the 'Global Gateway', may also support this positive view. The [global gateway](#) is a 300 billion euro plan for infrastructure investment, aimed at supporting global supply chains, pursuing values including respect for law and transparent agreements, and ensuring some future-proofing of the projects undertaken in relation to climate change and building in resilience. The announcement of the global gateway may be seen as the EU backing up its new rivalry with China with significant funding, which will grease the wheels of member state coordination and cooperation.

A more pessimistic reading suggests recent developments will realign differences rather than reduce them. Differences on China among EU member states are about more than the preferences of Germany or outward facing development assistance. According to [the Economist](#), eastern bloc EU members seem to see a potential 'ideological friend' in Taiwan, despite the backlash from China. Southern member states needing investment can seek engagement with China through the Belt and Road initiative and use those negotiations to leverage more funding from the Commission. These difficulties will take time to overcome and may depend on how Germany's new foreign minister pursues a China policy, and the outcome of the 2022 French elections.

For more information, see the author's accompanying review article in the [Journal of European Integration](#)

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