1. Introduction

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Several decades ago, when Japan was a rising power in Asia, people talked about the EU–US–Japan triad. The international situation is changing so rapidly in the twenty-first century that China is now regarded as an emerging power whose rise will have a huge impact on international relations. The rise of China, with its unprecedented economic growth as well as increasing diplomatic and military prominence, has become a defining feature of our time and is considered as 'one of the great dramas of the twenty-first century' (Ikenberry 2008). While the nineteenth century was frequently called the British Century, and the twentieth the American Century, part of the debate in the twenty-first century is on whether it will be the Chinese Century (see, for example, Beckley 2011/2012). Jacques (2009, p. 359) wrote that ‘the rise of China and the decline of the United States are central to the present global depression’. China’s rise has great implications for the reconfiguration of great powers in the world, and is often said to inevitably end the US’s unipolar status, and at the same time weaken the EU’s influence. Others argue that China has become the beneficiary of the economic crisis (Foot and Walter 2011), though America’s global primacy in economic and political affairs as well as within global institutions remains considerably strong. While there is no consensus as to whether China will be able to challenge the United States worldwide, it is incontestable that the first decade of this still young century was marked by China’s rising influence in economic and political affairs in the world, which contrasts with the relative declining influence of the West. The global economic recession and the Euro debt crisis accelerated this trend, leading to the shift of balance of power between the world’s key players. This changing political landscape has, without doubt, inspired a surge of acronyms for identifying cohorts of powers, including G2, G3, the BRICS and the G20, as well as the original G7 and G8. The formation of these different groups results from a rapidly changing international political and economic situation. As the book title indicates, the interaction between the EU, the US and China is of particular importance to the formation of the
international order in the twenty-first century. We selected and edited a group of articles that examine and analyze EU–US–China relations from political and economic perspectives. The book focuses on the latest changes in the world and examines how important the interactions between the EU, the US and China are to the future global governance. This book intends to address the following questions: how do the three players interact with each other politically and economically? Do they regard each other as competitors or partners in strategic, political and economic issues? Do norms matter in their relations?

The EU, the US and China constitute the three most important actors in the world. Yet, few studies have focused on the interactions between them. Most probably, this is explained by the absence of official triangular institutional mechanisms or resulted from the predominance of respective bilateral relations (US–EU, US–China and EU–China relations). Hence, this publication intends to shift academic discussions from bilateral relations to triangle relations that define, to a large extent, the feature of global affairs in the contemporary era. In other words, globalization has resulted in further integration and interdependence of the international community. Bilateral approach alone is no longer sufficient in painting a comprehensive overview of the interactions of the three and their impact on international relations. Thus, the analysis of triangle relations offered by this book helps to have a closer look at the policy and behavior of the EU, the US and China in a more interdependent world.

Against the background of the rapid rise of China in the twenty-first century, the book examines the role of the US, the EU and China in international affairs and the cooperation and competition between them. While acknowledging the dominant position of the US in the world, the book mainly looks at how the EU and China interact in a wide range of issues with the US and the opportunities and challenges they face in a changing world. Consequently, no section will be dedicated to the study of the US. In other words, by recognizing the leadership role of the US, the book permits further space for the analysis of the European and Chinese positions within this framework.

Furthermore, the chapters have been drafted in a post-crisis era. The issues covered throughout the book reflect a more realistic overview of global governance in current-day world politics. On the one hand, the EU’s external credibility has suffered as a result of internal political struggles and the US’s worldwide influence has been challenged by the rise of China. On the other hand, the crisis has also demonstrated and highlighted the interdependence and proximity that exists between these three actors, especially from an economic viewpoint. The financial crisis
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obliged them to work together across a wide range of issues that are crucial to global governance.

In the second chapter of this book, Professor Michael Smith opens the discussion by addressing the issues of multilateralism, as seen from the EU, the US and China, and identifies some important areas of difference between the three parties, essentially by asking ‘what does it mean to be a multilateralist?’. Since the pursuit of this question raises further questions about exactly how, when and why the EU, the US and China practice multilateralism, the chapter then suggests that three key areas need to be investigated: strategic engagement, political commitment and diplomatic interaction. The argument is that attention to these three components of multilateralism in practice will provide a finer-grained analysis of the ways in which the EU, the US and China engage with multilateral groupings, and thus give a firmer basis for evaluation and policy prescription. Each component is dealt with separately, and then they are brought together in a short case study of EU–US–China engagement with the G20, as a means for providing an initial empirical probe of the framework. The conclusions review the framework and advance an overall evaluation of the current state of multilateralism and the roles played by the EU, the US and China.

In Chapter 3 Professor Jing Men provides an in-depth view on the evolution of triangle relations since the end of the Cold War. By observing the rise and fall of great powers, Professor Men makes a tactful analysis on the issues of political vision, ideology and economic interdependence and highlights the coexistence of partnership and competition between the EU, the US and China in various global policy areas. The chapter emphasizes the importance of cooperation in the current international system, whether based on self-interests or norms, and provides three potential scenarios concerning the world order and the relationship of the three. The first scenario is the most ideal one in which interest-based cooperation between China, the EU and the US has been changed to norm-based cooperation: China agrees to follow the existing rules and to behave as a responsible power. In the second scenario, China’s rise will motivate it to be more assertive but not to the degree of challenging the current international system. The third scenario will be the least favorable one, in which China feels unsatisfied and provokes changes. The EU and the US will need to confront China, which will result in potential conflicts both regionally and globally. The chapter concludes that the most likely case is the second scenario where a peaceful coexistence among the three will be maintained in the international arena.
The fourth chapter of this volume offers an insight into the impact of European debt crisis on EU–US–China relations. Professor Xiaotong Zhang states that the ongoing debt crisis is an epoch-making event, not just for EU countries but also for their major partners, China and the US. The impact of this crisis is so profound that all three partners must all re-calculate, re-position and transform their internal and external strategies to adapt to the fast-changing and uncertain world. The chapter examines the potential economic and strategic paths for the three powers against the backdrops of financial crises and analyzes the policy responses from Brussels, Washington and Beijing in dealing with the crises. The chapter argues that China and the US are now ‘locked’ in a new triangular relationship, with the EU being the balancer, whose influence is limited and weakened but still has strategic relevance to the trio. The chapter provides the future prospects of EU–US–China relations from a Chinese perspective.

In the fifth chapter, Dr. Ramon Pacheco Pardo tells us that the G2 has gone beyond an idea and does exist in reality, even though both the US and China disagree on this concept. While neither the US nor China had upgraded their institutional cooperation into a G2, a number of initiatives and processes, including the establishment of the US–China Strategic and Economic Dialogue (S&ED), brought the G2 into practice. The chapter points out that the G2 is both a threat and an opportunity for the EU. Despite the great influence of both the US and China in world affairs, the two cannot deal with all the global problems. The G2 should be expanded to include the EU, which can help build effective regimes for world governance. In order to do so, the EU needs to make relevant changes: firstly, the EU has to move beyond its normative power identity. Secondly, it needs to change the approach in its relations with China. Finally, EU leaders have to delegate to the High Representative for Foreign Affairs and Security Policy and to the nascent European External Action Service (EEAS) on more matters of foreign policy. Otherwise the EU will still be accused of not having a common voice. The chapter argues that if the EU is willing to undergo these three changes, then the creation of a G3 will be within its reach.

The sixth chapter, written by Dr. Miguel Otero-Iglesias, aims to discern where the Eurozone (EZ) stands within the ‘currency wars’ between the US and China, and whether it is able and willing to change the current International Monetary System (IMS) to a more coordinated and managed exchange rate regime. While the Eurozone holds considerable influence in the management of the IMS and the Europeans have 50 years of experience in dealing with ‘dollar shocks’, the Europeans have only been able to exert certain influence in the second and third face of
power linked to agenda-setting and preference-shaping, and are unable to make any significant impact in the first face of power where the rules of the game are made. The chapter also points out that by not being politically united, the Eurozone precludes any possibility to force the US to enter into a compromise and relinquish the exorbitant privilege that the centrality of the dollar offers to the US. Restrained by its limited capability, the Europeans fail to be the deal-breaker between the US and China.

Chapter 7, by Salvatore Finamore, maintains that the rise of China as a major global actor presents a number of questions and challenges for the traditional great powers in the international system which are confronted with the need to devise strategies to respond to such threats and opportunities. Finamore states that the approach adopted by both the US and the EU since the mid-1990s has often been described as one of ‘engagement’, a concept that struggles to find a clear definition in academic literature. He points out that engagement is used primarily as a means to socialize Beijing into the norms and values upheld by the West, within the international community, and then presents an analytical framework to study engagement through the lenses of socialization theory. Furthermore, he compares the policies pursued by the US and the EU in their respective bilateral relations with China, to examine their strengths and weaknesses, and argues that while neither the US nor the EU alone has the ability to employ the full spectrum of engagement tools at their best, strong coordination between the two sides of the Atlantic seems to be a key prerequisite to reap the benefits of engagement with China.

China’s paramount leader Deng Xiaoping’s ‘capabilities-hiding, national-strength-building and time-biding’ policy has been China’s foreign policy motto for many years since the end of the Cold War. However, is this foreign policy thinking still relevant for China nowadays? In Chapter 8 Professor Suisheng Zhao takes a close look at China’s geo-strategy and relations with other major global powers after the economic meltdown. China stated that ‘no one should expect China to swallow the bitter fruit that hurts its interest’ in response to President Obama’s meeting with the Dalai Lama in 2011, which may indicate a tendency that the Chinese leadership re-orient its foreign policy toward a more assertive, if not a more aggressive direction as a result of its rapid economic development over three decades. In his chapter, Professor Zhao examines China’s foreign policy behavior during the global downturn and finds that although the global economic crisis could become a point of shift in China’s strategic relations with the Western powers, China continues to make the most of its foreign policymaking based on the
issues that are of importance only to China, that is, the so-called core interests such as the Taiwan and Tibetan issues, rather than on the basis of broader regional or global economic and security concerns. One tricky issue in China’s foreign policy agenda is to find a balance between taking more international responsibility as a rising power and focusing on its narrowly defined core interests to play down its pretense of being a global power.

In Chapter 9 Grant Marlier and De-Yuan Kao undertake a study of China’s voting behavior in the United Nations Security Council (UNSC), with a particular focus on votes authorizing the use of force in United Nations Peacekeeping Operations (UNPKO). Following the UNSC vote authorizing the use of force in Libya, there has been much discussion regarding China’s abstention. However, in the authors’ point of view, much of the analysis seems to overlook China’s actual UNSC voting behavior since the end of the Cold War. Interestingly, China has voted in favor of 30 of 42 resolutions since 1990, and since late 1999 had voted in favor of 20 resolutions in a row – until the vote regarding Libya. In this chapter, analysis is also provided on the normative justifications for these votes, assessing China’s normative position on the limits of sovereignty. A comparison is then made between Chinese normative positions to those of the US and of the EU, which indicates that the US and the EU tend to set more limits on sovereignty than China does. Once China agrees to intervene, however, it seems likely to agree to a broader use of force mandate than it did in the past. Interestingly, each party’s normative position evolves.

In Chapter 10 Dr. Haibing Zhang examines China’s role against the changing global economic environment and the adjustment of global economic governance. According to Dr. Zhang, the global financial crisis has opened the gateway for the process of adjustment of world economic activity, mainly due to the opportunities it has created for emerging markets. Although the overall economic power of the developed countries is in relative decline, as a result of the financial crisis, their institutional power has not diminished dramatically. The best example of this is the importance of the US’s economic recovery on the future patterns of international economic activity. As for the developing countries, the emerging market economies have become the major force behind the adjustment of world economic activity and they have an opportunity with which to strongly influence and shape world economic governance along the rules that they see fair. Yet their overall international influence remains weak. As a result of the financial crisis, both developed and developing countries need to find a mutual middle ground within which to rebalance the global economic order with more flexible and diverse
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characteristics. This is where China, as one of the critical actors in the global economy, can play an important role both in mitigating the gap between the developed and developing countries during multilateral negotiations on global economic governance and in reinforcing international economic cooperation.

As a whole, the book presents a comprehensive analysis of the changes in world politics and economics, against the background of Euro debt crisis and with focus on the rise of China. The role and influence of the US is not a major topic in the book, but the US is a crucial factor in understanding the policymaking of the EU, and of China, as well as in examining the strategic evolution of global economic and political structure. On the other hand, the changes in the EU, and particularly the rise of China, serve as both opportunities and challenges to the world in the twenty-first century. The book tries to find answers to the questions posed by these changes, but many remain unanswered. The editor believes that more discussions and debates will follow in the coming years on these issues and more books will appear, contributing to the understanding of the changes in the twenty-first century.

BIBLIOGRAPHY