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EU AND CHINA: FROM AN ECONOMIC AND STRATEGIC PARTNERSHIP TO A GEOPOLITICAL AND SYSTEMIC COMPETITION

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INDEX

ABSTRACT

The European Union and China are two of the most important actors in international relations. Their rise from emerging economies to global powers has been shaping the world over the last decades. Currently, they have become each other's largest trading partner, representing a quarter of the global population and one third of the global economy. Nevertheless, the EU-China relationship has continuously been facing many challenges. Initially, there was plenty of potential: in 2003 they established a "comprehensive strategic partnership", a bilateral cooperation based on a continuous dialogue. However, incompatibilities arose especially in the fields of human rights, fair economic competition, illegal trade practices and influence in developing countries.

Furthermore, the more assertive Chinese foreign policy regarding Taiwan, the disputes over the South China Sea and the implementation of the Belt and Road Initiative are perceived as threats. The BRI is considered an attempt to increase China's geopolitical influence in the world, through the creation of geopolitical dependencies in poorer countries. The fear of a Chinese domination has been worrying Europe: in 2019 the EU Commission defined China a "systemic rival". In addition, the complexity of the scenario was further increased by the spread of Covid-19. The virus plunged the world into a big economic recession, creating new occasions to take advantage of other countries' weaknesses.

Clearly, China and the EU will play a fundamental role in the stabilisation -or disruption- of the world equilibrium. Only future will prove if the European Union and China will overcome their divergences and embrace a new cooperative spirit, at least regarding transnational challenges such as terrorism, disarmament, climate change, technology and digital, as well as a compromise on human rights. For the time being, it seems that the transition from the economic and strategic partnership to a geopolitical competition is coming to a full realisation.

Keywords: European Union; China; cooperation; competition; multipolarity.

INTRODUCTION

Geopolitics is the discipline which focuses on the interaction between the geographical position and morphological conformation of States and the consequent political and economic decisions undertaken by State actors. However, it should be underlined that it is not only a matter of physical landscapes or natural barriers, but also factors like climate, demography, ethnicity and access to fundamental resources play a decisive role in shaping countries' foreign and domestic policy. It can be argued that technological development may lead to a greater wealth, a greater wealth can create more advanced societies and having a highly developed society should improve the status of a nation. However, the very same technological development would be impossible for a country that lacks the necessary resources, and this is a natural effect of its position in the global scenario (Marshall, 2015).

The most fascinating aspect of geopolitics is comprehending the nations' behaviour in order to overcome their natural limits, their struggle to gain a better position in the world and their attempts to exercise more pressure on neighbouring countries. Even if it seems quite obvious, the geographical position of a State will always, at a certain point, create rivalries or dependencies, as well as transform that country in a more powerful actor. It is possible to think about the unstoppable rise of the United States, which can rely on two oceans surrounding its territory, thus making it almost impossible to invade it militarily. Moreover, it is reasonable to think about Russia, which, with its infinite and glacial landmasses in the East, has never been conquered by any army that moved war against it. On the other hand, Russia continues to struggle because it would like to have access to a warm port, since the port of Vladivostok is frozen during certain periods of the year.

Such problems exist even in the case of China and the EU, but also for the entire European continent. For example, geopolitics can explain the willingness of China to become a two-ocean power like the United States, because theoretically it should have the possibility to have access to both the Indian and the Pacific Oceans, but practically China finds itself in a limited position, due to the existence of small islands subjected to the sovereignty of Chinese enemies in front of its shores. Moreover, China is basing its rise as a superpower on its large demographic basis, a classic geopolitical factor, which allows it to use this width as a leverage: a market of 1.4 billion of people can be very attractive for foreign economies. Like China, Europe has always had to face its geographical limits, such as the relative scarcity of resources, but what affected the European society the most was its multicultural structure: many States fighting against each other for the supremacy over the continent and the scarce resources on it. In fact, looking at the geography, Europe is characterised by a very favourable climate, few frozen areas confined on the mountains, rare floods, and rare massive climatic disasters. These features allowed Europe to be the first industrialised area in history, as well as the region which explored the world and discovered the Americas. However,

Europe had been struggling to find a peaceful equilibrium because of historical rivalries that led to almost uninterrupted centuries of wars on the soil of the continent. To solve this problem, the process of European integration was conceived and led to a long pacific coexistence.

The controversial relationship that has been developing between these two global actors is the subject of this thesis. Trying to understand how, why, when, and the possible future scenarios, are the main goals. China and the EU are two relatively "young" actors. This may seem a paradoxical affirmation, since Europe represents the so-called Old Continent, the cradle of the Western society approximatively since the Ancient Greece, and modern China is the heir of a millenarian empire. However, the EU is, substantially, a modern expression of an old society like the European one, born in the 50s with the first economic communities and developed into a global power, thus bringing Europe back at the centre of the world. At the same time, China, or the People's Republic of China, is built on the ashes of a millenarian empire and a very ancient culture but has a younger history: only in 1949 the communist revolution led to its birth and, since then, China has struggled to gain a better position in the global chessboard.

Thus, trying to focus on how these two actors have been interacting with each other from the last century onwards has become the central issue of this text. Formal diplomatic relationships were established in 1975, when the People's Republic of China replaced the "nationalist" one as the legitimate representative of China in foreign relations. Since then, the Chinese relationship with the European Union became more complex. These two actors managed to create a very complete partnership that started as a purely economic form of cooperation that later became a really intense relationship based on some common interests, such as turning the world equilibrium from the post-Cold War American hegemony into an increasingly multipolar scenario. Actually, two actors like China and the EU, with their huge economies and populations, are now fundamental entities of the international community, as Europe resurged in the aftermath of the Second World War and thanks to the European process of integration gained back a central role in international relations, and China managed to overcome the past two centuries of foreign domination in order to develop a strong communist and nationalist successful narrative.

The complexity of the current world has however changed the scenario. Interdependence grew as a consequence of globalisation, thus resulting in a higher number of issues that need to be solved through international solutions. At the same time, the apparent decline of the United States as the hegemon of the world opened new opportunities for second-tier actors to embrace a new role in the international community. It was exactly what happened with the EU and China. Notably, China is on its way to become the strongest world power in the next decades, but it is also a country which expresses a completely different set of values from the Western ones. In fact, this feature contributed

to feed the progressively more competitive attitude that started to characterise the relationship between the West and China, including its relations with the European Union. Thus, the goal of this text is to explain the factors that changed the climate between the EU and China, from an enthusiastic and cooperative approach that characterised the beginning of the century to the suspicion and the geopolitical competition between them, with an eye on the international framework.

The thesis is divided into four chapters, each dealing with a specific topic and explaining a certain issue related to the EU and China. The first chapter is focused on the initial contacts between China and the European Union, started in 1975. During the following decades, they were united in order to improve their cooperation and benefit from the high potential of their relationship, from their first trade agreements in the 90s to the entrance of China in the WTO, and from the increasing multipolar tendence of the world to the establishment of their comprehensive strategic partnership. Then, in the second chapter it was underlined how the EU's intentions with China were much broader than just economic cooperation since it tried to influence China to become a "Westernised" democratic country. However, in 2019 the EU Commission published a communication where China was defined a "systemic rival", underlining for the first time a feeling of suspicion and competitiveness. Moreover, in the same chapter, the Chinese strategy to increase its hard and soft power in the world was analysed, with references to the Belt and Road Initiative, the Taiwan issue, the South China disputes and the problems related to human rights in Xinjiang. In addition, the second chapter described the deepening of the economic interdependence between the two powers and the unfortunate path of the Comprehensive Agreement on Investment. The third chapter was then focused on the limits that the EU-China relationship has encountered and is still facing, mostly related to human rights issues in the Xinjiang region and in the city of Hong-Kong, violations that are impossible to accept for the EU. Furthermore, the Chinese economic infiltration in the EU was described, with a focus on the Belt and Road Initiative's projects implemented in Europe and the description of the 16+1 mechanism. Moreover, the EU's counterstrategy to balance the Chinese power in some European areas was explained, through an overview on Global Gateway, the infrastructural European plan for the next years. In the end, the fourth chapter was entirely focused on how Covid-19 impacted on EU-China relations, its consequences in terms of geopolitical global and regional dynamics and its effects on the already controversial EU-China partnership.

Since these powers are two of the most influential and powerful entities acting on the global stage, it is fundamental to understand their power relation, the impact that their policies have on each other and on smaller countries, thus making the analysis of their complicated, but also potentially flourishing relationship, more stimulating, while keep analysing the shift from cooperation to geopolitical competition.

1.   EU AND CHINA: A NEW AXIS FOR THE 21ST CENTURY?

1.1.   EU-China relations before 2001

The development of EU-China relations dates back to 1975, when for the first time the European Economic Community, the predecessor of the European Union, officially established diplomatic ties with the People's Republic of China (Shambaugh, 2004). At present, China's growing influence in Europe and at the global level as well as its efforts to promote different models of governance are perceived with a certain degree of concern and as a systemic competition between norms and values of these two main global actors (European Parliamentary Research Service, 2021), both fundamental for a stable world equilibrium. In the last decades, the rapid growth of China, as well as the European Union's one, has been changing the power hierarchies between global actors on a geopolitical and economic level. The relationship between these two entities has deeply changed from the very beginning of their integration until now and went through a very controversial development.

The establishment of formal relations between China and the EU followed the diplomatic recognition of Beijing by the United States in 1972 (Casarini, 2006), and was a consequence of the common acceptance, by most countries of the world, of the People's Republic of China as the legitimate representative of China in foreign relations. At the beginning, EU-China relations were mainly characterised by trade and economic exchanges. The intense amount of trade between the two parties was the result of both the cautious opening up of China's door by Deng Xiaoping in 1978 (Geeraerts, 2014) and the shift of the European Communities from an economy-focused, fragmented institution of 9 States to a deeply integrated political, monetary, and institutional reality of 27 members (Matthias & Ostermann, 2011).

The progressive normalisation of the global attitude towards the communist China was embraced by the European Community: at the beginning of its opening, China was very poor, thus the EEC decided to set up an arrangement for a special and quite different treatment, derived from China's status of developing country (Jocheim, 2021). As a consequence, on the 3rd of April 1978, the EEC and China signed a trade agreement, which was later extended to a broader Trade and Cooperation Agreement (TCA) in 1985 (Casarini, 2006). However, it was not until the 1990s that the bilateral relationship developed and became more mature, although characterised by ups and downs (Chen & Gao, 2021), to the point that in 2005 the trade volume between the EU and China multiplied thirty times if compared to 1978 (Matthias & Ostermann, 2011), notwithstanding the crisis occurred after the Tiananmen square issue.

The growing interdependence and the complexity of international politics started to shape a new global order from the end of the Second World War onwards. It is well known that the United States

emerged from the conflict as the most powerful State, building such supremacy on its economic and military power. It was surely favoured by the geographic position: surrounded and protected by two oceans, full of resources and characterised by very long distances between the East and the West coasts, the US was ready to take the lead as the guide of the liberal West, being the only superpower able to oppose the Soviet Union.

Since then, Europe started to recover from the massacre of the Second World War, entering the longest peaceful period of its history, benefiting from the Marshall Plan in the immediate aftermath of the war, and securing its geopolitical status thanks to the protection of NATO. In the opposite part of the globe, Mao managed to create a unified and authoritarian Chinese state based on a strong form of nationalism that shaped a Chinese view of communism. However, it was not until Deng's reforms that China could start to experience a serious economic development, that, together with a demographic boom and the legitimisation of the Party's leadership, progressively made China the aspiring superpower that is now. Moreover, the EU, after decades of dependence from the US, seems ready to take some steps towards a more independent international status, after episodes like Brexit and the closure of the gap with the US: the EU has now the same population, the same economic capacity and a market of the same size of the American one, if not even bigger. In conclusion, it seems that China and the EU can undertake a different path and become new centralising poles in the international scenario.

Nevertheless, the EU and China have a quite different view on issues such as human rights, but these differences are related to different historical paths and are a matter of political culture. In Europe, since the Enlightenment, the concept of individual rights became fundamental for the following historical developments, even if it took two bloody world wars to force European states to start a peaceful integration. It is indeed necessary to remember that the creation of the Coal and Steel Community had the main goal of preventing war between France and Germany (Men, 2011), because it was the management of coal resources in Alsace and Lorraine that caused almost every tension among European powers. Since then, those States started to learn how to cooperate and understood the benefits of peaceful coexistence.

In China, values and rights are a completely different matter. First of all, if you are a Chinese, you will look at the world map in a completely different way. Ancient Chinese emperors claimed to have a supernatural power and believed China was a sort of "middle kingdom", the most powerful, harmonious, and wealthiest country in the world (EPP Group, 2021). Differently from Europe, China has always assumed the supremacy of the "collective" above the individual (Marshall, 2015). Individual rights and democracy, as concepts, appeared in China during the 18th century, when the European colonisers arrived, because during the millenary Chinese imperial history, the absolute

power of the emperor was maintained with a structured system of political, economic, cultural and social control, where people had to commit themselves to follow orders and duties were emphasised instead of rights (Men, 2011).

However, during the Cold War, China and the European Union started to emerge as two major international powers, characterised by growing economics. From that period onwards, the Chinese narrative characterised itself with a sort of "Chinese exceptionalism", as national Chinese leaders started to use the exponential economic growth of their country to justify their decisions and to legitimise their leadership. China is now trying to distance itself from the liberal tradition of the West through a double narrative of "greatness and goodness". The former comes from the idea that the country is chosen by heaven because of its geographical position in the world, while the latter assumes that China is a peaceful and ethic country that does not have hegemonic intentions.

In 1989, a very dramatic and problematic event occurred, that slowed the pace in Sino-European relations and opened a debate on human rights in China: the Tiananmen Square protests. It was a very important event that had echoes all over the world. Protests started because people, mainly young students, demanded more transparency, asked for more freedom of the press, wanted to fight corruption in the institutions and asked for the liberation of political prisoners. This event marked a setback in EU-China relations. Although the EU condemned Beijing's violation of human rights and democracy, the official European policy towards China did not portrayed Beijing as an existential threat but considered it as a sort of "interruption" of bilateral relations (Chen & Gao, 2021). Nevertheless, the crackdown on students' demonstrations had a considerable impact on the relationship with Western Europe (Casarini, 2006) and after this lethal repression, the EU followed the US' policy and imposed a weapon embargo that remains in place today (Jocheim, 2021), adopted by the European Council on the 27th of June 1989 (Casarini, 2006).

Surely, the Tiananmen massacre played a huge role in portraying China as an authoritarian and non-democratic State in the public opinion, because of the big mediatic backlash that arrived in the West, where most people still remember the famous picture of a young student in front of armoured tanks. However, China's growth could not be stopped and was making the country so important in the global market that Western States could have not escaped from having a certain degree of cooperation with Chinese political leaders and Chinese firms. Thus, by the end of the 1990s, China had completely recovered from the shock of Tiananmen protest, progressively regained both Hong-Kong and Macau (Marhsall, 2015) and prepared itself to arrive stronger and more confident than ever to the dawn of the new millennium.

During that period, at the international level, the collapse of the Soviet Union and the disappearance of communist parties around Europe, but also in other parts of the globe, left a world

dominated by economic liberalism and led by the United States. In this geopolitical scenario, other big actors, such as Europe, Russia, China, India, Brazil, and many others, had to start to rethink about their status in international relations and started to experience very different paths of development.

On the one hand, in Europe, the Maastricht Treaty was signed in 1992, creating the "three pillars" of European integration: the unification of the economic communities, the foreign and security policy cooperation, and the justice and internal affairs cooperation. Moreover, such Treaty prepared the bases for the future monetary union and the adoption of the euro, a cornerstone in international financial and economic transactions that would have simplified national and international payments.

On the other hand, in China, important developments took place: above all, the restoration of Chinese sovereignty on Hong-Kong. The Sino-British Declaration had been signed in 1984 and this document specified that China would have resumed the exercise of sovereignty over Hong Kong with effect from the 1st of July 1997 (State Council Information of the PRC, 2021c). Moreover, the collapse of the Soviet Union and Eastern European communist parties made the Chinese one the strongest communist party of the world: this opened the way for Beijing to look outside its borders and build commercial and political ties across the continent (Shambaugh, 2004). In addition, since 1989, Beijing partially reformed its system of government and its economy (Casarini, 2006).

Due to these international and national developments, the conditions for the establishment of a more solid partnership between the European Union and China started to become more concrete and not only linked to the economic sphere. For example, the EU Commission had already used the phrase "political dialogue" with China in 1994, hammered out a definitive strategy in "A Long-Term Policy for China-Europe Relations" in 1995 and in "Building a Comprehensive Relationship with China" in 1998 (Scott, 2007). Furthermore, the EU and China slowly initiated a dialogue on human rights in 1996 (Scott, 2007), because the EU, since its very birth, became one of the main international promoters of human rights all over the world, to the point that it started to introduce a human rights clause into all its cooperation agreements with third countries, as a precondition for cooperation, with explicit clauses of suspension in case of non-compliance with the promoted values (Men, 2011).

However, very often the discourse on rights has been overshadowed by the imperatives of economics: the volume of trade between China and the EU had been growing exponentially and already in 1992 the EU trade with East Asia overtook the US-EU trade for the first time (Casarini, 2006). Regarding the investment sector, European FDI into China in the 90s was quite modest but reached 52.7 million in 2002, accounting for almost the twice the level of FDI inflows in Central and Eastern Europe and fifteen times more than FDI inflows in India (Casarini, 2006).

In the late 90s, Chinese corporations adopted a new strategy: they moved westwards into China's less developed provinces, where local governments sought projects in transport infrastructure, natural

resource extraction and energy (Olinga-Shannon, Barbesgaard & Vervest, 2019). Thus, while China was becoming a major exporter and economic power, in the 90s the EU started to be affected by a huge trade deficit with China, that in some cases led European leaders to more protective and tougher policies in dealing with Beijing (Men, 2008).

Despite some ups and downs, China and the European Union progressively became more and more interdependent. Since 1998, an annual EU-China summit is held between leaders of both countries, in order to discuss bilateral and global issues (Casarini, 2006). Europe had a very positive attitude towards China, as the 1995 Commission communication insisted that Deng's reforms had exceeded initial expectations while the EU-China trade increased over fourteen times and demonstrated its trust in supporting a potential Chinese membership in the WTO (Jocheim, 2021).

Evidently, the European Union had its own interests in having China within the organisation, because this would have encouraged China to change industrial policies, to solve the issue of subsidies to China as "developing country" and to include China in the application of the most-favoured nation within the framework of the organisation. Moreover, during the 1990s, the EU and China deepened their relationship with the enter into force, in 1996, of the first energy package, focused on market liberalisation and the promotion of sustainability (Sattich, Freeman, Scholten & Yan, 2021). In addition, health was firstly mentioned in the document "A Long-Term Policy for China-Europe relations", and starting from 1994, the EU provided 4.5 million euros in funding for China's AIDS prevention work (Lilei & Sai, 2021). Furthermore, a dialogue on human rights is held twice a year since 1998, as a forum to directly engage Chinese leaders on this issue (Casarini, 2006).

The events happened in this decade brilliantly serve to explain how controversial and complex this relation is. For example, in 1995 the EU Commission strongly criticised China's failure to respect some basic rights like freedom of association, expression and religion, the arrest of dissidents and many others (Jocheim, 2021). The European Parliament also contributed to upset Beijing in 1996 when it awarded the Sakharov Prize for Freedom of Thought to Wei Jingsehng (Casarini, 2006). Despite these misunderstandings, nothing impeded China to join the World Trade Organisation in 2001 and the two parties to acknowledge each other as "strategic partners" (Casarini, 2006) since 2003.

1.2.   Chinese membership in the WTO and the EU-China strategic partnership

The year 2001 was decisive for the evolution of the global scenario and of the world equilibrium, since it marked the beginning of the "war on terror" (or "war on terrorism"), after 9/11 terrorist attacks in the United States. This event left the entire world shocked by how easy it was, for people who were considered to be just a bunch of Islamic integralist, to hijack four planes and violate the world's

strongest power's security system. This changed the perspective on both the perceived absolute supremacy of the US in terms of military capability and the seriousness of jihadi terrorism as a global threat. Since then, terrorist attacks started to be more frequent in every side of the globe and increased the necessity to find an international solution to the problem.

In this renewed framework, the European Union and China found the opportunity to engage in a more intense role at the international level. First of all, the existence of terrorism started to represent a new common ground of cooperation, thus increasing their involvement in each other's security issues. Until that moment, China was not really involved in European security issues, just like the EU was of marginal importance in East-Asian security affairs (Scott, 2007). Moreover, it is true that some actions, especially some aggressive behaviours that China adopted and is still adopting in its neighbourhood and domestically, are inconsistent with the European approach to security governance and incompatible with the human rights standards pursued by the EU (Anthony, Zhou, Yuan, Su & Kim, 2021).

However, fighting terrorists contributed to develop a collective management of such problems and changed the agenda of both China and the EU: in a huge number of official documents signed by the two, security cooperation and the preservation of a peaceful global order are becoming more frequent. Still, bilateral security cooperation between China and the EU has often been seen by national leaders as a mechanism to reduce mistrust rather than establishing actual forms of alignment and cooperation (Barton, 2021).

Nevertheless, even after 2001, economy remained the main driver of China-EU relations. The focus on economic growth and the promotion of globalisation have strongly enhanced the economic interdependence between the EU and China and, as a result, economic issues are always on top of the policymaking agenda (Men, 2008). This process started in the 70s, grew during the following two decades and changed the geopolitical and economic scenario reaching a fundamental point when China joined the World Trade Organisation in 2001. China's accession immediately opened up the possibility of deepening relations between the two. Soon, the EU applied the most-favoured nation principle to China, making it easier to enter the European markets (Salamin & Klemensits, 2021). At that time, China was considered a developing country, being a quite close economy if compared with current times, and surely more communist than now. When it joined the WTO, Chinese GDP increased exponentially and became a major driver of all the progresses towards firms' liberalisation.

Since its admission in the WTO, China gained better access not only to European markets, but to Western markets in general, thus propelling itself into the ranks of the world's biggest exporters (Casarini, 2006). Specifically, the direct advantage of cooperating into the WTO's framework is represented by the economic benefits. Their interdependence grew to the point that Chinese economy

would be in a difficult situation if the EU closed its market to Chinese products, while the EU would suffer no less economic damages if its trade with China was interrupted (Men, 2008). However, both before and after China getting into the WTO, European leaders remained concerned about the huge statal intervention in the Chinese economic system, about the application of non-custom types of restrictions in the regulation of market access conditions, the existence of a strong public subsidy apparatus, and the lack of protection of intellectual property rights (Salamin & Klemensits, 2021). Moreover, it is true that some of these problems still remain, such as the lack of transparency, the governmental intervention and the unequal access to subsidies and cheap financing.

Concerns about China joining Western liberal markets were not only confined to European Union leaders, since the admission agreement included a clause that allowed other WTO members to safeguard their national textile industries with measures including quotas if they ever faced a sustained surge in Chinese imports that may have caused harm to their own producers (Men, 2008). As a matter of fact, some prejudice has always characterised and still influences the Western liberal attitude towards Chinese goods and firms, often accused of trading counterfeit products and conducting illegal commercial practices. However, from the Chinese point of view, since the accession in the WTO, China has not only fulfilled its commitments, but also played a major role in energising the European Union's economy.

At the beginning of the new century, China and the EU seemed to be closer than ever. This was reflected by the introduction of the expression "comprehensive strategic partnership". Labelling each other as strategic partners represented a definitive demonstration of reciprocal trust and was perceived as a concrete attempt to change the world equilibrium. It was in 2003 that the old definition of "political dialogue", appeared in 1994 and recurrent during the 2001 and 2002 summits, progressively evolved into a definition of "strategic relationship" and then of a "strategic partnership" (Scott, 2007). The idea of a concrete strategic partnership started to characterise the narrative between China and the EU, because both of them started to include this phrase in their bilateral treaties. Certainly, their relationship has been facing and is facing some challenges, as the intensified economic and political ties grew during the early 2000s, when there was more potential for Europe and China to build a strategic partnership (Geeraerts, 2014).

The two parties gave different definitions of such cooperation: from the EU side, strategic partnership meant the discussion about global strategic issues as two partners with significant global strengths, capabilities and responsibilities. From the Chinese side, it meant that the cooperation should have been all-dimensional, wide-ranging, and multi-layered, but also stable and bearing on the larger picture of China-EU relations (Scott, 2007). The EU responded with the policy paper called "A Maturing Partnership" in September 2003, dealing with two levels of coordination: at the one

level there were immediate issues like bilateral trade, while at the other there were differences over human rights. On its side, China contributed to the consolidation of the partnership with the first EU "White Paper" published in October 2003, also acknowledging differences over human rights, but looking at wider-ranging geopolitical areas (Scott, 2007).

Since both sides issued their own policy paper to lay down the fields of cooperation, they have agreed to coordinate their bilateral efforts on a big series of issues, including areas of high sensitivity and security relevance, such as non-proliferation, counterterrorism, armament, human trafficking (Matthias & Ostermann, 2011). Definitely, the establishment of this partnership brought China and the EU closer, as a result of their both overlapping and conflicting interests. At that time, they were both rising powers with the necessity to coordinate in important international affairs of mutual concern, and they needed to benefit from the economic material advantages.

Thus, since 2003 the EU and China got used to acknowledge each other as strategic partners. The transformation of China into the economic giant that is today has been one of the most important geopolitical developments of the latest decades (Maher, 2016), and the EU wanted to gain the opportunity to find a new trustable partner, in more than just the economic sense. As strategic partners, the EU and China expected to become more integrated and find a new way to cooperate, "seeking common ground while reserving differences" (Men, 2007). Probably, that period was the most favourable for the development of such agreement, because since 2005 the partnership has been encountering more difficulties (Men, 2007).

The EU, led by the initiative of the Commission, reformed the old 1995 and 1998 papers in order to publish the policy paper called "A maturing partnership – shared interests and challenges in EU-China relations". In this paper, the EU remarked its role in being a major supporter to China's successful transition to a stable and open country ready to embrace democracy. The European strategy aimed at engaging a further dialogue with China in the international community, supporting China's transition to a society based on the rule of law, integrating China in the world economy, and raising the EU's profile in China (EU Commission, 2003). Basically, the EU wanted China to contribute to global stability and take on more responsibilities, proportionate with its weight. Both the EU and China were, since 2001, engaged in the process of adaptation to the changing global environment, where international terrorism, concern over proliferation of weapons of mass destruction, and economic crises, have brought new types of security threats (EU Commission, 2003), that may have required a more integrated partnership.

On its part, China, in 2003, with its very first policy paper on the EU, strongly reaffirmed the importance of the trend towards multipolarity and recognised the European Union as a major force in the world, setting a Chinese strategy to enhance the development of a plan of cooperation with its

new partner. China's objectives were mainly based on the promotion of a relationship focused on principles of mutual respect, mutual trust, and on contribution to world peace and stability, progress in the economic and trade cooperation, expansion of cultural exchanges and people-to-people dialogue (Chinese Government, 2003). Moreover, China aimed at fostering coordination in the political, economic, social, cultural, technological, and military aspects, through the increase of high-level summits, the continuation of a human rights dialogue, and a mutual understanding (Chinese Government, 2003). It seemed that, at least at the very beginning, China and the EU could have been closer than ever, because they surely understood the importance of maintaining international peace and stability (Men, 2007), but all the differences in political values and geopolitical interests remain.

Quite surprisingly, however, they have slowly built a partnership which embodies one of the most structured relationships between major global powers in the world arena, marking a possible shift towards the rise of emerging powers (Geeraerts, 2019). Although becoming more competitive, the original aim of the EU was to assist China in its transformation to an international actor in order to spread Western good governance principles such as accountability, transparency and political participation (Matthias & Ostermann, 2011). This is the reason why in some cases it is quite common to hear about a sort of "Chinaphobia", due to the perception that China has not turned into a "Westernised" nation, and it is pushing its own alternative model of governance through the extension of its soft power's sphere of influence, to the point that, even after decades of friendship, in 2019 the EU Commission labelled China as "systemic rival" (EU Commission & HR/VP, 2019).

Further developments occurred, as the EU and China started to extend areas of cooperation: the European Security Strategy launched in December 2003 referred to China as one of the EU's six strategic partners (Geeraerts, 2014). In addition, some European States officially proposed the lifting of the arms embargo on China: namely, France and Germany proposed it in December 2003 (Casarini, 2006). Thus, the EU agreed that a new code of conduct regulating deliveries of European weapons to Beijing should have been prepared to replace the arms embargo (Men, 2008). However, this project was never realised, because Washington could not have accepted the supply of military equipment from its loyal ally to its new rival: China became used to get weapons mainly from the Soviet Union and then Russia, but also from other countries like Ukraine and Israel (Casarini, 2006).

The rising of issues such as climate change, health crises and international terrorism made China and the EU stronger partners in managing these issues. For example, they progressively became very close in the fight against climate change and in the global transition to renewable energy resources (EPP Group, 2021), because China is the largest global investor in renewable energy, while at the same time it is the main carbon emitter (EU Commission & HR/VP, 2019). Moreover, in 2004, the 7th EU-China Summit produced the EU-China Joint Statement on Non-Proliferation and Arms

Control, and in 2005 the EU-China Partnership on Climate Change was announced, as both remarked the support to the Kyoto Protocols on the environment (Scott, 2007). Still, climate change has slowly become one of the most integrated aspects between the EU and China, where the highest level of cooperation was reached, considering that they got used to include at least one clause about the protection of the environment in every joint document. One example may be given by one of the latest summits, the 20th in 2018, when both reaffirmed their commitment to fight climate change, implement the 2030 Agenda for Sustainable Development and promote low greenhouse gas emissions, strengthen bilateral cooperation in climate-related technologies (EU & China, 2018).

To sum up, from 2003 onwards, the EU and China were both able to create a solid and intense form of cooperation, characterised by mutual gains but also by power logics and conflicting interests. They have become very interdependent, and their policies strongly influence each other's ones, thus setting the bases for an evolution of the global context. Currently, the world is at a turning point: in the global scenario, the relationship between China and Russia is characterised by a common understanding but not a strong alliance, the EU and the US are still historical partners united in the NATO's framework but their friendship had been cooled down by Trump's presidency, the US and China are engaging in a fight between superpowers, the US and Russia are still in great tension, surely endangered by the invasion of Ukraine in February 2022, and the EU that is still very dependent on Russian's supplies of energy, while the UK left the EU. In such a complex scenario, the EU and China may have understood that they can both find a way to gain benefits from their cooperation.

In 20 years, they will probably develop a much more integrated partnership if compared with now, like they have already did comparing with 20 years ago. It must be underlined that very few countries in the world have such a structured and effective bilateral diplomatic tie with a partner who has very different political characteristics and is so geographically distant. Thus, Chinese leaders and European ones can be quite satisfied of the goals they have already achieved, specifically because the EU is not a single independent State but a supranational organisation. Moreover, their integration, notwithstanding the divergences, means that they perceive each other as necessary for their own economic development. These progresses may set the basis for a new global equilibrium.

1.3. *Towards a multipolar world?*

After the collapse of the Soviet Union in 1991, it seemed that the world would have been shaped by the Western model, due to the idea that liberal economy won against the socialist model, being the only capable to increase countries' wealth. However, not every international actor was in favour of such "unipolar" world centred on American supremacy, such as Russia, China, some Arab countries in the Middle East. This is the reason why some anti-American narratives started to spread around

the world and become drivers of national policymaking. China represented one of these actors. It worked a lot in order to exit the communist economy and become one of the strongest economies of the world, ready to compete on the international level and influence other nations' policies.

It was in the first EU-China summit in 1998 that the Chinese delegates proposed to use the term "multipolarity" in the joint declaration. Nevertheless, the European representatives, particularly the British one, preferred to be more cautious and resisted this proposal, probably being afraid that this could have created problems with the US (Men, 2008). The current Chinese interpretation of multipolarity goes far beyond a mere economic escalation: China is trying to extend its cultural influence in many countries of the world, because, especially in the poorest and most problematic areas, it offers a bilateral cooperation which is not so strict on human rights and does not care if the other nation is governed by a dictator or an authoritarian regime. To reach this aim, China has developed a narrative based on the promotion of alternative models of governance, very different from the traditional form of liberal democracy, basing it on the promotion of the "Chinese way of capitalism". Moreover, in recent years, China has abandoned its traditional "low profile diplomacy" through the creation of military bases abroad, the enhancement of the navy, the launching of the Belt and Road Initiative, and the construction of bilateral partnerships with a lot of African countries, as well as Central European and East-Asian ones.

On its side, the EU usually prefers using the word "multilateralism". However, pursuing the view of a multipolar world is in the interests of the European leaders because the EU can play a more important role in a new world, independently from the US. The main difference between the EU and China when analysing their perspectives towards the idea of multipolarity is essentially caused by the lack of a real unity of European actors: the European Union as a whole can easily have the economic, demographic and political capacity to become a global superpower, but the lack of unity among Members and the impossibility to have a concrete common military capability have always downgraded its international position.

Surely, today's world is shifting towards a multipolar reality, where every State is more interconnected with each other, and the power of the "hegemon" is declining in favour of new emerging powers with global aspirations. In this sense, the accelerating rise of both China and the EU and the deepening of their strategic relationship are facilitating the change of the world's equilibrium in favour of a multipolar world (Scott, 2007). However, in the European perspective, it is not the number of poles that counts, but the basis on which they operate: this vision promotes a world governed by rules created and monitored by multilateral institutions (Scott, 2007). As a matter of fact, China has very different motivations: for example, when China supported the enlargement of the EU to Eastern and Central European States, it did it for strategic purposes, because Chinese leaders

thought that a larger Europe may not only have helped the promotion of multipolarity (Scott, 2007), but it could have also helped China to find new markets and exploit the eventual unhappiness caused by the differences in economic growth between richer and poorer EU Members to increase Chinese soft power and enlarge its sphere of influence. This happens basically because China has more motivations in trying to overthrow the hegemony of the US, because these two powers are without any doubt rivals, while the EU is a historical American partner, and they promote the same values in international relations.

A lot of factors contributed to increase the level of interaction between the European Union and China in the new multipolar world, such as the already-mentioned collapse of the Soviet Union, the lack of a Taiwan issue (as it is in the case of the USA, the guarantor of Taiwan's security), the fact that the EU has not any real military interest in East Asia and has no military bases, the complementarity of their economies (European companies can alleviate China's technological needs and expertise), and the effective work done by the EU Commission and the Council in setting out a sort of guide to pursue this integration (Shambaugh, 2004). Even in the adoption of their 2020 Strategic Agenda for Cooperation, China and the EU reaffirmed their shared responsibility to promote peace, prosperity and sustainable development "as important actors in a multipolar world" (EU & China, 2013).

It is possible to imagine the new structure of this multipolar world as divided into two tiers. In the first one there is the United States, which is still the most solid and biggest single economy in the world with the largest military power. The second actor in the first tier is China, because of its growing economic weight and its military expansion. In the second tier it is possible to find regional powers such as India, Brazil, South Africa, Russia, Japan, big European states and members of the G20 in general. Here it lies the main limitation for the European Union: due to its share of the global GDP and its role within the world trade system, it could be a first-tier actor, but this upgrade requires an increase in its hard power capabilities like political competence and unity, and, above all, military strength (Geeraerts, 2014). European powers should think about renewing some aspects of the communitarian integration process if they want to keep China's pace in becoming a serious international competitor. This would be necessary because there is the general perception that the American supremacy is declining, due to some failures like the retire of US troops from Afghanistan or the war in Ukraine, while China is still growing in economic, cultural and political weight. Thus, the West will probably need a new actor able to counterbalance Chinese power in the global stage.

However, global divisive issues such as the just-mentioned war in Ukraine, begun the 24th of February 2022, are still an example of how China and the European Union find difficult to cooperate and be on the same side. This war was one of the main subjects of the last EU-China Summit, held

on the 1st of April 2022. The EU and China extensively discussed Russia's military aggression against Ukraine, which is endangering global security and the world economy, as well as food and energy security (EU Commission, 2022). Actually, it is a matter of strategic interests: obviously, Europe is more worried by Putin's aggressive behaviour because the Russian Federation borders with the EU's Baltic States, consolidated NATO members. Thus, Russia is the most important European security concern, while it is quite known that China always tries not to link politics with economic affairs, remaining almost indifferent on issues on which it does not have a direct interest. For example, when Russia annexed Crimea, the EU sought to isolate and punish Russia, while Beijing extended its economic and political relationship with Moscow, voting against punitive measures towards Russia in the UN Security Council (Maher, 2016).

Currently, Beijing has (again) refrained from issuing any criticism of Russia's actions in Ukraine, instead it has repeatedly blamed NATO for pushing Russia to the wall (Tiezzi, 2022). To sum up, in the last Summit, the EU's representatives recalled that the international sanctions against Russia were imposed with the only purpose to stop the aggression, despite the significant economic impact for EU Members, and also seized the opportunity to recall their disappointment with China's sanctions against Members of the EU Parliament, coercive measures against the EU Single Market and to reaffirm the common priority to recover from COVID-19 (EU Commission, 2022). According to the President of the European Council, Charles Michel, the EU's top priority is to stop the war and protect the Ukrainians (Tiezzi, 2022), as he spoke about a common responsibility (EU Commission, 2022) to maintain peace, joining the request by the President of the Commission Von der Leyen, who mentioned the Chinese "special responsibility" as permanent member of the UN Security Council (Tiezzi, 2022). Here, the problem still lies in the fact that not only Europe, but also the entire world, needs a clearer answer from Beijing's side regarding this issue. However, President Xi said that China and the EU share extensive common interests and a solid foundation for cooperation, and that only through coordination problems can be solved and challenges raised (Tiezzi, 2022).

Notwithstanding these problems, it is true that the EU and China found a sort of tacit understanding in trying to seek ways to constrain American hegemony (Shambaugh, 2004) and reinforce their mutual strategy. The EU has targeted three levels: engaging Beijing in multilateral institutions, intensifying bilateral interaction and improving China's domestic capacity in handling governance challenges, and at the same time, working with China in many international institutions (Shambaugh, 2004). On its part, Chinese leaders have repeatedly stated that the strategic partnership with the EU would have been necessary to promote a global multilateralism that may have led to the "democratisation of international relations" (Casarini, 2006). In the Chinese interpretation of multipolarity, its elements refer to the democratisation of the international society and the

strengthening of coordination and dialogue (Men, 2008), as part of a broader project of Chinese propaganda and expansion that led to the proclamation of the Belt and Road Initiative in 2013.

The main potential problems between the EU and China in this multipolar world can reside in what the Commission has defined a systemic rivalry: gradually, Beijing is developing an alternative discourse of modernity and spreading its concepts of global governance (Geeraerts, 2014). This was made possible by the impressive growth of China in the last years, which gave the perception of the well-functioning of the Chinese model of capitalism. Indeed, European leaders continue to consider China as an important global player that should be more integrated in the international community, but they doubt about China's willingness to accept what Western nations consider to be universal norms and values, as the European Union holds on to a concept of multilateralism founded on a rule-based management of economic interdependence and political integration. China has a different view of supranationalism and in these years has always recalled its strong national identity and sovereignty on its territory (Geeraerts, 2014).

Certainly, international events like 9/11, but also the 2008 global financial crisis, the rise of the cyber dimension, climate change, international terrorism, wars in Iraq and Afghanistan had huge impact on reshaping the perception of the world's equilibrium. Domestically, the circulation of the euro and the entering into force of the Treaty of Lisbon contributed to increase the level of European integration, and Brexit probably opened the way to take some steps forward a federal Europe. In China, the consolidation of Xi Jinping's leadership gave a new impulse to the Chinese growth with the anti-corruption war and the Belt and Road Initiative, the adoption of Made in China 2025 and the trade war against Trump, together with the removal of the constraint of two mandates and the management of Covid-19 pandemic. This is the demonstration that in such a complex and interconnected world, everything a State does internally will always have a consequence on other actors. This is why it is acceptable to say that China and the European Union have played, are playing and will continue to play a crucial role in creating a global order characterised by new dynamics.

In such a competitive geopolitical scenario, finding a trustful and loyal partner is not always easy: this is why China and the European Union should find new common ground of understanding regarding global challenges, and continue to pursue their partnership towards a unique direction. It is necessary because they are probably the two main representatives of "emerging powers", as their economies combined account for one third of the world economy. Moreover, they are, respectively, a fundamental representative of a millenarian oriental culture, and the cradle of liberalism, hosting a total of a quarter of the world's total population. To conclude, the European Union and China are definitely two major civilisations, and they must favour the advancing of human progress, despite their different ways to approach international relations.

2.   THE DEEPENING OF THE EU-CHINA RELATIONSHIP

2.1.   The European strategy towards China: more than economic cooperation

During the last years, despite internal differences among Member States, the European Union has been able to set up a quite effective strategy towards China that helped to stabilise their relationship. Progressively, the economic cooperation extended to different fields in order to create a more solid and interconnected form of interaction. The amount of policy papers, joint statements, documents, shared agreements and memoranda of understanding experienced a huge growth in number and in quality. Moreover, the European Union has engaged a bilateral relationship with China also within the framework of many international organisations. Specifically, both the European institutions and single States are working with Chinese representatives in organisations active in the prevention of nuclear proliferation, terrorism, organised crime, as well within the United Nations and its specialised agencies. The main dimension of the EU's strategy towards China involves the improvement of the Chinese domestic ability to manage governance challenges and improve the quality of people's lives. These two levels of European interaction with China, bilateral and multilateral, reinforce each other.

The European Union is becoming more concerned with the challenges that an increasingly assertive China poses to the rules and norms of the liberal international order that the EU supports (Anthony, Zhou, Yuan, Su & Kim, 2021). The controversial relationship between the EU and China was even more evidenced in the 2019 Joint Communication "EU-China: A strategic outlook" (Chen & Gao, 2021) presented by the EU Commission together with the High Representative for Foreign Affairs and Security Policy Federica Mogherini. This communication was a turning point for the European Union's perspective on China, because it stated that China can no longer be considered a developing country in the new global context, where it is a huge power which has to stop claiming special trade conditions (Jocheim, 2021). Moreover, the communication proposed a controversial definition of China because it was defined "simultaneously, in different policy areas, a cooperation partner with whom the EU has closely aligned objectives, a negotiating partner with whom the EU needs to find a balance of interests, an economic competitor in the pursuit of technological leadership, and a systemic rival promoting alternative models of governance" (EU Commission & HR/VP, 2019).

However, the EU should not disregard the need to continue the dialogue with China, even if the systemic rivalry can now become a limit to their relationship (EPP Group, 2021). This rivalry is becoming a serious source of concern, exacerbated by the different visions that EU Members have on their bilateral relationships with China. At the same time, the latter is recognising the little increasing tension in the European discourse about relations with China. Still, despite the constitutional reforms that modified the EU's framework, European institutions are sometimes unable

to act with the necessary coherence across the spectrum of international affairs, and differences on human rights, foreign policy, economic and political governance are impeding cooperation between China and the EU in areas where their interests are aligned. Nevertheless, China has rejected the label of "systemic rivalry", insisting on the fact that the relationship remains a strategic partnership (Anthony, Zhou, Yuan, Su & Kim, 2021).

Surely, it is possible to categorise the reasons for Sino-European tensions into two macro areas: economic and non-economic. The economic problems regard trade practices, because both tend to apply anti-dumping tariffs against each other's exports, and non-economic ones can be summarised with the recurrent human rights issues, such as the ethnic discrimination of Uyghurs in Xinjiang, the independence of Taiwan and Tibet, and human rights violations in Hong-Kong.

The EU finds itself in a sort of middle position: it cannot cut all the links with China but cannot neither support nor defend Chinese violations of human rights and of trading rules. Thus, every European State is adopting a different behaviour with this important partner. For example, the French relations with China are quite balanced between cooperation, mainly on climate change and within the WTO, and competition, especially on human rights and incompatibility of governmental systems. France did not ban Huawei with a targeted legislation, but it asked telecommunication operators to check Huawei's networks over time. In addition, Germany has also very pragmatic relations with China, as it is its first European trading partner. However, this attitude was criticised by some German politicians, to the point that Germany was considered too "soft"; this is the reason why it is plausible to expect a more critical attitude by the new government led by Chancellor Scholz. Among the most important EU countries, Italy is the only one that has signed a BRI memorandum of understanding in 2019, but the current government has strongly criticised China on its behaviour in Hong-Kong and Xinjiang. As a general trend, it seems that Western EU countries are the most critical towards Chinese violations of human rights and 5G technologies.

As a matter of fact, China is using bilateral and alternative strategies to circumvent the rules-based approach followed by the EU institutions (EPP Group, 2021), such as the use of alternative formats like the 16 + 1 mechanism. It is not a coincidence that Central and Eastern European States have been more permissive with China. Hungary, for example, used China as a leverage to deal with the EU, joining the Belt and Road initiative, blocking EU statements regarding violations in Xinjiang, buying Chinese Covid-19 vaccines, and allowing the use of Huawei in 5G networks. Another country that used to have close relations with China is Greece, which for many years had been considered a "dragon head" in Europe, even if now it only wants to keep an economic relationship because of Chinese investments in the port of Piraeus, where small coastal companies and workers protested against these acquisitions. This project has been, for a long time, a flagship among Chinese projects

in Europe: it linked the port of Piraeus, one of the largest container ports of the Mediterranean for which the Chinese giant COSCO has signed a 35-year concession, with at least eight more Central and Eastern European countries. This port is an important getaway between the Middle East, the Balkans, and the EU market, thus representing a unique entry point into Europe (Casarini, 2015).

Notwithstanding these developments, one of the closest Chinese partners is Portugal, which likes considering the US a military ally and China an economic partner. This is a consequence of the Chinese help during the financial crisis in 2008, that made Portugal the first Eurozone country to issue "panda bonds". However, many countries kept a very ambivalent behaviour: Romania banned Huawei but turned the memorandum of understanding into a law, Slovenia did not oppose the establishment of economic ties with China but favoured the opening of a trade office with Taipei, Greece also decided to not use Huawei, but voted against EU statements towards China.

In addition, there are still some nations like the Czech Republic, that used to be a good friend with China, but now has adopted a more critical approach and wants to leave the 16+1 mechanism, after having banned Huawei. On its part, Poland is seeking to a re-rapprochement with China, through the transposition of the memorandum of understanding into a law. In the end, the EU country that probably has the worst relationship with China is Lithuania: it left the 16+1 mechanism in 2021, calling it "divisive" (Gotev, 2021). Moreover, in July 2021, Lithuania announced the opening of a Taiwanese representative office in Vilnius (Nevett, 2022), generating a huge debate.

Nevertheless, the 2019 document was very important in setting out a quite unitarian EU strategy in China. Although the mentioned challenges from the EU's side and the lack of a cogent strategy with a corresponding narrative from the Chinese one, the EU is still finding a main difficulty in preparing an approach towards the Belt and Road Initiative. However, in the report published by the Commission and the HR/VP it was made clear that, in its relations with China, the EU wants to focus on maintaining the international rules-based order, pursuing global sustainable development, seeking regional approaches to peace and security (Jones, 2021). The communication served to reaffirm the European commitment not to lose the Chinese partnership but to continue it with a more cautious behaviour: their economies are too integrated to stop the joint coordination of such issues.

The EU must be very clever in trying to pose itself in a more influent position in global politics, because of the rising rivalry between the US and China: in the words of Josep Borrell, this rivalry "will probably be the dominant organising principle for global politics and in this context the EU should follow its own path" (Meijer, 2021). The end of the Chinese status of developing country may have far-reaching consequences in this sense, for example regarding the implementation of trade agreements and the reciprocity of market access rules (Jocheim, 2021). To further reach this aim, it is important to mention another crucial document published in 2013: the "EU-China 2020 Strategic

Agenda for Cooperation". In this agreement, the two sides agreed to implement an agenda of cooperation through the practice of annual summits. The EU and China affirmed their commitment to fully consult on major bilateral, regional and international issues of mutual concern, reinforce cooperation in all relevant trans-regional issues and emphasise multilateralism and the central role of the UN in international affairs.

Moreover, they decided to claim their shared responsibility for "ensuring that their economies remain key drivers for global economic growth": negotiate and conclude trade and investment agreements, enhance cooperation to facilitate industrial and information trade, make full use of agricultural resources, implement transport and infrastructure cooperation. In addition, both the EU and China agreed on the strategic importance of the transition towards green and sustainable development, while the last part of the document was centred on the willingness to encourage people-to-people exchanges, fostering a cultural and educational dialogue (EU & China, 2013). However, a sustainable partnership needs to go beyond commercial and geopolitical interests and requires the strengthening of civil society exchanges. Thus, the EU-China 2020 Strategic Agenda illustrates the lack of a strategy to broaden integration between European and Chinese people, because the just mentioned fourth part of the document was relatively short (Fulda, 2019) and the following meetings did not show any further sign of a deeper integration, at least at the people-to-people level.

Certainly, the evolution of international politics made more difficult to reach these goals, while both parties had to pursue their own interests. The 2019 communication by the Commission and the HR/VP proposed a modified industrial strategy, focused on internal EU cooperation around critical infrastructure and instruments to monitor FDI (Jocheim, 2021), because China is quite restrictive about direct investment in services such as finance, telecommunication, media and logistics (Geeraerts, 2019). The purpose of "EU-China – A strategic outlook" was exactly to create a clearer approach towards China. Specifically, the joint communication set out ten concrete actions. These actions were considered necessary to reach three fundamental objectives set out by the Commission: "deepen engagement with China to promote common interests at global level; seek more balanced and reciprocal conditions governing the economic relationship; finally, in order to maintain its prosperity, values and social model over the long term, there are areas where the EU needs to adapt to changing economic realities and strengthen its own domestic policies and industrial base" (EU Commission & HR/VP, 2019).

The EU clarified its commitment to support multilateralism with the United Nations at its core, while noting that China has often tried to reform global governance, not always willing to accept the new rules related to its increased responsibility and accountability (EU Commission & HR/VP, 2019). Furthermore, the Commission stated that the EU should continue to promote stability, sustainable

development and respect for good governance, since China's increased international presence can offer opportunities for trilateral cooperation and positive engagement in areas of common interest, such as Africa. This joint communication also contributed to express the European concern about the risks of negative spill overs from distortions in the Chinese economic system due to its state-driven firms. In addition, the Commission asked China to consider the EU as a single entity for agriculture and food exports, while applying the regionalisation principle (EU Commission & HR/VP, 2019). The "strategic outlook" represented a crucial evolution in EU-China relations, remarking a new attitude towards the Chinese partner, more cautious but determined to promote and support new European strategies for the development of new technologies, the fostering of sustainable plans, such as the Strategic Action Plan on batteries adopted in May 2018, but also the securitisation of 5G networks. To this purpose, on March 2019, the Commission and the High Representative proposed the establishment of a horizontal sanctions regime to counter cyber-attacks (EU Commission & HR/VP, 2019).

The 2019 joint communication recalled the EU's and China's shared commitments in global sustainable development and underlined how the 2030 Agenda presented opportunities for closer cooperation including third countries. Thus, all the actions proposed by the Commission are aimed at respecting the Paris Agreement, meeting common responsibilities in the UN framework, preserving stability in third partner countries, promoting reciprocity, safeguarding the security of critical digital infrastructure and achieving a more balanced economic relationship (EU Commission & HR/VP, 2019).

Surely, the European Union understood the need to balance the Chinese growth and avoid damaging effects in the European market, because even these actors are complementary to each other, they are still rival powers. Thus, the EU cannot afford to lose its role in favour of China. This is happening in the technological field: Europe is currently not able to compete with the US, China and Russia. In fact, China has emerged as a major technological and cyber power with an increasing capacity to shape the global governance of cyberspace and the digital economy, while the US has consequently engaged in a campaign of persuasion with the European partners to ban Chinese technological devices (Chen & Gao, 2021).

However, the EU can be quite satisfied because, even if the expectations risen after 2003 could not have been satisfied and exposed the real differences that continue to affect their relationship (Maher, 2016), it was able to engage in a constructive economic but also political and cultural partnership that, if well monitored, can surely benefit the European Union's global aspirations. This is well demonstrated by the acceptable result of having created a bilateral platform, such as the practice of EU-China summits each year. Those meetings are now considered so important for both

parties that during the first Covid-19 wave it was held online. This "dialogue architecture" is very useful in bringing Chinese and EU policymakers together, to the point that the scope of these dialogues started to evolve around three pillars, headed by a specific EU-China High-Level Dialogue: strategic dialogue, economic and trade dialogue, and people-to-people-dialogue (Geeraerts, 2019).

In 2018, for example, during the 20th summit, the two sides enthusiastically celebrated the 15th anniversary of the Comprehensive Strategic Partnership, and leaders from both sides reaffirmed their commitment to deepen their partnership for peace, growth, reform and civilisation, based on the principles of mutual respect, trust, equality and mutual benefit (EU & China, 2018). The EU remarked its respect for the one-China policy, while both of them agreed on the securitisation of the Middle East with a two-state solution in Israel, on jointing efforts to find a peaceful solution to the Korean issue, as well as they recognised the importance to promote common economic initiatives through the framework of their High-Level dialogues, improving trade and investment liberalisation. Moreover, they dedicated the last part of the 20th EU-China summit's joint statement to the commitment to the respect of the Paris Agreement, to the implementation of the 2030 Agenda for Sustainable Development, to cooperate in ICAO and IMO to ensure that aviation and shipping contribute to fight climate change and recall their interest in lowering greenhouse gases in the long term (EU & China, 2018).

The following year, at the 21st summit, the EU and China basically reaffirmed the same principles, such as resolving to work together for peace, prosperity and sustainable development with the United Nations at its core (EU & China, 2019). Furthermore, they reiterated their willingness to enhance bilateral economic cooperation to provide each other with broader and less strict market access. The two sides also remarked the importance for a reform of the WTO and again underlined their commitment to the effective implementation of the Blue Partnership for the Oceans. Moreover, in this joint statement, it is possible to find a reference to the issue of Iran and non-proliferation, in order to preserve the economic benefits of Iran after the UNSC Resolution 2231, as well the commitment by both China and the EU to work together in the evolving peace process of Afghanistan (EU & China, 2019), even if last summer events proved the inability of global powers to secure Afghanistan's democratic consolidation.

To conclude, from one side, the European Union can be satisfied of the way through which it pursued its interests in the relationship with China, because their dialogue gradually contributed to highlight the partial independency of EU's foreign relations as a unique voice in international affairs. It is also true that China progressively opened itself to the West and to Western markets, embracing the rules of capitalism, at least on the surface. However, the European Union is currently well aware of the risks of being too much dependent on China, because they still have different goals and are

promoters of a different set of values. The EU is already trying and will have to try to prevent these risks, with initiatives such as the negotiation of the Comprehensive Agreement on Investment, a joint Sino-European document that would have finally given to European firms a more liberalised access to the Chinese market. Still, China and the EU seem to be at the same time more rivals but more interconnected with each other than they have ever been. If the EU wants to keep pursuing its project of encourage China to accept Western rules in international relations, tensions could probably rise, the European institutions will probably have to find another strategy to extend the European influence on China and accept China's role and its way to conduct international relations. Surely, in order to be a more credible partner, even with other nations and third countries, the European Union should have to find more unity on the conduction of a common foreign policy.

2.2. *The Chinese position: the core of its global and European strategy*

Through a comparison of the two perspectives, it may seem that the EU is more afraid of China than China of Europe. It is possible that this interpretation is due to some misconceptions and to the spread of nationalistic campaigns all around Europe. China, due to its authoritarian socialist system, has always been unclear about its real intentions and, among Western democracies, there are still some policymakers who want to be cautious when talking about China and other authoritarian regimes.

From the Chinese side, Europe is often criticised for being influenced by a sort of "Chinaphobia". Furthermore, Chinese academics and politicians have accused the EU of being more merciful when China was poorer than when it completed the evolution into a superpower. Moreover, this perceived behaviour is a consequence of the Chinese will to reform the international order and its desire not to completely accept to turn itself into a "Westernised" democracy. The situation is made even worse by the Chinese sights on the South China Sea, the tensioned issue of Taiwan, and the always recurrent violations of human rights.

However, it is true that China played its part in supporting the development of this ideas on the West. For example, in the Chinese Communist Party's narrative, rights such as freedom of opinion, expression, religion and associations are portrayed as subversive currents that must be suppressed (EPP Group, 2021). Moreover, the management of Covid-19 pandemic demonstrated how controversial the Chinese behaviour was from the beginning of the epidemic in the city of Wuhan, just like the attitude that China is assuming towards the war in Ukraine. The future of EU-China relations will surely be shaped by this very thin equilibrium between trust and suspect, but surely it is China that is benefiting and will benefit more in a multipolar world. Although it is possible that no "Beijing consensus" would emerge as an ideology, the Western economic and political model will have to compete with other ideologies, especially the less liberal ones (Maher, 2016).

One of the main differences between the EU and China is the fact that China is a unitarian and sovereign State which recognises the common guide of the Communist Party and its leader. This is a fundamental characteristic that allows the nation to have clear strategies. In fact, in 2014, during a speech at the College of Europe in Bruges, Xi Jinping emphasised the importance of the EU in China's foreign policy. On that occasion, he declared that "despite all the cultural, societal, economic and political differences, the two sides still account for one tenth of the total area on Earth and one fourth of the world's population, in addition to one third of the global economy (Fanoulis & Song, 2021). At the same time, he spoke for the first time about "four bridges" that, according to the Chinese interpretation of this partnership, unite the EU and the People's Republic of China.

The fist bridge that President Xi mentioned is a bridge of peace and stability between the "two strong forces" of China and the EU, because they together comprehend three permanent seats on the UN Security Council and stated that China is ready to work with the EU to "let the sunlight of peace drive away the shadow of war". The second bridge is a bridge of growth and prosperity linking their big markets, upholding open trade, speeding up negotiations on investment, exploring the possibility of a free trade area. In this perspective, the EU is expected to embrace the initiative of the Silk Road Economic Belt (the Belt and Road Initiative). The third bridge mentioned by Xi Jinping is a bridge of reform and progress that should lead to a more intense dialogue on macro-economy, regional development, rural development and social welfare. To conclude, China aims at building a bridge of common cultural prosperity linking the two major civilisations of the China and Europe, because both of them are crucial representatives of fundamental cultures in the world, and they must link together the Chinese principle of "harmony without uniformity" and the EU principle of "united in diversity" (Jinping, 2014).

During his visit, Xi Jinping reached an agreement with EU leaders to build four partnerships: for peace, for growth, for reform, and for civilisation. These partnerships firstly appeared in the 2014 Chinese Policy Paper on the EU. In this document, the Chinese government affirmed it was ready to work with the EU to bring the two forces closer to pursue a peaceful development in a multipolar world, respect each other's interests and concerns, make the international order and international system fairer and more equitable (partnership for peace). Moreover, China and the EU should pursue a partnership for growth, as the Chinese leaders claimed to have been working with the EU to bring markets closer to build a community of interests, strengthen the bond of interests between the two sides at the global strategic, regional and bilateral levels. In addition, China added to be ready to cooperate with the EU to better align China's comprehensive deepening of reform with the EU's one, jointly improving the ability of and setting an example of different civilisations learning from each other and enjoying common prosperity (Ministry of Foreign Affairs of the PRC, 2014).

Surely, the realisation of all the infrastructural projects of the Belt and Road Initiative would need a strong commitment from the part of EU Members, while China will try to encourage these States to engage in these projects bilaterally. For example, one of the most ambitious projects is the "New Eurasia Land Bridge Economic Corridor", consisting in developing rail transportation between China and Europe through Kazakhstan, Russia, and Belarus (OBOR Europe, 2020). By focusing on these infrastructure projects on land and sea, China is trying to build a better connectivity as well as acquire political influence in the interested areas: the BRI represents a great opportunity for Europe to obtain financial capital from Beijing (Casarini, 2015). A crucial basin where to find new recipients of Chinese values is represented by all the politically weak and economically fragile countries in Central Asia and it may happen that China would try to find other recipients in Central and Eastern Europe.

However, in the last years it seemed that the relationship between China and the EU was moving towards deterioration, mainly due to the increasing tension related to human rights issues and, from 2020 onwards, due to the Covid-19 management and the ambiguity of the China-Russia axis.

However, China has always proved the centrality of the EU in its foreign policy. As a matter of fact, the Chinese government came out with a new "White Paper" in 2018: it was the third policy paper on the European Union, which also marked both the 15th anniversary of their comprehensive strategic partnership and the 20th anniversary of the beginning of EU-China summits. China defined itself and the EU as "major participants in and contributors to world multipolarity and economic globalisation" (Ministry of Foreign Affairs of the PRC, 2018). According to Chinese leaders, since 2003, the EU and China have broadened and deepened their relations and fostered comprehensive, multi-tiered and wide-ranging exchanges and cooperation (Anthony, Zhou, Yuan, Su & Kim, 2021).

Whereas in 2014 China remarked its commitment to keep engaging a partnership with the EU through the "4 partnerships", in 2018, the Chinese government presented four "guiding principles" for a good EU-China relationship. China proposed the adoption of a strategic and long-term perspective based on upholding mutual respect, mutual openness, mutual fairness and inter-civilisation dialogue.

Specifically, the first principle consisted of upholding mutual respect, equality and the one-China principle to cement the political foundation of the relationship (Ministry of Foreign Affairs of the PCRR, 2018). The one-China principle is a crucial aspect for China in order to know if its interlocutor officially recognises Beijing as the sole and only representative of China. The second principle presented by the Chinese government was about upholding openness, inclusiveness and win-win cooperation, with a coordination of development plans (Ministry of Foreign Affairs of the PRC, 2018). It is quite clear why China wants to keep a positive economic cooperation, since its commercial and financial connections with the EU are complementary. Moreover, the third principle proposed by

China was about upholding mutual fairness and justice, and "joining hands to improve the global governance system" (Ministry of Foreign Affairs of the PRC, 2018). To conclude, the fourth principle in the 2018 Chinese White Paper consisted of upholding inter-civilisation dialogue and "harmony in diversity" to facilitate mutual learning between the Chinese and European civilisations (Ministry of Foreign Affairs of the PRC, 2018). The idea of unifying the two "civilisations" is recurrent in the Chinese strategy towards the EU, because it feeds the Chinese narrative of peace-loving nation that wants to legitimise its culture and its influence in the world.

How much has the Chinese behaviour changed from 2014 to 2018? Actually, it may be possible to overlap the 2014 partnerships for growth, reform and civilisation with all the 2018 principles. What seems to be missing is an explicit reference to "peace". It is possible to imagine that peace is considered as a necessary prerequisite to achieve mutual goals, but the abandoning of any explicit reference to peace or peaceful development is quite explicative of how times have changed and both parties are now more influenced by their divergences. To give a further example, in 2014 the Chinese policy paper stated that "the one-China principle is an important political foundation of China-EU relations" and asked the EU "not to support Taiwan's accession to any international organisation whose membership requires statehood" (Ministry of Foreign Affairs of the PRC, 2014). However, in 2018 the Chinese tones became sharper: "the EU should explicitly oppose Taiwan independence in any form, support China's peaceful reunification, and handle Taiwan-issues with prudence". The document also contained clear and direct suggestions neither to support Tibet independence or allow the Dalai Lama to visit EU Member States nor to interfere in Macao and Hong-Kong related issues, since they are part of China's internal affairs (Ministry of Foreign Affairs of the PRC, 2018). It was not a case that tensions between the EU and China reached a problematic stalemate when a Taiwanese representative office was opened in Vilnius, and China downgraded its diplomatic relations with Lithuania (Parker, 2022). Moreover, things proved to be more complicated because of the Comprehensive Agreement on Investment, which has been "frozen" because of tensions related to human rights. Concretely, the EU adopted some restrictive measures towards some Chinese regional representatives as a response to the arbitrary detention of Uyghurs in Xinjiang. China immediately reacted imposing its own measures on five members of the European Parliament and EU officials (Banks, 2021). The EU Parliament is perceived as the most difficult body to work with, due to its specific interest on human rights (Anthony, Zhou, Yuan, Su, Kim, 2021).

China's foreign policy is taking a more globalist orientation and the country is preparing itself to take on more international responsibilities (Geeraerts, 2019). The Chinese ambitions to complete the transformation of China into the first world superpower are based on some key issues: sovereignty

claims in the South China Sea, the just mentioned problem of Taiwan, the realisation of the Belt and Road Initiative, and the question of Hong-Kong.

First of all, disputes over the South China Sea have become more prominent in recent years, as they involve a lot of actors with overlapping claims to maritime features and waters, including some non-claimant countries that still want to protect their geopolitical interests in one of the world's busiest shipping lanes (EPRS, 2021). In 2018, after the 20th EU-China Summit, the two parties agreed on the adoption of an effective Code of Conduct for the South China Sea (EU & China, 2018), but China's assertive regional policy and the increasing tension in such sea may threaten the EU's interests, given the volume of trade passing through that area and its importance to Europe (Chen & Gao, 2021). Thus, it is comprehensible that the EU's position on the Chinese maritime disputes has moved from encouraging all parties to seek peaceful resolutions respecting international law to affirming that China is challenging the territorial waters of its neighbours violating international laws (Anthony, Zhou, Yuan, Su & Kim, 2021).

On its part, it is also quite easy to understand why China is struggling for a better position in the sea: currently, China has not a complete open access to the Pacific, because of the presence of the USA in Taiwan and Japan. Moreover, all the small islands that stand quite far from Chinese shores belong to China's "enemies", namely Japan and the Philippines. Thus, the Chinese strategy aims at transforming the country into a two-ocean power like the US, and with the possibility to acquire rights to new fishing stocks, to explore and exploit the crude oil and gas in the seabed. The disputes involve the Spratly Islands, the Paracel Islands, Scarborough Shoal, and some boundaries in the Gulf of Tonkin. A greater Chinese presence in the South China Sea will open unpredictable scenarios that the West will have to face with huge concern and attention, because it may lead to a shift in balancing the respective spheres of influence and resize the presence of Western countries in the region.

In addition, the problem of Taiwan's independence raises many issues. In the eyes of Beijing, Taiwan is just a "renegade province". The scenario can be even more complicated because the official Chinese policy is to promote peaceful reunification but employ non-peaceful means if necessary: tensions grew because the US has been selling military equipment for the Taiwanese self-defence, while China is increasing military actions including the fight of aircrafts, including jets and bombers, in the Taiwanese airspace, with the only purpose of intimidating its population (Jocheim, 2021). Thus, it is quite unlikely that China will easily step back on Taiwan: its long-term project is to prepare the reunification of the PRC with the Taiwanese province for the year 2049, the centenary of the foundation of the People's Republic of China (EPP Group, 2021).

Here it lies a controversial geopolitical situation: it is the US that has the closest ties with Taiwan because, according to the Taiwan Relations Act of the 1979, the US is committed to assist the island

(Casarini, 2006), while, at the same time, Taiwan does not represent a primary source of divergence between the EU and China. However, the EU does not want to see an increase in the instability of the area in order to protect its economic and commercial interests (Men, 2008). Currently, it is not possible to predict to what extent the Chinese expansionist foreign policy will or will not change the equilibrium in the Strait of Taiwan, but the European Parliament, already in "A new EU-China strategy" of 2021, expressed "grave concern over China's assertive and expansionist policies in the South China Sea, East China Sea and Taiwan Strait" and underlined "that the status quo across the Taiwan Strait and freedom of navigation in the Indo-Pacific region are of critical importance to the EU and its Member States" (EU Parliament, 2021).

In 2021, the National People's Congress, in publishing the "Outline of the People's Democratic Republic of China's 14th Five-Year Plan for National Economic and social development and Long-Range Objectives for 2035", remarked the Chinese adherence to the one-China principle and the 1992 Consensus, taking the well-being of Taiwanese people, promoting the peaceful and integrated development of cross-strait relations, and the vigilance on Taiwanese separatist activities (National People's Congress, 2021). In the meantime, the EU is maintaining a robust trade relationship with Taiwan, through unofficial bilateral consultations and exchange programmes (Maher, 2016). After coronavirus, the connection became closer, because Taiwan could use its positive management of the pandemic as leverage to reduce its economic reliance on mainland China and implement diversification and relocation strategies (EPRS, 2021).

The most famous and resonant Chinese project of expansion is the Belt and Road Initiative. It was launched in 2013 by Xi Jinping as a fundamental infrastructural project for China to extend its influence in the world. It was presented as a sort of 21st century Silk Road. This reconceptualization was devised as more than an economic project: it is a big diplomatic project conceived as a way for the Chinese to reclaim cultural prominence. Moreover, beside the development of the BRI, in 2013 China proposed to establish the Asian Infrastructure Investment Bank, a new source of infrastructure financing in Asia (EPRS, 2021). In 2018, 5 years from the launch of the BRI, China mentioned it in the White Paper, defining it as an initiative that "follows the principles of consultation and cooperation for shared benefits, upholds openness, inclusiveness and transparency, observes international rules and market principles, and pursues high quality and high standards tailored to local conditions" (Ministry of Foreign Affairs of the PRC, 2018).

The core of the Chinese strategy basically aims at building connectivity and cooperation across six economic corridors through the allocation of over 1 trillion US dollars of outward funding for foreign infrastructure from 2017 onwards (OECD, 2018). Namely, the six corridors would be: the already mentioned New Eurasia Land Bridge Economic Corridor, the China-Mongolia-Russia

Economic Corridor, the Central Asia-West Asia Economic Corridor, the China-Indochina Peninsula Economic Corridor, the China-Pakistan Economic Corridor, and the Bangladesh, China, India, Myanmar Economic Corridor (OBOR Europe, 2020). Evidently, the Belt and Road Initiative is not only focused on Europe, but it also comprehends other areas of the world. Still, the Belt and Road Initiative may represent a turning point in China's foreign policy, but it will be necessary to know if and to what extent China would be really interested in the development of the poorest countries of the world or it will only pursue its strategy to compete at the global level.

In this framework, it is useful to know the document "Made in China 2025", which aims at enhancing Chinese technology, standards, equipment and engineering know-how (OECD, 2018). This document was published in 2015 and it will be the guide for China's manufacturing strategy during the 2015-2025 decade (State Council of PCR, 2015). Furthermore, the Chinese government wants to set the bases for a new economic development that would make China more competitive in the manufacturing sector, proposing reforms in the standards system, the digitalisation of processes, the use of IT and artificial intelligence including robots and machine tools (State Council of the PCR, 2015). Made in China 2025 is just one of the many initiatives taken under the leadership of Xi Jinping, who seems more determined than ever in strengthen the role of China in bilateral and multilateral relations.

To sum up, the launch of the BRI, the military empowerment, the sovereignty claims over the South China Sea, Taiwan, all the human rights issues, represent serious concerns that must be kept under control by Western powers. The European Union should adopt a more concrete strategy if it wants to keep the pace with the impressive Chinese growth of the last years.

2.3.   Economic cooperation between two of the biggest economies of the world

The amount of trade between China and the EU has exponentially increased over the last decades. The EU, both from the Members' perspective and as a whole, is strongly connected with China, but the balance of trade is not in equilibrium, because the European Union is currently importing more than its exports from China: in 2020, only 400.000 million EUR were imported from China. However, in the same year, China became the main trading partner for the EU (EPP Group, 2021), proving that the problems characterising EU-China relations do not affect the economic cooperation.

Economics has always been a fundamental driver in EU-China relations. Specifically, trade reached 175 billion EUR in 2004, even if soaring exports led to a growing Chinese trade surplus of over 4 billion EUR already in 1997: in 2004 this EU trade deficit rose to 78.9 billion EUR (Scott, 2007). In order to better understand the impressive growth that characterised these two huge global economies, it is interesting to report the volume of bilateral trade in goods and services, which reached

671.3 billion EUR in 2019. In nominal terms, China and the EU trade almost as much in one day in current times as they did in a year over forty years ago (Jocheim, 2021). Actually, in 2014 the European Union became China's largest trading partner, while China became the European Union's largest trade partner only in 2020 (Anthony, Zhou, Yuan, Su & Kim, 2021) surpassing the US (Mollet, 2021). It is interesting to note that from the 2008 crisis onwards, China's foreign direct investment in the EU has grown: from 2 billion EUR in 2010 it peaked 37 billion EUR in 2016, declining to 11.7 by 2019 (Anthony, Zhou, Yuan, Su & Kim, 2021). However, much of the new Chinese economic efforts were related to the Belt and Road Initiative, which was expected to reach 1.4 trillion USD for infrastructural projects (Casarini, 2015).

In 2016, after their 6th High-level Economic and Trade Dialogue, both sides committed to make the Global Steel Forum on Excess Capacity operational, and agreed to work together on addressing structural market access problems to ensure the elimination of key barriers. Moreover, a positive exchange took place about China's announced economic reforms programme, particularly those regarding state-owned enterprises (EU Commission, 2016). For the EU, further reform of Chinese state-owned enterprises (SOEs) is necessary to avoid unfair competition in the European market (EPP Group, 2021). The centrality of public entrepreneurship in the Chinese economy is associate with market distortions and disproportionate economic funding caused by statal subsidies: many European companies working in China claim to be victims of discriminatory practices, market distortions and other restrictions. Moreover, another risk for European economy is that the Chinese law requires companies from China to cooperate with the country's secret services (EPP Group, 2021).

Research indicates that, even in the investment sector, state-owned firms are becoming a dominant force in capital markets, in particular since Xi Jinping's presidency. Some European firms in China are actively courted by Chinese policymakers due to their inability to bring in new technology, while others are forced to turn to Chinese supply chains and firewall their China operations (Mollet, 2021). This Chinese approach has three main consequences for the EU's activities: tougher competition and greater protectionism, that may lead to the risk of being exposed to heavy distortions and mercantilist competition. The second risk is the blurring of the distinction between public and private sectors and the last is the divergence between European investors and exporters' interests. It is quite clear that China is developing a synthesis of economic, national security and geopolitical strategy, while the EU must adapt its own strategy to face it (Mollet, 2021).

There are all the necessary bases to make trade between the EU and China more efficient, not only in goods, but also in services. Moreover, transport and trade-related services were expected to increase some years ago and actually did, as China's integration into the world economy continued. However, goods remained central in their commercial exchanges: trade in goods between China and

the EU reached 428 billion EUR, almost doubling the value recorded in 2005 (Hansakul & Levinger, 2014). Furthermore, it is interesting to notice that manufacturing accounted for over 90% of their bilateral trade, specifically an 84% of EU exports to China and 96% EU imports from China (Hansakul & Levinger, 2014). Among other sectors, the automotive one has soared: Volkswagen became a key company in the Chinese market, with the 21% of its revenues coming from Chinese customers (Mollet, 2021). During the last decade, the European Union has also experienced how China could become a fundamental recipient for European consumer goods: in 2013 China overtook France as the largest consumer market for red wine, for example. Moreover, China became the fourth largest market for Greek olive oil in 2012 (Hansakul & Levinger, 2014).

Notwithstanding the huge amount of trade between China and the EU, they are working to improve the efficiency of the investment sector: the negotiation of the Comprehensive Agreement on Investment had exactly this purpose, because investments between these two partners may require a different regime. However, regarding the EU's FDI in China, the automotive sector continues to rank first in 2021 with 765 million USD, due to the ongoing greenfield projects by German car manufacturers; basic materials with 338 million USD and electronics with 252 million USD arrived second and third, respectively. On the other side, the Chinese FDI in the EU was also led by the automotive sector in 2021, with more than 211 million USD in the first quarter and 196 million USD in the second one; health, pharmaceuticals and biotechnology and ICT represented the second and third sources of Chinese investment in the EU (Hanemann, 2021).

Every year, in order to investigate and analyse what is the perception of the EU companies working and investing in China, the EU Chamber of Commerce in China submits a "business confidence survey". Its purpose is to take an annual snapshot of European companies challenges and successes in China. In 2020, some data reported that European enterprises were "navigating in the dark". However, contrary to the premises and expectations, European companies in China found a resurgent market after Covid-19, when production went back online quicker than anticipated (EU Chamber of Commerce, 2021). Nevertheless, some characteristics of the Chinese economy are still creating concerns among European partners: for example, unequal treatment persists for 44% of respondents, barriers are reported by 45% of members, 12% of which said these were direct and 33% they were indirect (opaque licensing procedures and administrative approvals). Moreover, the many times-called reform of state-owned enterprises continues to disapprove European companies, with only the 15% of respondents who are convinced that the private sector will gain opportunities (EU Chamber of Commerce, 2021). Actually, many companies belonging to the ICT industry reported they cannot have access to subsidies that are available to domestic firms (EU Chamber of Commerce, 2021). Thus, it does not appear clear how China will deal with such discontent of EU partners. Should the

CAI's ratification not overcome the current impasse, the economic cooperation between China and the EU would probably never solve these challenges.

The economic relationship between China and the EU shows that their partnership consists of both cooperative and competitive elements. In addition, there is a power logic that feeds into two major diverging trends: the changing distribution of power and identities in the global system and the growing concern about economic security in their mutual relations. Furthermore, there is also a transformational logic that resides in two converging trends, namely the institutionalisation of the EU-China partnership and its potential for reciprocal socialisation, and convergence between both parties in their efforts to adapt themselves to the changing international order (Geeraerts, 2019).

Certainly, the outbreak of Covid-19 pandemic changed the scenario. The world discovered that the delocalisation of complete supply chains of strategic products made economies very fragile, and this fed again the idea that it should be important to protect strategic sectors, but in a way that is compatible with open trade. In the Chinese words, the effects of Covid-19 were widespread and enormous: the global economy fell into a downturn, economic globalisation encountered some resistances and the landscape of global energy supply and demand changed (National People's Congress, 2021). Notwithstanding its disastrous effects, Covid-19 became a new milestone in China-EU cooperation in public health (Lilei & Sai, 2021), but also created new occasions to compete and foster opposite narratives and propagandas.

2.4.   *A missed revolution in the Sino-European economic relationship: the Comprehensive Agreement on Investment and its failure*

The European Union's response to the aggressive and competitive behaviour adopted by China should be focused on deepening the engagement with China to promote mutual interests at the global level, but also seeking more balanced and reciprocal conditions governing the economic relationship. Moreover, the EU should adapt to changing economic realities and strengthen its internal policy and communitarian industrial basis.

To reach this goal, since January 2014 the two parties have been negotiating a Comprehensive Agreement on Investment (known as CAI) in order to eliminate the lack of reciprocal market access for EU companies doing business in China (Jocheim, 2021). Over the last 20 years, the cumulative EU FDI to China accounted for more than 140 billion EUR, while Chinese FDI in Europe reached almost 120 billion EUR. However, it can be said that European investment is relatively modest, especially considering the size of the Chinese economy. Thus, one of the goals of the Comprehensive Agreement on Investment was to help European investors to gain a better access to a market composed by 1.4 billion people. Moreover, for Beijing this agreement would represent a highly

symbolical win, demonstrating that China is ready to stand in the business of globalisation with the major international partners (Lavric & Gorban, 2022).

Actually, once ratified, the CAI would not only provide a unified legal framework for Chinese firms' investment in the EU but also enable European firms to enjoy a more open market in China (Wang & Li, 2020). A successful negotiation of the CAI would have been a key instrument in overcoming this situation of non-reciprocity and facing the challenges that the investment sector presented to China-EU relations (EPRS, 2021). However, such a deal is of fundamental importance for the public debate because it is clear that it is not only about money or economic advantages, but a part of a broader attempt to spread the fundamental principles of the EU in third countries (De Santis, Vuotto & Schlemmer, 2022), as well as an attempt to foster the Chinese strategy of expansion.

In the Chinese narrative, the general opinion about the CAI is that the EU would only instrumentalise workers' rights as a negotiating lever (De Santis, Vuotto & Schlemmer, 2022). In other parts of the world, namely in the United States, this agreement was seen with suspicion because it was concluded -but not approved yet- during the last days of German's EU rotating presidency and a few days before Biden's election. However, it should be noted that some of the main commercial partners of the European Union, such as Canada, Switzerland and Asian countries, had already concluded economic agreements with China. The very peculiar aspect of the CAI is that it is a targeted economic agreement only focusing on investment, thus very different from free trade areas or custom unions: it cannot bring any structural reform neither in China nor in the EU. In the vision of the European Union, a major investment agreement is a political act, a possibility to spread European norms and values (Lavric & Gorban, 2022).

In principle, the Comprehensive Agreement on Investment significantly reflected the characteristics of the EU's non-preferential agreements signed with traditional partner countries in terms of classic investment liberalisation agreements, regulatory regimes and cooperation, sustainable development, and dispute settlement mechanisms (Salamin & Klemensits, 2021). This agreement would have been important because the opening of the services sectors, due to the most favoured nation clause, would also have benefited all WTO members. Moreover, for the first time, the sustainability dimension was incorporated in a specific chapter, with commitments that China would have taken on labour, environment and climate protection.

From the European point of view, the Comprehensive Agreement on Investment could have made a contribution towards providing more reciprocity in market access, contributing to a level playing field, and promoting non-discriminatory treatment of businesses and investors (EPP Group, 2021). From the Chinese side, the CAI should ensure China's entry into the European energy market in exchange for more access in the Chinese one (Taravella, 2021). Generally speaking, the main

advantage of the CAI would have been the provision of a more unified and definite legal protection for the growing Chinese investment in Europe (Wang & Li, 2020). However, the biggest Chinese concerns were mainly related to the necessity of an EU-wide protection on investments coming from China and the prevention of negative impacts on important and strategic sectors in the short run (Wang & Li, 2020).

As a matter of fact, negotiations ended in December 2020, as reported by the EU Commission, when "the EU and China have concluded in principle the negotiations for a Comprehensive Agreement on Investment" (EU Commission, 2020). For the first time between China and the EU, there was an agreement that covered market access for investment and many other disciplines, such as sustainable development and dispute resolution. Moreover, this agreement would have benefited some key sectors for the European Union, namely transportation industry, finance and insurance industries, communication and electronic equipment industries, mining and energy extraction, food and beverage, chemical industry.

The final text, that should have been adopted, consisted of six parts, each creating a legal framework on a specific subject. For example, it aimed at protecting the EU automotive industry, which is currently facing equity caps in China: the agreement eliminated these restrictions and created new opportunities for investors, especially in the electric cars sector. In addition, the agreement guaranteed unrestricted market access for the suppliers of the car manufacturers, often Member States. Another point was that the CAI provided for additional transparency rules in collecting information about the characteristics of an enterprise and its behaviour to assess compliance with the agreement's rules. On subsidies, the CAI contained several obligations: the first imposed the publication of subsidies in services sector, while the second was a two-stage consultation mechanism between the parties allowing the collection of necessary information to assess subsidies on their investment interests. Moreover, an entire chapter was dedicated to sustainable development: it is interesting to note that it was the first time ever China negotiated such commitments with another party (EU & China, 2021). Regarding climate and the environment, the Comprehensive Agreement on Investment included effective provisions from the UN conventions on climate change and the Paris Agreement. Furthermore, China guaranteed its commitment to ratify the International Labour Organisation Convention and to make a sustained effort to sign conventions on forced labour.

In the preamble of the agreement, the EU and China confirmed the importance of their High-Level Economic and Trade Dialogue as a strategic forum and in the first section agreed, as a general objective, to reaffirm their respective obligations under the WTO Agreement and their commitment to create a better climate where to facilitate and develop trade and investment between the parties (EU & China, 2021). Provisions contained in section II (liberalisation of investment) and III

(regulatory framework) were fundamental in setting up general rules of behaviour for each party while taking decisions about trade and investment with the other. For example, they agreed that neither party shall impose or enforce any requirement nor enforce any commitment or undertaking to export a given level or percentage of goods and services, to achieve a given level or percentage of domestic content of goods and services, to restrict sales of goods or services in its territory that such enterprise produces or supplies by relating such sales in any way to the volume or value of its exports or foreign exchange earnings (EU & China, 2021). Moreover, both parties agreed on establishing new rules on the availability of licencing and qualifying procedures, of authorisations, with an obligation to make public in advance and not unduly complicate the making of an investment (EU & China, 2021). Probably, one of the most important aspects of the Comprehensive Agreement on Investment was that it had a section which was completely dedicated to the creation of a dispute settlement mechanism, with the objective to "establish an effective and efficient mechanism for avoiding and settling any disputes between the parties within the scope of application of this section with a view to arrive at a mutually agreed solution (EU & China, 2021).

However, despite the benefits that the CAI would have brought to both parties, and the situation of win-win cooperation that would have been created, its ratification stopped in March 2021. Even if the text was adopted in January 2021, in March the European Parliament decided to impose the first sanctions against China in more than 30 years, under the EU global rights regime. These sanctions were directed against four Chinese individuals and one Chinese entity, upon the accusation of severe human rights violations against Uyghurs in the Xinjiang autonomous region. Immediately, China imposed its own measures, targeting European representatives such as Reinhard Bütikofer, leader of the Parliament's China delegation, Michael Gahler, member of the German EPP, Raphaël Glucksmann, Ilhan Kyuchyuk and Miriam Lexmann, respectively from Bulgaria and Slovakia (Banks, 2021).

Moreover, in May, following China's countersanctions targeting members of the EU Parliament and of the EU institutions, the European Parliament adopted a resolution listing conditions for giving its consent to the EU-China agreement on investment (EPRS, 2021). Furthermore, the Parliament, in its 2021 "new China strategy" published in September 2021, underlined -again- that the process of ratification of the CAI cannot start until the Chinese sanctions against members of the EU institutions have been lifted (EU Parliament, 2021). In addition, the Parliament stated that the it would take the human rights situation in China very seriously before determining its position on the CAI, reaffirming its concerns about abuses, and also calling on the Commission to consult the Parliament before taking any steps towards the conclusion and signature of the CAI (EU Parliament, 2021).

The Parliament reiterated its position that the ratification of the Comprehensive Agreement on Investment cannot be completed until the Chinese sanctions have been removed (Jocheim, 2021). Without the agreement, the problem for the EU is related to the fact that European companies will be damaged because they will not be protected by the Chinese behaviour and will probably be affected by the disparity of treatment between European and American companies: currently in China, American companies are better treated that the EU ones. Thus, it is essential for the EU to take an assertive turn on global stage to play an active role, both as an economic power and as foreign policy actor. However, the Comprehensive Agreement on Investment would probably require some re-adjustments: first of all, the most important weaknesses regard the lack of investor-State dispute settlement (Lavric & Gorban, 2022). It must also be underlined that if the EU wants China to respect human rights, further commitment may be needed: the Comprehensive Agreement on Investment was just an economic agreement to protect European companies, not human rights in China. Certainly, both parties cannot risk a deterioration of their relationship due to these divergences, but Europe could not accept to give up on human rights. Thus, looking at the geopolitical context, re-starting negotiations on the CAI will probably be seen as a test for the future development of the partnership, which is still fundamental for the maintenance of a peaceful global order.

3.   COMPETITION AND CHALLENGES IN EU-CHINA RELATIONS

3.1.   The eternal problem of human rights: the Xinjiang and Hong-Kong issues

There has always been a constant problem in the EU-China relationship, as it was repeatedly evidenced in the previous chapters: their divergences on human rights issues. Certainly, this has been the main limit to a more complete development of their partnership, as human rights always represented a source of tensions and misunderstandings. This is a consequence of the nature of the European Union: it was born to promote democratic values and it has always pursued them in its foreign policy. China, on its part, is an authoritarian State where collective values and duties are the main priority, and the traditional Western liberties are neither part of the Chinese culture nor of its political system.

Their very first divergence on human rights arose after the crackdown on students' demonstrations in Tiananmen Square, but this was already explained in the first chapter. Moreover, it is reasonable to admit that plenty of time passed from 1989 and their partnership should have become more mature since then. However, China is currently under the spotlight for two main issues related to human rights. One of them has been already mentioned in the previous chapters and represented the main cause of disagreement between the EU and China on the ratification of the CAI: the discrimination and persecution of Uyghurs in the Xinjiang region. The other big issue is related to another permanent source of tension: protests in Hong-Kong.

In the paragraph about the negotiation of the Comprehensive Agreement on Investment, it was made clear that the persecution of the Uyghurs Muslim minority –and other ethnic and religious groups- in the Xinjiang region was the reason why the EU took restrictive measures on some Chinese representatives, causing a domino effect that brought to sanctions against EU Parliament members. In the "new China strategy" proposed by the EU Parliament in 2021, concerns have been expressed on how the situation of Uyghurs and other ethnic minorities in the Xinjiang Autonomous Region has rapidly deteriorated (EU Parliament, 2021). Here, the Chinese authorities have been reportedly detaining a million of Uyghurs in camps and using them for forced labour (EPP Group, 2021). Moreover, the EU has issued numerous strong statements on Xinjiang at the Human Rights Councill (Chen & Gao, 2021).

Why is China so concerned about keeping Xinjiang under control? First of all, it is part of the China-Central Asia-West Asia Economic Corridor, one of the main axes of the BRI, which connects Xinjiang to the Mediterranean, through Kazakhstan, Kyrgyzstan, Uzbekistan, Iran and Turkey (OBOR Europe, 2020). Thus, it is no surprise seeing how China arbitrarily used terrorism charges against peaceful protesters and supporters of minority rights (EPP Group, 2021). The question of

minority rights is of fundamental importance in a region such as Xinjiang, because it was traditionally populated by Uyghur people, a Muslim ethnic group which speaks a language similar to Turkish (Marshall, 2015). Due to its multi-ethnic composition, the Xinjiang, which was made autonomous in 1955 (State Council Information Office of the PRC, 2021a) has always been a source of instability and insurrection. Nevertheless, for China, Xinjiang is too strategically important to allow an independence movement to gain ground: it borders eight countries, has oil, and hosts China's nuclear weapons testing sites (Marshall, 2015).

As reported by the Chinese authorities, the population of Xinjiang has grown fast in size and quality and now the region is enjoying a rapid growth in all areas and is a stable and secure society (State Council Information Office of the PRC, 2021b). Official data from 2020 shows that the total population of the region was about 25 million, among which the ethnic minorities accounted for 14.9 million. According to the official Chinese narrative and official documents, Xinjiang is a region which has been developing very fast in terms of per capita GDP, is a region where infant mortality is continuing to drop, and ethnic minorities continue to grow. Actually, there are 56 ethnic groups in Xinjiang, among which the majority is represented by Uyghurs, Kazaks, and Huis. Moreover, there are 10 Islamic schools, mosques have been equipped with running water, electricity and natural gas (State Council Information Office of the PRC, 2021b) and all the lawful religious practices are told to be protected (State Council Information Office of the PRC, 2021a).

Despite such Chinese declarations, it is often reported that the Uyghur people are being discriminated and their human rights violated. However, the official documents published by China continue to claim that the full realisation of human rights is a goal to which the people of China have long aspired (State Council Information Office of the PRC, 2021a). Moreover, according to the communist propaganda, "the ethnic groups enjoy unity, harmony, common progress, prosperity, and happy lives under the leadership of the Communist Party of China (State Council Information Office of the PRC, 2021b). In addition, the authorities are accusing those "anti-China" forces that are fabricating these stories of "genocide" in Xinjiang in order to deceive the international community and influence the public opinion to slow China's development (State Council Information Office of the PRC, 2021b). The Chinese leadership claims that foreign media and politicians are mispresenting the historic progress that has been made on human rights in the region because they want to discredit China, interfere in its internal affairs, destroy stability and prosperity in Xinjiang (State Council Information Office of the PRC, 2021a). Thus, if on the one hand there is a picture of a peaceful and harmonious region, while on the other hand there is the international community, which is seriously worried about this situation. Within this scenario, the EU has been probably one of the most vocal and critical actors in supporting the liberation of Uyghurs.

The other "threat" to Chinese internal affairs which is contemporarily a source of concern and disagreement regarding the respect of human rights is the ongoing situation in Hong-Kong. The events occurred in this Chinese special administrative region were reported by the EU Parliament in the new EU-China strategy to be one of the main issues to be taken into consideration. As a matter of fact, the EU Parliament underlined that the Human Rights Dialogues shall include "media freedom and freedom of the press, the rights of minorities, […], the situation of Hong-Kong" (EU Parliament, 2021), including those diplomats, journalists, and advocates of right of assembly and political freedoms. Among the causes of distress there has been the passage, in June 2020, of the Law on Safeguarding National Security (Anthony, Zhou, Yuan, Su & Kim, 2021), as a response to 2019 disorders. At the same time, in the EU, during the following months, the EU foreign ministers jointly discussed about a package of responses, including potential restrictions on the export of sensitive technologies to Hong-Kong, as well as they reconsidered asylum, migration, visa, and residency policies (Anthony, Zhou, Yuan, Su & Kim, 2021).

According to the Sino-British Joint Declaration signed in 1984, Hong-Kong was to become again part of the Chinese sovereign territory from the 1st of July 1997. This agreement established that Hong-Kong would have become a special administrative region to be governed under the "one country, two systems" principle. As a matter of fact, such principle created a special status for Hong-Kong: on one side, it was returned to China and had to be governed under the central communist leadership; on the other side, plenty of autonomy was left to develop a Hong-Kong peculiar form of democracy in light of its special conditions (State Council Information Office of the PRC, 2021c). However, the Hong-Kong Security Law is considered a breach of the Chinese commitment made in the Sino-British Joint Declaration of 1984: actually, it not only undermines existing international agreements, but also Hong-Kong's long history of autonomy. Practically, the law is aimed at silencing dissidents, conducting arbitrary campaigns of arrest of pro-democracy activists, suppressing freedom of expression and targeting journalists and academics (EPP Group, 2021), thus causing a widespread phenomenon of seeking asylum and refugee in the US, in the EU, and other democratic nations. Plus, the law was enacted bypassing the city of Hong-Kong's Parliament and Legislative Council: the National People's Congress only authorised its Standing Committee to adopt it (EPRS, 2021).

Already in 2018, within the second White Paper on the EU, the Chinese authorities stated that both Hong-Kong and Macao "are China's special administrative regions, thus their issues are part of China's internal affairs and should not be interfered in by the EU" (Ministry of Foreign Affairs of the PRC, 2018). Probably, it is more correct to say that China ordered that nobody interferes with Hong-Kong and Macao, as it was shown through its attitude towards those criticisms arose about the management of the protests occurred in Hong-Kong. According to the Chinese narrative and Chinese

official sources, under the British colonial rule, there was no democracy in Hong-Kong (State Council Information Office of the PRC, 2021c). This is an explicit reference to those who claim that the return of Hong-Kong under Chinese control has previously slowed and then stopped the democratic development of the city.

Moreover, the Chinese authorities remarked their criticism towards the former British rulers because they were accused of prohibiting patriotic teachers and students from flying the Chinese national flag and singing the national anthem in schools. In addition, the British were reported to arrest, deport and suppress all patriotic individuals in Hong-Kong and kill them during pacific demonstrations. Thus, in the Chinese narrative, it was China that brought a real democracy in Hong-Kong, because the Chinese Constitution established that the Republic belongs to the people. Currently, China is claiming that its supposed violations of the Sino-British agreement are baseless, expressing its disappointment towards those "instigators of disorder" who have been challenging the authority of the Constitution and the Basic Law. Indeed, China claims there must be a sort of complot perpetrated by some phantomatic anti-China forces that support protesters in carrying out activities that are detrimental to Chinese national security and to Hong-Kong prosperity and stability (State Council Information Office of the PRC, 2021c).

In conclusion, China confirmed its decision to proceed with the application of the Security Law through the identification of four categories of offences against the central authority: secession, subversion of State power, organisation and perpetration of terrorist activities, and collusion with a foreign country or external elements to endanger national security. The Chinese optimal solution to these tensions is still the policy of one country, two systems. In fact, the one country is defined as the prerequisite and basis for the two systems, and the latter are subordinate to and derive to the one country. The socialist system practiced in the mainland and the capitalist system in Hong-Kong can run in parallel, but the leadership of the Chinese Communist Party must be respected indiscriminately, so that Hong-Kong can enter a new stage of restored order and become a more harmonious society (State Council Information Office of the PRC, 2021c).

Both situations surely contributed to increase the normative and political divide between China and the EU, which is made even worse by the sharper tone adopted by Chinese diplomats in Europe, and the politicisation of the Hong-Kong issue (Anthony, Zhou, Yuan, Su & Kim, 2021). Such disinformation strategies have been perceived in the EU as characteristics of the well-known systemic competition (EPRS, 2021) between China and the EU itself.

To sum up, the problem of human rights continues to be the main source of divide between the EU and China. It is quite unpredictable whether they can overcome their divergences because their narratives cannot coexist and are not expected to reapproach. On the one hand, there is the group of

Western countries, led by the EU and the US, which claims that China continuously violates people's rights in Hong-Kong and the Xinjiang province, not to mention Tibet. On the other hand, there is China, a country on the rise which affirms to be a democratic State where human rights are respected everywhere and claims to be victim of disinformation aimed at decreasing its power in the world. Here, there is a very little space left to find a mutual solution.

3.2.   The Belt and Road Initiative: is it positive for the EU?

The Belt and Road Initiative was already presented in the second chapter as the most resonant Chinese project launched in the last decade. However, it is necessary to analyse it better in order to understand its impact on the EU economy. Again, the Belt and Road Initiative -or BRI- is the Chinese gigantic plan for a global network of ports, roads, railways, and other infrastructure to connect China to the world. Even if there is not any clear data about the exact amount of invested money and the real number of developed projects, it is estimated that there are at least 2.500 projects in more than 100 countries. Actually, the entire initiative was devised to connect China to Europe through Central Asia, the Middle East and South-East Asia, covering areas generating 55% of the world GNP, comprehending 70% of the global population and 75% of energy reserves (Casarini, 2015).

Furthermore, the Belt and Road Initiative was expected to create a new platform for international trade and investment in the whole world, obviously led by Chinese State-owned firms. China presented it as a plan with the goal of creating a future full of prosperity for all the nations that joined it. However, in some parts of the world, namely in the West, it was perceived as a distraction from China's real intentions: creating economic and political dependencies and forcing other nations to suboptimal security decisions. This suspicion progressively grew because of the undemocratic methods adopted by China, which took the opportunity to expand its model of economic development as an alternative to the liberal one, where democratic conditions are attached to trade.

To further explain, the Belt and Road Initiative was devised in order to introduce this new kind of Chinese multilateralism, based on some key features, such as a Chinese normative basis consisting of principles like consensus-based decision-making, inclusiveness, non-conditionality, voluntarism, and win-win results, a China-centred agenda setting, bilateral projects-based implementation with multilateralism as a tool, and Chinese "no strings attached" finance tools that usually take the form of concessional loans from Chinese policy banks (Grieger, 2018). These peculiar characteristics reflect the five key priority areas of the Belt and Road Initiative identified by the Chinese government in 2015: policy coordination, infrastructure connectivity, free flowing trade and investment, financial integration, closer people to people bonds (Olinga-Shannon, Barbesgaard & Vervest, 2019). Moreover, as stated by China, the focus on connectivity will not only be centred on facilitating trade

and investment, but also on helping neighbouring countries to develop, as well as on shoring up the Chinese own security of energy, resources and food by taking a regional leadership (Geeraerts, 2014) and extend it among the rest of the world.

Clearly, Europe was one of the main BRI targets. Here, the original plan was to use the new Eurasian Corridor to enter within Western markets through Moscow quicker. After the invasion of Ukraine, a country where China invested heavily, this goal may have become more complicated than expected at the beginning. However, it seemed that China wanted -and still wants- to use the development gap in some European countries, such as the Balkans, to increase its influence on them and undermine their opportunity to become EU Members. In addition, China is projecting to use the numerous infrastructural projects that it initially wanted to build as a way to give China more advantages on trade through a better access into the EU common market. For example, ports have been a consistent target of Chinese investments: as of 2019, Chinese companies had stakes in more than 12 European ports (Anthony, Zhou, Yuan, Su & Kim, 2021). This infiltration in ports has been achieved through initiatives like the one in the port of Piraeus in Greece, whom situation was described in the second chapter. In addition, Chinese shipping companies have established a well-consolidated presence in the Italian ports of Naples and Genoa, where COSCO and the China Shipping Company have invested heavily (Casarini, 2015).

Together with maritime ports, one of the other China's biggest infrastructure projects on the European soil is the New Eurasian Land Bridge, which consists of a series of rail corridors running for about 1.200 km from Yiwu (Eastern China) to European cities like Duisburg, Madrid, and even London (Babones, 2017). This so-called Land Bridge includes transportation along some key routes like a connection that uses the Trans-Siberian Railway and a central East-West corridor through Central Asia: both of these routes enter into the EU over the Belarus-Polish border. Actually, the very first regular China-EU rail connection was realised in 2011, and linked Chongqing and Duisburg, in Germany. Apart from ports and railways, some Chinese huge investments in Europe were also directed to airports all around the continent such as Toulouse, London Heathrow, Manchester, Parma and Frankfurt, where Chinese companies also hold stakes in logistical platforms (Anthony, Zhou, Yuan, Su & Kim, 2021).

However, even if China presents its plans as having an inclusive approach, it does not mean that they regard all EU Members equally. In fact, projects are mainly concentrated in Central, Eastern, and Mediterranean States. In general, Western and Northern European states' engagement with the BRI remains limited to the membership in the Asian Infrastructure Investment Bank. However, Germany has been the most directly connected country, as five common railway projects were realised: Leipzig-Shenyang, Duisburg-Chongqing, Hamburg-Zhengzhou, Hamburg-Harbin,

Nurnberg-Chengdu (Wang, Ruet & Richet, 2017). Furthermore, China's strategy has been very low in France, consisting more of a discussion of potential opportunities, even if some French regions are more active. Namely, Lyon, the old "City of Silk" was expected to join the Duisburg railway, as also Normandy was. Moreover, the Netherlands has still been among the Chinese largest partners in the EU, as it supported the construction of a weekly freight train connecting Chengdu and Tilburg, a project started in 2016, extended to Rotterdam since September of the same year (Wang, Ruet & Richet, 2017). In addition, Italy became the first G7 country to join the BRI in 2019, signing a Memorandum of Understanding, causing the reaction of the German Foreign Minister Heiko Maas, who criticised Italy warning that countries closely involved with China "will wonder when they suddenly wake up in dependency" (Chen & Gao, 2021).

However, the EU's insistence on regulations and procedures has often been confronted by the flexible pragmatism of Chinese capitalism (Wang, Ruet & Richet, 2017). Consequently, China focused on the Central and Eastern European countries, where it developed the 16+1 and then 17+1 mechanism. According to the MERICS database, since 2013 China has co-financed completed infrastructure projects worth 715 million USD in the 16+1 area and other Chinese initiatives of over 3 billion USD are under construction (Grieger, 2018). Moreover, trade between China and Central European countries reached 56.2 billion USD, up over 28% if compared to 2010 (Wang, Ruet & Richet, 2017).

What are the main limits of the Chinese Belt and Road Initiative in the EU? First of all, within the transport sector, which should be a priority for the BRI, an EU-wide network of roads, railways, canals, and coastal shipping routes, called Trans-European Transport Network (TEN-T) is envisaged. Thus, by 2030, through the Connecting Europe Facility and other funding programmes, TEN-T plans to deliver a core network of infrastructure, and by 2050 it will become a comprehensive network covering all European regions including projects involving non-EU Members (Anthony, Zhou, Yuan, Su & Kim, 2021). If the EU will manage to succeed in the creation of an EU-directed huge infrastructure project like that, it is reasonable to think that it is naturally going to compete with the Belt and Road Initiative. The only problem the EU would have to focus on will be about increasing its attractiveness and show its Members the possible advantages of an EU-based infrastructural development. Furthermore, Croatia and Poland launched a sub-regional initiative called Three Seas Initiative in 2016, as a dialogue of cooperation for Central and Eastern European States. This largely overlaps with the 16+1 format, and it also focuses on cross-border infrastructure connections in the energy, transport, and digital sectors, with an emphasis on North-South energy connectivity (Anthony, Zhou, Yuan, Su & Kim, 2021). Evidently, the presence of EU initiatives that are directly

in competition with the Chinese ones and sometimes overlapping, would probably endanger the effective implementation of the BRI around Europe.

Secondly, the creation of trade routes along areas like the Middle East and Central Asia brings to new security dilemmas that neither China nor Brussel can solve on their own. As a matter of fact, the BRI's land and maritime routes often traverse highly volatile regions, and this dimension is often underestimated. Moreover, here it lies another crucial aspect: the absence, in these dynamics, of the other global superpower, the USA. Even if there is plenty of time before being realised, a potential EU-China security cooperation is unlikely to be supported by Washington because of its strategic rivalry with Beijing (Barton, 2021). Probably, a closer Sino-European tie may strain relations with the US (Casarini, 2015), opening new geopolitical scenarios.

To sum up, the Belt and Road Initiative has plenty of potential as a game-changer from economic, political and social points of view (Barton, 2021). Nevertheless, the lack of popular support both in China and the rest of the world towards the BRI continues to be a crucial issue for China, probably due to the absence neither of any clear map nor a reliable list of participating countries and sources of financing (Olinga-Shannon, Barbesgaard & Vervest, 2019). On the other side, what is urgently needed in Europe is a comprehensive response to the Belt and Road Initiative, not only limited on trade and economy but including political and security issues (Casarini, 2015). However, both the EU and China, as regional powers, have a responsibility to pose solid foundations for a more effective dialogue which focuses on the promotion of a rule-based and inclusive global order (Wang, Ruet & Richet, 2017). Nevertheless, whether this goal is in the Chinese or European intentions is not predictable, and the geopolitical competition between the two big powers is to be continued in the next years.

3.3.   The 16 and 17+1 mechanism, the relations between China and Eastern Europe and the Lithuanian issue

During the last decade, China implemented its efforts to realise the project of its global expansion. In its relationship with the European Union, it has always claimed to pursue mutual interests and develop a sincere partnership. However, through the launch of the Belt and Road Initiative and the creation of the 16+1 mechanism, doubts arose about the Chinese real intentions. This happened because it seems that these plans had not any clear advantage for Europe and are not contributing neither to a concrete growth nor to the true realisation of such projects. Moreover, the Chinese efforts were concentrated in Eastern and Central Europe, an area where States are less developed than Germany, France or Italy, thus creating more opportunities for China to use its capitals to influence internal policies.

For example, it is the case of the Balkans, a region which was partially included in the European Union during the last 20 years, even if the whole area has still some differences in values, rule of law standards and economic development. China realised it had the opportunity to occupy the power vacuum left by the EU, offering loans and funds to national governments. As it was clearly explained in previous chapters, China is seeking to find ways to circumvent the rules-based approach requested by the EU: in this sense, alternative formats like the 16/17+1 mechanism serve to pursue Chinese interests and to secure trade and investment deals for Chinese companies (EPP Group, 2021).

What is, concretely, the 16+1 mechanism? It is a platform created in April 2012 by the Chinese policymakers in order to find a closer connection with Central and Eastern European countries (Wang, Ruet & Richet, 2017). Since then, China has groped with 16 European countries under this format, including 11 EU Members and five more Balkan countries, which was presented as an innovative approach to regional cooperation (Grieger, 2018). Namely, the countries involved are currently Albania, Bosnia-Herzegovina, Bulgaria, Croatia, the Czech Republic, Estonia, Greece, Hungary, Latvia, Montenegro, North Macedonia, Poland, Romania, Serbia, Slovakia, and Slovenia (Hillman & McCalpin, 2019). The format started to be called 17+1 mechanism when Greece joined it in 2019, but countries became again 16 in 2021, after the Lithuanian withdrawal.

Furthermore, it was not a coincidence that this plan was launched in April, almost a year before China launched the Belt and Road Initiative: the two projects are strongly correlated with each other (Taravella, 2021). Probably, when the Commission defined China a "systemic rival" in 2019, it understood the risk of losing its role in the Balkans, together with the possibility that all those countries not already EU Members may prefer choosing China. If the EU wants to seek new opportunities for further enlargements, with a consequent increase in its geopolitical power, it needs to regain trust and prove that concrete possibilities of European integration exist.

Critics have stressed the absence of a Chinese long-term vision in Central and Eastern Europe and have been concerned with the geostrategic impact of deals undertaken under this format (Grieger, 2017). Some countries progressively became disillusioned by the mechanism: while in 2012 many States enthusiastically embraced this form of cooperation as a chance to diversify their economies in the aftermath of the 2008 crisis, by 2018 some of them loudly declared their dissatisfaction (Grieger, 2018). Actually, there were huge expectations at the beginning, because some Balkan countries needed foreign investment in infrastructure and domestic industry in order to catch up with the rest of Europe. As a matter of fact, the economic rationale became the main driver of this form of cooperation. When the platform did not prove to be an engine for economic benefits for Central and Eastern European counties, it was however clear how it helped China to gain foothold in these terrains, thus disappointing some nations (Tonchev, 2021).

Looking at the details, the three priority areas that China identified for increasing cooperation included infrastructure, digital and green technologies: according to a report by the CSIS Reconnecting Asia Project, China has contributed with 15.4 billion USD in the 16+1 area since 2012. Moreover, Chinese power projects were concentrated in non-EU countries, while ICT and smart projects characterised investments in EU countries (Hillman & McCalpin, 2019). Furthermore, after the spread of the pandemic, China declared itself a supporting ally of Central and Eastern European States, underlining its willingness to cooperate on vaccines with them as proved by Serbia and Hungary (Taravella, 2021). However, the 16+1 flagship project has always been the reconstruction of a railway line between Budapest and Belgrade by a consortium of the China Railway Groups, China Railway Cooperation and Hungarian State Railways (Wang, Ruet & Richet, 2017). This 370 km railway would significantly improve transport of passengers and goods, diminishing travel time from eight hours to less than three (Casarini, 2015).

However, EU officials started to be increasingly critical of this mechanism and worry that it could further undermine an already fragile EU unity on policies towards China (Hillman & McCalpin, 2019). Actually, the already smaller than expected benefits were further differentiated because of the EU membership among those countries. The five non-EU countries warmly welcomed Chinese investments, while EU Members had to be more reluctant because of the incompatibility of the Chinese funding model with the EU law. In fact, China was and is offering loans, not investments: credits are provided by State-owned institutions that usually require sovereign guarantees, shifting the investment risk onto the borrowing country (Sharma, 2021). This aspect of the 16+1 mechanism follows a new Chinese approach to regional cooperation, with common features with other Chinese multilateral platforms created in Africa, Asia, Latin America and in the Middle East, in order to create a different model of multilateral investment (Grieger, 2018).

The EU is afraid that China is bringing its "debt-trap diplomacy" into Europe. As a matter of fact, China has often been accused of using this kind of diplomacy to entice Central and Eastern European governments to borrow more than they can afford to finance infrastructure projects and seize strategic resources as a loan guarantee (Taravella, 2021). Generally speaking, the Chinese debt-trap diplomacy consists of borrowing money to finance a project which usually regards some infrastructure in a country. However, such country would probably be unable to repay its debt: consequently, China proposes to extinguish the debt but pretends to control such infrastructure. Even when this does not happen, the huge debt makes the country too dependent on China. An example of such sort may be represented by Montenegro, where the giant highway project has burdened the country with massive debts to China, amounting to more than a third of the government's annual budget (Sharma, 2021).

At the end, it seems that the 16/17+1 format failed to live up China's economic promises (Tonchev, 2021), proving that it served to secure China's interests in its practice of the "divide and rule" principle (EPP Group, 2021). Consequently, the EU became more "vocal" about its reservations regarding the initiatives taken under this format and the lack of transparency, calling at least the participating EU Members to ensure that the mechanism enables the EU to have one voice towards China. At the same time, these countries have been growing sceptical about their cooperation with Beijing (Sharma, 2021), as it was demonstrated by their dissatisfaction.

Within the spectrum of all 16+1 countries, Lithuania is the one that has more contributed to increase tensions between the EU and China, but it has also shown the format's "existential crisis". It demonstrated that Baltic States tend to prioritize political values that China does not take into consideration (Tonchev, 2021). Problems between Lithuania and China started on May 2021, when Lithuania announced it was quitting China's 17+1 platform labelling it "divisive" (Gotev, 2021). However, Lithuanian diplomats in China, above all ambassador Diana Mickeviciene, rejected claims that Lithuania was taking sides against Beijing, by saying the withdrawal was only prompted by insufficient trade benefits (Lo, 2021). The Lithuanian decisions were probably not taken at the right moment: they contributed to feed the ongoing debate between China and the EU regarding the Chinese sanctions against EU parliamentarians that had stopped negotiations over the CAI. Moreover, in May 2021, the Lithuanian Parliament passed a resolution calling China's treatment of Muslim Uyghur minority "crimes against humanity" and "genocide", while the Lithuanian government asked the EU Commission to review its relations with Beijing (Gotev, 2021).

Notwithstanding the dangerous potential of the situation, in July 2021 Taiwan opened a representative office in Vilnius using the name of "Taiwan" (Nevett, 2022). The Chinese Foreign Minister Wang Wenbin said that this event created "the false impression of Taiwan being separate from China" and that it "gravely harmed China's sovereignty and territorial integrity and started an egregious precedent among the international community" (O'Donnell & Sytas, 2021) Perceiving it as a violation of the one-China principle, China downgraded its diplomatic relations with Lithuania, recalled its ambassador, blocked imports (Basu, 2022), blocked bank accounts of Lithuanians in China and put pressure on European and non-European companies not to use Lithuanian goods.

According to the official Chinese version, China only downgraded diplomatic relations with Lithuania but denied ordering a boycott of Lithuanian goods (Parker, 2022). However, as reported by the Lithuanian government, China has been sending messages to multinational companies that if they would have used parts and supplies from Lithuania, they would no longer have been able to operate in Chinese markets (O'Donnell & Sytas, 2021). Moreover, the EU said it had verified reports of imports blocked at customs (Nevett, 2022) and accused China of illegal trade practices against one

of its smallest Members. In addition, the European Trade Commissioner, Valdis Dombrovskis, declared China was blocking imports from Lithuania and from other EU Members if they had Lithuanian components, while claiming that the actions taken by Lithuania did not represent a violation of the one-China principle (Parker, 2022).

As a consequence, China has stopped buying beef, dairy products and beer from Lithuania. However, although China is the world's largest importer of beef, it makes little of its purchases from Lithuania (BBC News, 2022). Actually, China only accounts for 1% of Lithuania's exports, thus the small Baltic State had less to lose than some of other European allies, as stated by Marcin Jerzewski, a Lithuanian expert on EU-Taiwan relations (Nevett, 2022). Anyway, the Lithuanian government has appealed to the EU Commission for support and remains in contact with the companies at risk of fallout from the China dispute, about offering possible financial aid (O'Donnell & Sytas, 2021). In addition, in the first months of 2022, the Taiwanese government announced that it would create a 200 million USD fund to invest in Lithuania and send a team of experts to help the State to develop its domestic semiconductors industry (Basu, 2022), as well as to shield the country from China's economic pressure (Nevett, 2022). Taiwan also stepped in trying to replace China in trade relations: the Taiwan Tobacco and Liquor Corp bought 20.000 bottles of Lithuanian rum that had been bound for China (Nevett, 2022). Moreover, in order to be provocative towards Beijing, after having bought the Lithuanian rum, the Taiwan's government started sharing tips with the public on how to drink and cook with rum (BBC News, 2022).

As demonstrated by this specific case, China was proved to be a problematic partner, because it occasionally threatened Central and Eastern European countries with hybrid operations or disinformation. Furthermore, it exploited the need of Baltic States of economic diversification: Latvia, Lithuania and Estonia avoided political buy-ins or dependencies in the form of infrastructure loans, but then the cooperation failed to meet the initial economic expectations of export, FDI and increase of trade transit (Tonchev, 2021). The latter was one of the alleged reasons to the Lithuanian withdrawal, but also a demonstration that the European Union should adopt a new efficient strategy in managing EU Members' bilateral relations with China, otherwise these situations will happen again. During the last EU-China Summit, beside prioritising the war in Ukraine and Covid-19, the President of the EU Commission, Ursula Von der Leyen, made clear that China must stop its unjustified trade measures against Lithuania (Tiezzi, 2022). A peaceful solution to this situation would benefit both parties, but it is unlikely to see neither China nor the EU giving up. For China, defending the one-China principle is of fundamental importance to keep its international status; for the EU, it is necessary to protect its Member States and remark the importance of liberal principles

in international relations, such as the possibility to freely choose a country's foreign policy without being targeted by arbitrary measures.

3.4.   The European counterstrategy: the Global Gateway

In order to face the challenges posed by the Belt and Road Initiative, the 16+1 mechanism and the other Chinese strategies aimed at increasing China's geopolitical role, the European Union is currently trying to adopt a communitarian approach. If the EU manages to create its own foreign policy tools, it will probably be able to counterbalance the Chinese influence in the less-developed European countries and become an attractive alternative again. This is one of the main reasons behind the adoption of the Global Gateway. The latter is a plan which has the objective to balance the Chinese and Russian impacts on European economic and political systems. Global Gateway was not presented as an explicit attempt to balance the amount of money provided by China in the BRI's framework. It is reasonable to think that Global Gateway was thought with the specific purpose of concretely supporting a real development of poorer countries, with the main difference residing in the nature of the money provided: Europe offers grants, China offers loans. Furthermore, it is likely to expect that Global Gateway will serve to foster a transparent and sustainable economic development that may increase the European competitiveness, a necessary step to face the dynamic Chinese development of the last decades.

On the 1st of December 2021, the European Commission and the High Representative for Foreign Affairs and Security Policy launched Global Gateway, to boost smart, clean and secure links in digital, energy, transports, and to strengthen health, education and research systems across the world (EU Commission, 2021). The President of the Commission, Ursula von der Leyen, expressed the EU motivations that led to the adoption of this new plan. Firstly, she made a reference to the fact that Covid-19 proved how interconnected the world is. Secondly, she said that "as part of our global recovery, we want to redesign how we connect the world to build forward better" (EU Commission, 2021). Through this initiative, Europe will demonstrate that it is willing to invest in both hard and soft infrastructure, in sustainable investments in digital, climate, energy, transport, as well as to guarantee a level playing field. It is not a coincidence that some of these sectors, namely transport and digital, are two of the main sectors on which China has been investing in Europe. Thus, even if the EU does not want to present Global Gateway as an alternative format to the Chinese one, it has stated that this project is not intended to indebt third countries: "it aims to forge links and not create dependencies" (EU Commission & the HR/VP, 2021).

In order to deliver this objectives, Global Gateway will aim at mobilising investments with more than 300 billion EUR between 2021 and 2027, using all the financial and development tools at the

EU's disposal, together with the positive commitment of EU Members (EU Commission & the HR/VP, 2021). Moreover, Global Gateway was ideated to reaffirm the European commitment to work with like-minded partners to promote sustainable connectivity investments; the EU's initiative and the US one (Build Back Better World) will reinforce each other, as it was remarked at COP26, after devising a new values-driven, high standard and transparent partnership during the G7 in June 2021 (EU Commission, 2021). Concretely, the European Commission developed a strategy based on six key points: the promotion of democratic values and high standards, transparency, the creation of equal partnerships, clean transition, security-focused initiatives, and catalysation of the private sector.

In accordance with the mentioned principles, the EU will offer a value-based option for partner countries to freely choose when and how ask for a commitment to invest in their infrastructural needs, through the respect of the rule of law, human rights, social and workers' rights. Moreover, Global Gateway will promote transparency, accountability and financial sustainability in delivering projects that work for people, providing affordable and equal access to the services and benefits of such projects, notably for women, girls and those at risk of disadvantage. This equal partnership will result in consultations and close cooperation with partner countries, which are going to identify their needs before asking the EU's help. In addition, Global Gateway will represent a climate-neutral strategy to speed up sustainable development and recovery, create inclusive jobs and a transition to a cleaner and more circular global economy. Furthermore, it will be a security-focused strategy in the sense that it will invest in order to plug vulnerabilities, provide trusted connectivity and build the capacity to face natural or man-made challenges, physical or cyber threats. In conclusion, the EU is projecting to use Global Gateway to catalyse the capacity of its and of third countries' private sector, thus giving a unique competitive advantage for the EU itself and its partners (EU Commission & the HR/VP, 2021).

Further adding to its financial tool kit, the EU is evaluating the possibility of establishing a European Export Credit Facility to complement the existing export credit arrangements at the Members level. This would help ensure a greater level playing field for EU businesses in third countries' markets, where they have to compete with competitors that receive large support from national governments (EU Commission, 2021). This may be seen as an attempt to counterbalance the superpower of the many Chinese State-owned enterprises operating in the world. In order to keep the Chinese pace, the EU is also exploring the possibility to use innovative financial tools: for example, the NDICI-Global Europe establishes the Union's guarantee capacity up to 53.4 billion EUR. Furthermore, the EU can count on its Instrument for Pre-Accession Assistance III, Interreg, InvestEU, and the research programme Horizon Europe (EU Commission & the HR/VP, 2021).

The fact that the EU is openly communicating its resources, guarantees, and the funds through which it will finance the investments taken under the Global Gateway's framework is a clear

demonstration of a transparency that actors like China do not consider a priority in their agenda. However, it is also reasonable to expect that the European Union is intended to pursue its own economic interests and secure its geopolitical position through the implementation of the Global Gateway. Nevertheless, the EU seems willing to prioritise investments in research, climate, transport, digitalisation, providing a positive solution for its partners.

The success of this initiative will be evaluated on the basis of future developments over the next six years. It is however known that the Western liberal model is in crisis, and it was having problems even before the huge Chinese expansion. Thus, the question is the following: will developing countries be interested in accepting the conditions attached to the EU loans on sustainability and transparency? Certainly, Global Gateway will have a positive impact only if the EU will succeed in presenting itself as a more attractive partner, able to offer advantageous alternatives and fill the dissatisfaction spread all around Europe after China disattended the huge expectations. The EU Commission will organise a meeting with stakeholders in June 2022 to take stock of the progresses made and plan the next steps (EU Commission & the HR/VP, 2021). Whether Global Gateway is a counterstrategy, or a further integration of the Belt and Road Initiative is unclear, but at the same time the EU needs to give a turning point to become a credible international actor.

4.   THE GEOPOLITICAL ORDER AFTER COVID-19 PANDEMIC

4.1.   *How did the two actors react to the pandemic?*

The year 2020 was a fundamental one for the world, since it was hit by an unprecedent event, that probably no one would have been able to predict: the spread of a lethal epidemic, which subsequently turned into a pandemic. Progressively, it started to affect every country of the world, killing millions of people, having disastrous effects on the global economy, and raising uncertainties on how to face it. This virus was called Covid-19. Unarguably, this pandemic presented a new challenge to most countries in the world: it became more than just a public health crisis, amplifying political and economic conflicts among major powers (Wang & Li, 2020), including the EU and China.

The origins of Covid-19 can be rooted in China: on the 31st of December 2019, the Chinese government informed the WHO that there had been an outbreak of an unknown virus in the city of Wuhan (Jocheim, 2021). The diffusion of the coronavirus in China and in the rest of the world over the following months re-adjusted the international agenda of many countries (Chapuis, 2020).

China and the EU were among the first regions to be severely hit by Covid-19. It is necessary to remind that, economically, China and the EU are each other's most important trade and investment partner, since the total GDP of China and the EU reached 29.9 trillion USD in 2019, accounting for 34% of global GDP (Wang & Li, 2020). Moreover, as it was underlined in the second chapter, in 2020 the two-way trade volume between China and the EU reached 649.5 billion USD, as China replaced the US as the EU's largest trading partner for the first time (He & Li, 2022). As main epicentres in the early Covid-19 period, China and EU countries engaged in timely and mutually cooperative action to help each other by providing medical resources, sharing expertise, and securing much-needed supply chains (Wang & Li, 2020).

China is considered the point of origin of Covid-19 (Barillà, 2021). Actually, doubts arose about the Chinese transparency and the quickness in communicating the existence of the virus to the world. Moreover, some of the virological and epidemiological causal connections are still unknown because no conclusive scientific explanation of the virus' origin has been presented (Berisck, 2021). Nevertheless, China immediately shared the virus and its genome sequence information with Europe and with the world, insisting on developing vaccines through international cooperation (Lilei & Sai, 2021). Needless to say, the rapid Chinese management of the pandemic contributed to increase the global competition that led to a politicisation of the Covid-19 issue from both the Chinese and Western sides. China understood the opportunity to use the management of coronavirus as a leverage to portray itself as a gentle benefactor sharing its information with the rest of the world.

Clearly, being the country of origin of a global epidemic would have endangered the Chinese project of global expansion. To reach the aim of avoiding responsibilities for the coronavirus, during the pandemic, the Chinese authorities tried to create a sort of distance between Covid-19 and China. On the one hand, the government pursued defensive objectives: China communicated the existence of the virus only a few months later its actual development and it was not until the 23rd of January 2020 that Xi Jinping decided to execute a national lockdown. After that day, China's behaviour changed: from trying to hide the existence of the virus to the closure of the country's borders and the imposition of strict quarantine measures on travellers. In addition, to better defend its own position, the government started to minimise the medical assistance received from other countries and launched a disinformation campaign about the origin of the virus. On the other hand, the communist leadership adopted an offensive strategy trying to portray China as a responsible State and a model member of the international community. Specifically, in the WHO, China worked hard to be perceived as a model participant in the fight against the pandemic, managing to ban worldwide any reference to the "Wuhan flu", and then offering its own emergency vaccines to many developing countries (Cabestan, 2022). In addition, in May 2020, Xi Jinping announced that China was considering its vaccines to be a "global public good" at a World Health Assembly (Levy & Révész, 2021).

Regarding the Chinese foreign policy, the country tried to reinforce its position embarking a proactive Covid-19 diplomacy, providing large quantities of masks and personnel protective equipment to a lot of countries that were facing their first wave of the pandemic. Moreover, since it approved its first homemade vaccine, Sinopharm, in December 2020, China has also developed a sort of "vaccine diplomacy", especially in poorer countries. Sinopharm became the first vaccine endorsed by the WHO, later joined by CoronaVac (a Chinese vaccine, too). Consequently, by October 2021, both Chinese vaccines counted for almost half of Covid-19 vaccines distributed globally. However, the distribution was far from being free: among 1.3 billion doses, only an estimated 5.5% had been donated (Cabestan, 2022). The competition over vaccines grew to the point that it contributed to increasing the rivalry between China and the rest of the world.

Overall, since the outbreak of Covid-19, China has been taking decisive measures to put the pandemic under control (Lilei & Sai, 2021). So far, China has experienced three stages in dealing with Covid-19. The first one consisted of launching a series of public campaigns promoting hand washing, encouraging the use of face masks outside, and staying at home. Then, since January 2020, the government implemented many hard measures which escalated during the following weeks, including various lockdowns across the country. In conclusion, the last stage was the "careful exit": China removed restrictions step by step since the second half of March 2020, starting from areas with low virus incidence, and kept recommending the implementation of minimal social distancing (Xu,

Wu & Cao, 2020). These measures were applied thanks to the use of technologies, such as dissemination through social media, the use of big data to track population mobility and the use of health codes to categorise people with different levels of Covid-19 (Xu, Wu & Cao, 2020).

The reason why China managed to overcome the hardest stages is linked to three main aspects. First, time and stringent measures played a key role: the government was able to implement the necessary measures at the very beginning and people showed a high-level of compliance to them, without protests. Second, tracking technologies were made mandatory. In Western countries, privacy had led to many debates about the use of such instruments to control the population. Third, the differentiation of diseases in people diagnosed with coronavirus allowed a more effective implementation of the use of healthcare resources: from a clinical perspective, institutionalising all patients regardless of the severity of symptoms was considered a waste of resources (Xu, Wu & Cao, 2020).

In Europe, the management of Covid-19 was different. At the beginning, much was left in the hands of national governments, without designing a clear unitarian strategy to face the crisis. When the virus spread to Europe, the epidemic was perceived with a certain degree of scepticism, as some States decided not to close people into their homes. Moreover, the management of the pandemic in Europe was made worse by the activity of many negationist and anti-vaccine campaigns around the continent. These phenomena incredibly slowed down the pace to reach sufficient results in terms of deaths and economic recovery. For example, concerns and suspicion arose regarding network security over the European technological dependency to the spread of mass surveillance and new norms in digital rights and protection of personal data (Gruebler, 2021).

Nevertheless, despite the high number of deaths, the different waves of Covid-19 that Europe had been facing, and the spread of scepticism, it can be said that in mid-September 2021, the fight against the virus reached a turning point in Europe, where 61% of the adult population had been fully vaccinated. Moreover, on the 17th of March 2021, the European Commission proposed a "green digital certificate", in order to promote free movement within the EU for vaccinated people. However, this "vaccine passport" only recognised the four vaccines approved by the European Medicines Agency, thus not including the Chinese ones (Lilei & Sai, 2021). To sum up, even though the EU and Europe in general had tremendously suffered for at least a year and a half, it is possible to say it has been the area where the most effective countermeasures were adopted. This crisis is a decisive moment for the development of the European Union: if the Union wants to increase its credibility as a supranational entity able to set concrete guidelines for its Members, a situation like the coronavirus crisis could be the perfect moment to demonstrate such capacity.

During the first stages of the pandemic, as China was the only country hit by the virus, the EU played the part of the donor: EU institutions and EU Member States provided China with over 50 tonnes of medical supplies in January 2020 (Barillà, 2021). Later on, when Europe became the epicentre of Covid-19, with an increasing number of deaths in many countries and regions, Chinese social organisations and corporations provided help for Europe by sending medical staff and donating medical equipment (He & Li, 2022). In these early phases, the European governments were optimistic about how quick China acted in responding to the epidemic. However, the subsequent Chinese disinformation campaigns, the sharper tone adopted by Chinese diplomats in Europe and the politicisation of the medical aid sent by China contributed to increase political divergences. Furthermore, the outbreak of the pandemic exposed the EU's vulnerabilities such as its dependence on China for supplies of personal protective equipment and increased the Commission's proposals to reduce dependence on foreign suppliers in strategic sectors (Anthony, Zhou, Yuan, Su & Kim, 2021). In the next years, we will witness if this feeling may lead to a backlash of nationalism within single States, even though the pandemic has already fostered some anti-globalisation supporters.

The stability and prosperity of the European Union will surely hinge on its ability to provide timely and effective measures to repair the damage caused by Covid-19. Many EU Members had been put in an extremely precarious position, but the crisis simultaneously triggered a very large fiscal stimulus package (Gruebler, 2021). Using common resources to foster recovery in all countries is a unique opportunity to reinforce cohesion and transformation within the EU. As declared by the Commission, "relaunching the economy does not mean going back to the status quo before the crisis, but bouncing forward" (Crescenzi, Giua & Sonzogno, 2021). In addition, as the Commission and the High Representative reported in their joint statement on Global Getaway, "the impact of today's incomplete or disconnected global infrastructure was exposed during the pandemic, whether through the economic impact and isolation caused by the lack of digital connectivity, the disruption of supply chains or the scarcity of medical goods" (EU Commission & HR/VP, 2021).

Actually, even though the domestic impact of coronavirus was different from Member to Member, the EU GDP contracted by about 7.5% in 2020, and only showed a minimum recovery in 2021 with 4% growth (Crescenzi, Giua & Sonzogno, 2021). Overall, the EU tried to fight against the pandemic within a broader framework: in a global and multidimensional context, in line with the European Green Deal, pursuing values such as human rights, gender equality, democracy, good governance, the rule of law and security (Berisck, 2021). In 2020, the High Representative for Foreign Affairs and Security Policy Josep Borrell had already pointed out four major priorities that the EU should need to pursue for global cooperation: pool resources to produce new treatments and vaccines, limit the

economic damage by coordinating fiscal and monetary stimulus measures, plan to re-open borders in a coordinated way, and cooperate to fight disinformation campaigns (Chapuis, 2020).

The initial response to the coronavirus crisis was led by the newest EU bodies: the European Central Bank, which kept financing favourable conditions, the European Stability Mechanism, that created a new credit line for sovereigns, and the European Investment Bank. Moreover, the Commission created a temporary loan instrument to support short-time working schemes (SURE) (Tesche, 2021). Actually, the very first action was to use unspent 2014-2020 Cohesion Policy resources to finance the Coronavirus Response Initiative (CRI), which was then reinforced with the Coronavirus Response Investment Initiative Plus (CRII+) and then integrated with the REACT-EU package -Recovery Assistance for Cohesion and the Territories of Europe- (Crescenzi, Giua & Sonzogno, 2021). However, since the coronavirus crisis has been the first big one that the EU has had to face after Brexit, the absence of the United Kingdom would open interesting new scenarios that are speeding up the way towards a more "federal" Europe. Actually, it was what happened with the approval of Next Generation EU (NGEU), the ambitious plan to re-launch the economy of the Union.

On the 21st of July 2020, after long and complex negotiations, European leaders finally agreed on an ambitious and wide-ranging recovery package aimed at boosting the EU budget with immediate effect. This would be financed with a pool of resources borrowed from financial markets on behalf of the Union (Eurobonds). These money would finance the project of European recovery from Covid-19 and was labelled Next Generation EU, with a total of 750 billion EUR to support EU Members with new investments and reforms and incentives for private investments.

A Franco-German compromise was necessary to allow the implementation of the NGEU agreement (Tesche, 2021), which became a flagship of the communitarian coronavirus response. In fact, during the crisis, Germany changed its traditional austere position by supporting a grant instrument and large-scale common EU debt issuance: the explanation can be traced back on strategic considerations and experience from the policy response of the last financial crisis. On its part, France caught the opportunity to reinforce its position towards a stronger federal dimension for the EU and could benefit from a common EU fund since it was one of the hardest hit countries. Thus, in their joint position paper, France and Germany supported grants and loans as fiscal instruments to strengthen European economies during Covid-19 crisis (de la Porte & Jensen, 2021).

With Next Generation EU, the Union wants to demonstrate its capacity to provide a swift and ambitious response to the crisis in order to finance quick investments, create jobs, and repair the immediate damage of the pandemic (Crescenzi, Giua & Sonzogno, 2021). The key pillar of such plan is the recovery and resilience facility (RRF), which would provide a budget of 360 billion EUR in loans and 390 billion EUR in grants (de la Porte & Jensen, 2021). The funds would be distributed

only after the implementation of country-specific recovery and resilience plans that would be based on the reform and investment priorities under the European Semester. To this purpose, the Commission created a task force (RECOVER) to implement the RRF and coordinate domestic efforts (Tesche, 2021).

Furthermore, these new investments must align with the EU objectives regarding green and digital transitions, identified as central to Europe's future prosperity by the European Green Deal and the "Shaping Europe's digital future" plan (Crescenzi, Giua & Sonzogno, 2021). This means that the coronavirus crisis is not supposed to result in a conflict among economic recovery, digital and green agendas (de la Porte & Jensen, 2021): Member States are expected to autonomously allocate the new funds by operationalising the climate, environmental, social and digital priorities of the Union and translate them into concrete projects. (Crescenzi, Giua & Sonzogno, 2021).

Worryingly, the decision to engage in a common European borrowing to mitigate the economic effects of the pandemic may further increase the political polarisation. In fact, the emergency did not incentivise political leaders to put national sensitivities aside but to double down on them by asking for side payments to give their consent to the final compromise (Tesche, 2021). The current debates on NGEU and its potential are concentrating on the number of resources actually made available by the EU, on the overarching themes of the plan and the importance of sharing risk by all Members (Crescenzi, Giua & Sonzogno, 2021). However, despite of which feeling will prevail among all countries and the future impact of the package, Next Generation EU constitutes a milestone in the history of European fiscal integration (Tesche, 2021) and represents a very positive signal coming from one of the strongest global actors.

4.2.   *The impact of Covid-19 on EU-China relations*

As it was already explained, in the middle of the coronavirus crisis, the deep tie between the EU and China was shown through mutual assistance: in January, as China was experiencing the initial outbreak, European governments and companies provided support to the Chinese partner (Wang & Miao, 2020). In fact, from January to June 2020, despite the restrictions, the number of interactions between Chinese and European leaders and policymakers reached 26, through video conferences, telephone calls, and telephone letters (He & Li, 2022). Clearly, both powers had their own interests in supporting a fast recovery from the economic crisis. Thus, the EU and China prioritised their mutual and shared interests in managing the public health impact and the economic consequences of Covid-19, as well as their need to prepare for and adapt to the future scenario (Anthony, Zhou, Yuan, Su & Kim, 2021). For example, the maritime transportation was hit severely, but the shipping of medical equipment was secured by the China-Europe railway, praised as the "Silk Road of Health"

or "Health Silk Road". This allowed both actors to conduct an effective work of medical research, through sharing their experiences in the clinical treatment of Covid-19 (He & Li, 2022). The existence of such railway connection empowered the Chinese position as the Belt and Road Initiative proved its usefulness. Consequently, it seemed that the bilateral interaction remained intact. This was made possible because of the existence of a strong dialogue between China and the EU, which, despite the 2019 EU Commission statement, allowed the main debate to remain unaltered but with the adoption of a more open approach about coronavirus (Barillà, 2021).

In addition, Covid-19 was not the first health crisis that China and the EU have been facing working together. Firstly, when the severe acute respiratory syndrome (SARS) exploded in 2003, it served as a first impulse for China-EU health cooperation. The same year, during the "unofficial" G8 + 5 Summit, where China was invited, participating countries attached a great importance to health cooperation. Moreover, in their post-meeting joint statement, China and the EU recognised the importance of strengthening cooperation to fight against HIV/AIDS and other emerging diseases. Later on, at the 16th EU-China Summit in 2013, they adopted the "EU-China 2020 Strategic Agenda for Cooperation", a document planning their relationship for the following seven years (Lilei & Sai, 2021). Here, they agreed to "expand dialogue and exchange in the field of health, including through cooperation with the WHO, especially in antimicrobial resistance, cancer prevention, and pharmaceuticals, in order to ensure the health and safety of the citizens" (EU & China, 2013).

Until the Covid-19 period, the health cooperation between the EU and China has been characterised by a "donor-recipient" model, in which the EU has been assisting China. These funds allowed China to carry out a series of health projects using European aid resources, technologies and experience. However, thanks to its impressive economic achievements, China became ready for a re-balance in its health cooperation with the EU. Definitely, their health relationship shifted from "aid" to "cooperation" (Lilei & Sai, 2021). Thus, Covid-19 represented a fundamental occasion for China to relaunch itself in the field of healthcare and medical expertise. Probably, the Chinese rise may contribute to overturn the global equilibrium of power, thus creating more suspicion about the real Chinese intentions and the effects that its successful management of the coronavirus crisis might have in terms of geopolitical scenarios. This would be an exhaustive explanation of the European concerns about China and would help to understand why Covid-19 contributed to increase the competition between the EU and the West and China.

On both sides, however, European and Chinese authorities recognised the gravity of the situation in official documents and started to underline the importance of mutual cooperation. For example, the European Parliament, within its new EU-China Strategy approved in 2021, asked the High Representative to "ensure that the new EU-China strategy involves China in a principled and interest-

oriented dialogue on global challenges, such as human rights, the environment and climate change, nuclear disarmament, the promotion of the economic recovery from Covid-19, the fight against global health crises, and the reform of specific multilateral organisations" (EU Parliament, 2021). Nevertheless, the Chinese government, in devising its 14th Five-Year Plan presented in 2021, only recalled "the major strategic results, and the capabilities and level of emergency response" achieved by China during the pandemic, even though the effects of Covid-19 were labelled as "widespread" and "far-reaching" (National People's Congress, 2021). The main difference lies in the fact that the accent was here put on the national results instead of multilateral efforts: the Chinese Communist Party also identified some necessary principles, such as the Party's total leadership, the concept of new development, deepening reform and opening up (National People's Congress, 2021).

The main problem is that the pandemic has exacerbated the already existing tensions between China and the United States, thus putting the EU in the extremely controversial position of "choosing" between China and America (He & Li, 2022). Nevertheless, the EU-China relationship had already become more difficult, in recent years. A lot of negative trends have been characterising their bilateral relationship: the lack of market access for EU companies in China, the forced technology transfers imposed on them when they invest in China, the subsidies provided by the Chinese government to its national companies, the existence of the 16+1 mechanism, the Belt and Road Initiative projects around Europe, not even mentioning human rights violations in Tibet, Hong-Kong and Xinjiang (Cabestan, 2022). Moreover, China was accused of trying to influence the results of national elections in European countries, to undermine the EU unity on the promotion of EU values, and of supporting illiberal regimes around the world (Barton, 2021).

As a consequence, it is worth to notice how the perception of China changed in the European Union, thus delineating the features of the Asian "systemic rival". There are four main reasons why the EU institutions and most EU Members have changed their perspective on EU-China relations. First of all, the Chinese economic rebound may result in more Chinese economic and political clout in the international arena, while the post-pandemic recovery may be characterised by Chinese acquisitions in the EU in key economic sectors. Secondly, the Communist leadership reinforced itself after the pandemic and welcomed the Chinese apparent victory in the war against Covid-19. Thirdly, the well-known Chinese goal of becoming a key country in global strategic industrial and technological sectors is no longer considered in the framework of capitalist competition, but as "systemic rivalry". In conclusion, the Chinese "mask diplomacy", "vaccination diplomacy", or "wolf warrior diplomacy" contributed to a re-valuation of China-EU relations (Bersick, 2021). Moreover, this competitive trend was reinforced by the behaviour adopted by politicians in Serbia, Hungary and Italy, who, at the beginning of the pandemic, criticised the EU for its ineffective responses, while

receiving aid from China (Lilei & Sai, 2021). To put it in other words, competition has taken the lead over cooperation (Cabestan, 2022).

However, the growing dissatisfaction did not prevent the EU from negotiating and approving the Comprehensive Agreement on Investment, between 2020 and 2021 (Cabestan, 2022), but even this initiative was abandoned due to the reasons explained in the last paragraph of the second chapter. This deal would have been very useful in offering new possibilities to facilitate market access that may have facilitated a faster post-pandemic economic recovery. Nevertheless, the EU decided to punish those Chinese officials accused of genocide in Xinjiang and China replied with the same mechanism of sanctioning EU parliamentarians, thus putting the agreement into a stalemate.

However, for China and the EU, two fundamental actors, the imperative of working together should become stronger, because the world is increasingly multipolar, and the different regional trajectories of post-pandemic recovery will foster this trend. In this scenario, it would be impossible for single States to face transnational and global challenges on their own (Wang & Miao, 2020). Certainly, the cooperation between the EU and China in addressing Covid-19 presented and still presents an opportunity to progress a partnership in unprecedented ways and prepare it for future developments (Pietropaolo, 2020).

4.3.   Rivals or partners: will the EU-China's controversial relationship change the global equilibrium in the following years?

The outbreak of Covid-19 contributed to exacerbate the polarisation among world actors. Rivalries became stronger, cooperation sometimes decreased, leaving space to suspicion, fear, distrust towards globalisation and interdependence. It is the same for the relationship between China and the EU. The already existing sources of tension contributed to exacerbate one of the latest perceptions, the systemic rivalry. In fact, if in 2019 it seemed premature to define China a systemic rival, the EU Commission had predicted the existence of a sort of Chinese "threat", that coronavirus and later developments made more concrete. However, it must be noticed that the EU-China relationship had evolved from a relatively peripheral foreign policy priority to the point that now it requires significant time and engagement from the highest-ranked leaders and policymakers (Anthony, Zhou, Yuan, Su & Kim, 2021). This characteristic, in a way, creates the conditions for a necessary cooperation between the two powers. However, one of the main problems is linked to whether they will overcome their impasse regarding issues like human rights, democratic values, and economic liberalisation.

If China and the EU want to keep playing a major role on the international stage, they should increase their investment in long-term capacity and knowledge related to the other's politics, as a necessary ingredient to undertake future cooperation projects. Namely, the EU should prioritise

contemporary China studies when looking for research funds and target money linking the capacity of EU Members in projects financed by the EU. On its part, China should leverage opportunities to create deeper research capacity related to the EU across its university and think tank system (Anthony, Zhou, Yuan, Su & Kim, 2021). For example, strengthening people-to-people interactions, encouraging students' exchanges in universities of both countries, but also sharing academics, professors, high-level experts of international relations, may be an interesting starting point to better know each other and create a more positive image of the EU in China and vice versa. Moreover, the practice of EU-China annual summits could be more used as a fundamental platform to find new common interests. Actually, they have already provided strategic guidance from the top level of political leadership, together with the high-level dialogues, like the economic and trade dialogue. At the lower level, there are also regular meetings of counterparts and a range of sectoral dialogues covering every policy area (Fanoulis & Song, 2021). The authorities of both parties should seize the opportunity that such a high-level form of interaction offers.

The reason why it has become predictable a future where China and Europe will be more rivals than partners is linked to various factors. First of all, a long-term dynamic regards the partial decline of Europe in global politics: actually, after the end of the Cold War, there was more optimism that the EU's global role could have grown, while the EU's role in the international scenario seems to be in decrease (Chen & Gao, 2021). Moreover, a significant moment was represented by the year 2013: since then, the presidency of Xi Jinping launched the Belt and Road Initiative, thus marking a crucial point for China. During the last decade, his foreign policy has been characterised by a "new self-assured multidimensional activism" in regional and global affairs. In addition, the economic frictions between China and the EU became sharper due to the EU's frustration about unfulfilled promises of market and state-owned enterprises reforms (Chen & Gao, 2021). Another emerging trend can be identified in the Chinese growth as a digital superpower.

To this purpose, it is important to underline that it may be exactly the development of new technologies to influence the future EU-China relations. The technological competition however involves the whole international community, or at least the biggest powers. As a matter of fact, the EU and China's engagement in digital development should be analysed in the broader framework of US-China competition. In fact, many scholars and academics are predicting that the global competition between China and the United States will become a structural feature of the century, with ramifications across different countries and regions, including Europe (Meijer, 2021). Recently, for example, the USA has increased pressure on EU Member States to impose stricter limits on importing 5G network from China (Chen & Gao, 2021). Moreover, in January 2019, the German government re-adjusted its attitude towards Chinese telecommunication companies like Huawei: the country's

intelligence and security agencies had been advising the government to exclude Huawei from the construction of 5G networks. Interestingly, also some Central and Eastern European countries, such as Romania, Poland, the Czech Republic, Estonia and Latvia, decided to follow Washington's indications on the 5G issue, banning Huawei from future networks (Chen & Gao, 2021).

Debates over new technologies and digital transformation have been further fostered by Covid-19, raising many issues about the use of big data to monitor the virus and the outbreak of tracking app. However, the development of a 5G network across Europe would be a cornerstone of the EU's future competitiveness: it is necessary to use some of the resources mobilised by the Recovery Plan to provide all Members with the necessary funds for secure infrastructure, supporting European industries, capabilities, and innovation (EPP Group, 2021). To this purpose, the EU Parliament, in the "New China Strategy", called for "increased funding for 5G rollout projects and research into 6G, artificial intelligence and big data technology, in order to ensure future network security and increased digital sovereignty which will be vital for digitalisation and economic growth, but also for closing the technological gap with China and for eliminating the risks that NATO members and its partners may be exposed to with the integration of China's new 5G technology into the telecommunication networks, as such action could erode the future of democratic governance" (EU Parliament, 2021). These are the goals set by the Parliament to avoid such unfair competition in the field of technology. There would be needed a connectivity strategy that might advance the EU's interests, values and positions, and strengthen cooperation with its partners in the digital field, as well as in the fields of health, green transition, energy, and human networks (Anthony, Zhou, Yuan, Su & Kim, 2021).

The problem of digital transition is neither new nor only related to the spread of Covid-19. As a matter of fact, digitalisation was already one of the four pillars of the EU Strategy for Connecting Europe and Asia presented in 2018, together with transport, energy, and the human dimension, which included culture, research, innovation, tourism and education (Gruebler, 2021). At the same time, China's formal push for digital connectivity had multiple drivers, such as the overcapacity problems that domestic heavy industries have faced, and a policy to expand overseas activities by Chinese high-tech companies (Anthony, Zhou, Yuan, Su & Kim, 2021). In addition, the digital aspect has been a key factor for the development of both Made in China 2035 and the 14th Five-Year Plan. Furthermore, China was instrumental in bringing the issue of governing the digital economy onto the G20 agenda at the Hangzhou summit, where it was agreed to create a Digital Economy Development and Cooperation Initiative. Its objective would be the creation of favourable conditions for a future digital economy based on expanded, better and more affordable broadband access, free flow of information for economic growth, while ensuring respect for privacy and personal data (Anthony, Zhou, Yuan,

Su & Kim, 2021). The problem that still remains is linked to the unclear use of these instruments by the Chinese official authorities and firms.

In order to face these assertive Chinese strategies, the EU Commission underlined the importance of developing an intra-EU Digital Single Market, just like the single market of goods and services established the EU as an important international player. Back in 2019, the EU tried to adopt some countermeasures to the risks presented by an increasingly higher number of devices connected digitally. Thus, the EU's 2019 Cybersecurity Act had the goal of addressing these security challenges: the act created a comprehensive certification scheme to raise confidence that networked products can be trusted and encouraged companies to adopt "security by design" by taking account of certification requirements in new goods. Moreover, the Commission and Member States published a toolbox of security risks that may threaten 5G networks in January 2020. One recommendation was aimed at avoiding major dependencies on single suppliers, implicitly referring to Huawei, ZTE and other Chinese companies (Anthony, Zhou, Yuan, Su & Kim, 2021).

Nevertheless, the future of the EU-China relationship and of the whole world will not be influenced only by the digital transition. Actually, there is a different trend arising in the latest years that may be a driver for future rivalries: the green transition. To better understand, climate change is the long-term shift in weather patterns that defines the Earth's temperature: to what extent climate change has been caused by human activities is not easily understandable, however it is sure that fossil fuel burning, from the Industrial Revolution onwards, largely contributed to the emission of greenhouse gases in the Earth's atmosphere, thus causing the so-called "global warming". Within this scenario, the geopolitical equilibrium of the world is at a crossroad: the abundance of fossil fuels that may have once led countries to prosperity has now become a threat for the environment. Actually, the geopolitical implications of renewable energy involve changes beyond the immediate effects on energy and commodity streams. Each country will adopt different climate policies that would affect others (Sattich, Freeman, Scholten & Yan, 2021).

In a way, it can be said that climate policy may become a unifying element in EU-China relations, even if divergences might arise regarding issues such as how to measure progress towards meeting climate-related commitments and how to balance the environmental and social dimensions of such policies (Anthony, Zhou, Yuan, Su & Kim, 2021). In fact, a paradoxical aspect is that China has been reported to be the largest greenhouse gases emitter while being, at the same time, the largest investor on green energies. As a matter of fact, when Xi Jinping announced that China is planning to achieve carbon neutrality before 2060, the EU optimistically welcomed this unexpected announcement (Anthony, Zhou, Yuan, Su & Kim, 2021). Carbon neutrality is also one of the main objectives of the European Union, which set this goal to be achieved in 2050, as a fundamental goal of the European

Green Deal. The latter provides an action plan to boost the efficient use of resources by shifting to a clean and more circular economy, restoring biodiversity, and cutting pollution, through a system of investments in environment-friendly technologies, a decarbonisation of the energy sector, in a context of cooperation with international partners.

In order to predict the future shape of the world, it would be necessary to understand the possibility to have access to green technologies and renewable energies. Those countries that will gain a better position during the global green transition may seize the opportunity to increase their geopolitical weight. Positively, it can be noted that the EU and China have been key actors in showing a high commitment to climate change. Even though, they have adopted a different strategy on some aspects that may become a source of divergence. For example, although the EU adopted emissions targets and regulatory approaches, it has sought to rely on market mechanisms such as carbon trading, while China -as it does in many fields- has emphasised State-centred administrative instruments such as targeting through planning and interventionist industrial policies to achieve green goals (Sattich, Freeman, Scholten & Yan, 2021). Generally, in the geopolitics of renewable energies, many characteristics of traditional geopolitical implications may not apply, specifically due to the different features of green resources if compared to fossil fuels. However, policy interdependence between the EU and China in the field of renewable energies indicates that renewables can co-determine bilateral relations.

The future of China-EU relations is likely to be shaped by geopolitical competition instead of mutual understanding. Moreover, even if not directly involved, the role of the United States will be very relevant. In fact, when the new US President came to power in January 2021, the EU expected that it could be working more with the American partner and coordinate their China policies together, within a strategic context which would take non-traditional security threats like pandemics, climate change, digital competition (Bersick, 2021). The EU had high hopes regarding the new democratic US leadership, because it is known how Trump progressively shifted the US' priorities on the Pacific rather than on the Atlantic. As a matter of fact, the Biden administration said it is keen to work with traditional allies to contain China under the framework of the "comprehensive competition strategy" (He & Li, 2022). In addition, the EU has started to categorise State actors in the Asian region looking at their characteristics to build connectivity partnerships, a process that aims at strengthening relations with the so-called "like-minded partners". It is interesting to notice that China is neither in the group of connectivity partners nor in the one of like-minded ones (Bersick, 2021). On its part, China needs to give new impulse to its initiatives in the West, since the pandemic endangered its image. At the same time, the Belt and Road Initiative has entered a phase of decline: in some countries, nationalism is overtaking globalisation, and this nationalism can be anti-Chinese, often focused on real or

imagined influxes of migrant Chinese workers stealing locals' jobs (Olinga-Shannon, Barbesgaard & Vervest, 2019).

To conclude, there is the increasing perception among experts, academics, and policymakers, that the future international system will be multipolar, at least with the US as *primus inter pares*, but surely with China, India, Japan, the EU, Russia, and other regional powers, playing more important roles (Ntousas & Minas, 2021). A consequent characteristic of multipolarity will be the increasing uncertainty that may characterise the balance of power, without a stable hegemon guaranteeing military and trade security. Moreover, the spread of the Covid-19 pandemic has intensified tensions and irritants among traditionally rival States, first deteriorating the image of China in developed countries (except for Russia) and accelerating the possibility of a re-adjustment of US and EU policies towards Asia. However, the EU and China should try to find the positive aspects of such a complex situation and move again on the optimistic path that characterised their relationship at the beginning of the century. Actually, in such a critical period, China and the EU are now being presented with the opportunity to deepen integration and strengthen their partnership in unprecedented ways. China should concretely embrace its claims of supporting the development of a global community with democratic international relations, even if it does not share the same EU concept of human rights. Thus, it is among the EU prerogatives to recognise China's efforts (Pietropaolo, 2020), and adopt a policy based on some basic principles: cooperate where possible, compete where needed, confront where necessary (EPP Group, 2021). The EU and China are two too much important actors acting on the global stage, thus it is mandatory that they overcome their divergences.

If it is true that the 21st century is going to be the "Asian century", the European Union must be ready to engage in a deeper relationship with China, as well as China needs to present itself not as a systemic rival but a trustable partner, especially if it wants to succeed in becoming a more incisive country at the international level. At the same time, the EU should understand that the world needs a stronger Europe in order to face the increasing number of global challenges, being more active in behaving as a unique actor and trying to join a hypothetic "first tier" composed by the strongest States of the world. Still, the EU-China axis and its related developments will be decisive in shaping the world in the following years and decades.

CONCLUSIONS

The consequences of the Covid-19 pandemic will include the realisation of a trend started in the late 1990s: the shift of the global balance of power from the West to the East. Actually, it would be reasonable to accept a common interpretation of the new century as the "Asian" one, since the huge Chinese rise and the dynamism of economies like the Indian one have led this transition, in opposition to the old and slow Western world, mainly represented by the US and the EU. Three main developments further clarify this trend: the new military alliance among Australia, the UK, and the USA (AUKUS), the Quad's (Australia, Japan, India, USA) commitment to provide Covid-19 vaccines to the Indo-Pacific, and the Chinese application to accede to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (Bersick, 2021).

Obviously, the coronavirus will not create a new global order, but it will surely change things in important ways. For example, it will exacerbate developments like the huge number of spheres of influence that China managed to establish in recent years. In addition, it may accelerate rivalry between the US and China, and consequently put the European Union in a middle-way position. In conclusion, it will be a catalyst for almost unpredictable situations such as the repartition of spheres of influence between the EU and China in less developed countries like the African ones (The Economist Intelligence Unit, 2020).

Usually, times of crisis tend to increase uncertainty and raise doubts about the efficiency of the current status quo: coronavirus represents no exceptions. Elements like the rule of law, equality, accountability, fairness, as well as the separation of powers, transparency, often come into question during crises, which typically require extraordinary measures, often only a few steps away from bypassing traditional democratic procedures (High-Level Group on Post-Covid Economic and Social Challenges, 2022). During such hard times, freedom-limiting measures were represented by lockdowns, declarations of state of emergency in many States, limitations of personal liberties like freedom of movement. A main risk, for the EU, is represented by the rise of new forms of populism that may question the efficiency of communitarian responses to the crisis and cause a backlash of anti-Europeanism, as shown by the cases of Hungary and Poland. On the other side, a main risk for China is probably linked to the possibility to lose credibility as a trustable partner in the West, also due to the mentioned issues related to technology and illegal surveillance practices.

As it was already underlined, the future geopolitical order of the world will be shaped by two main lines: the digital and the green. Actually, these two transitions will prove if competition might prevail over cooperation over the next decades. Until now, it seems that the digitalisation is only creating more tensions among big global powers, which are trying to gain a power position in the digital sphere, in order to have the possibility to have access to other countries' data and influence their

internal politics. However, the transition to the green economy seems more suitable to create a common ground of understanding, since the reality of climate change has progressively become accepted by almost all the important actors of the world. For China and the EU, using the green transition as a starting point may be an occasion to cool down their dialogue for a moment and try to decrease some tension.

As a matter of fact, the ongoing trend is characterised by leaders and policymakers who are always more concerned with transnational threats, above all terrorism and climate change. Thus, traditional definitions of geopolitics are not useful anymore, since the pure influence of geography upon foreign relations among States is shifting towards international issues not always related to the geographic position of nations. However, in a world that is increasingly multipolar and oriented towards the use of renewable energies, having capital for investment in green technology may be a source of both international cooperation and rivalry. Firstly, developed and developing countries are likely to fight for the transfer of such green technologies; secondly, conflict over green infrastructure could rise, especially in relation to the existence of asymmetric dependencies between producers and consumers; thirdly, it is still unclear whether the spread of renewables will involve a shift to more decentralised and distributed energy systems (O' Sullivan, Overland & Sandalow, 2017).

Climate change is one of the most critical global goods and represents a key opportunity for the European Union to pursue its principles and increase its influence. In fact, all the latest EU projects are based on the respect of the environment and are oriented towards the green energy. The EU can also promote the shift to green energies by making investments in polluting technologies less attractive (High-Level Group, 2022). Contrarily, Asia is expected to be the major consumer region for conventional energy, while at the same time the entire area will have a substantial renewable energy capacity (O' Sullivan, Overland & Sandalow, 2017). However, it is unclear how the climate issue will rebalance the equilibrium and only in the following years the future trends will become clearer. What are going to be the limits of these new green markets? One of the main problems related to the spread of renewable energy is the fact that the characteristics of such markets are partially unknown. For example, oil markets have always been unpredictable, but at least they are dependent on international oil prices and the system has progressively been perfected. In the case of green energies, the mechanisms surrounding prices, supply and demand are not known yet (O' Sullivan, Overland & Sandalow, 2017).

Moreover, for several reasons, renewable energies may be more vulnerable to cyber-attacks than conventional energy systems, but this will depend on various factors. What is clear is that the green and the digital transitions are more interconnected that it could be thought. The international debate concerning technological change includes many ethical, social and legal questions in human rights

and individual freedoms fields, competition and market structure, consumer protection, and public health (Burrows, Mueller-Kaler, Oksanene & Piironen, 2021). In fact, global powers have moved the old "great game" in the field of technology policies: the new dynamics of weaponization, master and control of new digital tools are helping to shape current spheres of influence (Ringhof & Torreblanca, 2022).

The EU has been particularly active in promoting new regulations concerning technological devices: the idea of increasing the legal control is generally shared among Western countries, but debates arise when some measures clash with high-tech companies' business models, thus making governments more reluctant about cutting competitiveness and innovation. However, in China, the government has exploited personal data and artificial intelligence to enable a surveillance scheme, used to suppress freedom of speech, identify dissidents, and limit political opposition. In this field, China and the West are likely to diverge. In addition, differences are exacerbated by the fact that the EU is promoting a human-centric vision for technological development, fostering its role as a standard-setter, market regulator, and advocate for democratic values. Nevertheless, the main problem for the European Union is that technology is one crucial aspect of the competition between the US and China, where Europe has not found a clear position yet. It should insist on its role as a standard-setter if it wants to make its voice heard outside the Union: being more prepared for the digital age will be necessary for both the Continent's interests and EU Members' capacity to ensure a digital future for their citizens (Burrows, Mueller-Kaler, Oksanene & Piironen, 2021).

In order to strengthen its position in the technological race, China is luring countries into technological dependencies to undermine their political sovereignty through the Digital Silk Road Initiative. The Chinese authorities are also developing autonomous industrial strategies to make Chinese companies technologically independent from the West. Moreover, China often uses digital disinformation to influence public opinion in other countries, conducts cyberattacks and espionage to strengthen its industrial base and uses 5G technologies abroad to control communication networks. However, countries dependent on Chinese technologies have often suffered from Chinese economic coercion and intellectual property thefts. To promote an alternative and more democratic approach, the EU is promoting new global standards of privacy and data protection, digital platforms, and artificial intelligence according to European values. It would be vital for the EU to begin playing in the global technological game, otherwise it will never be able to close the gap in terms of sophistication, strategy, resources, capability and overall vision. If the EU wants to become a great technological power, it must develop digital diplomacy tools. This goal can be reached through the promotion of a human rights and rules-based order, through a securitisation of the EU and its partners and the promotion of a fair, open and inclusive digital market (Ringhof & Torreblanca, 2022).

The geopolitical and geo-economic environment where the EU is currently operating is very likely to change over the next decades of the 21st century: the coronavirus crisis has exacerbated the global trends, that are not so favourable for the future of the European Union. In fact, together with the shift of the spotlight from the West to the East, the EU will be required to face: an increasingly aggressive Russia (as proved by the aggression against Ukraine) in the immediate neighbourhood, an authoritarian actor like China that is expanding its influence even within the borders of the Union, and uncertainties regarding the reliability of a crucial ally like the United States (High-Level Group, 2022). Actually, the mid-term American elections are not so far, thus a question naturally arises: what would the effects of a republican majority in the US Congress be on Europe? Moreover, the EU will need to prove to be able to act coherently and be ready to face the imminent legislative elections in France, but also the Italian ones next year, since both France and Italy will be decisive actors in shaping the future role of the Union. However, the re-election of Emmanuel Macron can be interpreted as a positive signal for Europeanism, but only future will prove whether the French intentions are going to be focused on empowering the position of the European Union, with the eventuality to cede its permanent seat at the UNSC in favour of the EU.

In conclusion, it is very probable that China will continue to be perceived as an existential threat to the international order built under the American and Western leadership from the last century, thus making the protection of human rights and personal freedom more complex to be realised. China is continuing to pursue its economic interests in the Indo-Pacific region in order to achieve the goals set out by the new Five-Year Plan and Made in China 2025. Moreover, it would be interesting to see how the Chinese loan contracts and financed infrastructure projects in European countries will impact on the perception of China abroad. Notably, the Chinese influence proved to be an existing phenomenon when Hungary initially blocked European sanctions over abuses against Uyghurs. Furthermore, the EU needs to be ready to face the military growth of China, which is investing domestically and abroad to increase its military capability, probably preparing itself for future confrontations in the Taiwan Strait (High-Level Group, 2022). These elements further evidence the traditional limit of the EU: the absence of an army and the difficulties in delineating an effective military common strategy. In such situation, the EU can do nothing but counting on the continuative partnership with the US as a security, defence, but also economic partner, even if their relationship is potentially fragile in the medium term due to the American mid-term elections and the presidential elections in 2024, in the eventuality of a new republican presidency that might undermine the democratic order (High-Level Group, 2022).

The general trend regarding democracy in the world has shown that for 15 consecutive years the number and the quality of democracies are diminishing: at the same time, both new and already-

existing authoritarian regimes are becoming stronger and presenting more challenges. The misuse of digital technologies has contributed to foster these trends. The old enthusiastic times of the comprehensive strategic partnership seem so far for the EU and China. The EU will be forced to face threats coming from actors like Russia and China, which can count on a combination of economic pressure, cybercrime, manipulation of telecommunication, in order to cause confusion, destabilise societies and influence the European public opinion (High-Level Group, 2022).

It is quite difficult to predict the evolution of the EU-China relations, given the just-mentioned factors and features of the international community. However, it seems that the scenario is already prepared for a confrontation between the two powers, at least in a geopolitical sense, rather than military. If the EU wants to be prepared to face the Chinese continuous growth, it should become more self-sufficient in the fields of technology, digital, energy, health, and above all defence. Furthermore, in its relationship with China, the EU will benefit from a compartmentalised approach: concretely, it means seeking close cooperation in some areas and choosing confrontation in others. In this specific case, cooperation needs to be strengthened on climate and weapons control, while disagreement must be expressed on the aggressive Chinese foreign military policy, human rights issues and the prohibition of certain unfair Chinese investments in the EU (High-Level Group, 2022). As it was underlined in the previous chapters, cooperation between China and the European Union is possible, as for some decades the economic imperatives allow them to overcome their divergences. However, it seems that recent developments have created unsolvable divisions, thus diminishing the opportunities to support the compartmentalisation idea: the geopolitical equilibrium pending between partnership and rivalry is slowly sloping in favour of rivalry. If it is so, the EU must be ready to counter-react to the Chinese offensive and develop an own strategy of global influence expansion, as well as China has to be prepared to embrace the responsibilities attached to the status of superpower.

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SUMMARY

The European Union and the People's Republic of China have firstly established formal diplomatic relations in 1975. Since then, the relationship between these two global actors has contributed to shape the equilibrium of the world, even though it has not always been friendly and free from tensions. At the very beginning, China was far from being the aspiring superpower that is now and was still considered a developing country. Thus, the European Community -not the EU yet- managed to help China in its transition from a situation of quasi-poverty to a more developed country. Originally, the European intentions were characterised by attempts to bring China on the Western side and turn it into a more democratic nation embracing the liberal democratic values. Their bilateral relationship has progressively grown and turned into a very complex form of partnership, with a great interdependence especially in the commercial field. Still, the two actors have been struggling in finding an agreement on issues like human rights and democratic freedoms: China is a communist authoritarian State led by a single-party leadership, where very few attentions are given to what we are used to think as granted liberties. However, such differences are strongly related to different historical paths, which have built completely opposite political cultures. What is clear is that both the EU and China are representatives of two huge cultural spheres and are heirs of long-standing traditions, one as the cradle of the Western universe and the other as a millenarian empire with an immense cultural heritage.

During the 1990s, their bilateral exchanges grew, as well as the possibilities to find a new role in a scenario that after the Cold War had left the world without one big pole represented by the Soviet Union. This was a clear driver for the acceleration of the process of European integration, which in the 1990s lived a fundamental turning point with the Maastricht Treaty. At the same time, the bases for the Chinese exponential rise were set out, due to the restoration of Chinese sovereignty over the city of Hong-Kong and the progressive consolidation of the Chinese communist leadership. As a matter of fact, their economic bilateral relation grew in quality and quantity: trade agreements were signed by the two actors, as well as the practice of the EU-China Summits was established, to allow leaders of both parties to have the possibility to discuss bilateral and global issues.

A crucial turning point was represented by the entrance of China in the World Trade Organisation, whom the EU is a founding member. It was 2001 and there was a great optimism around the Chinese membership in the organisation, since the EU and the liberal economies saw the opportunity to stop considering China a developing economy -thus decreasing the flux of extraordinary subsidies- and to start the application of the most-favoured nation clause. Moreover, events like the spread of terrorist attacks all over the world from 9/11 onwards, together with the mounting issue of climate change and

the increasing number of asymmetric threats, fostered the idea of a stronger international cooperation to solve transnational problems.

Given the complex international situation, worsened by the beginning of the American "war on terror", cooperation was favourable to the point that China and the EU decided to formalise their relationship, officially creating the "comprehensive strategic partnership" in 2003. This was the period characterised by the highest understanding between these two actors, when it seemed possible to pursue a mutual path of growth based on multilateralism and democratic values. It was possible because at that time, they were both rising powers with the necessity to coordinate in important international affairs of mutual concern, despite their conflicting interests. Particularly, China has often been claiming a more democratic approach in international relations, too much influenced by the American unipolar sphere of influence.

However, it was the sometimes-unconcealed rivalry with the Western world in general that started to degrade the image of China in Western countries. Moreover, during the years, as China was growing exponentially, the Chinese intentions became more concrete. Currently, China is pursuing a project of global expansion, especially from economic and cultural points of view, creating economic dependencies in less-developed countries and presenting the Chinese form of capitalism with a centralised guide as a favourable model, alternative to the classic form of capitalist economy. Even if the EU leaders have continued to perceive China as necessary for the EU's own economic growth, suspicion towards the Chinese political and economic practices started to characterise the bilateral exchanges with the Eastern giant.

Nevertheless, at the beginning of the century there were all the necessary conditions to the construction of a very solid partnership: the world has been moving towards multipolarity since the end of the Cold War and having big and trustable partners will be one fundamental condition of the future world scenario. Speaking about China and the EU, there were some advantages: their economies were complementary to each other, the European Union has never had any real military interest in East Asia, the Taiwan issue is more linked to the United States than to the EU. At that time, it was possible to think about a solid partnership where the actors involved would have been very connected to each other. This is partially true, because economically neither China nor the EU can now survive without the other. However, their divergences on politics and on human rights are sometimes impossible to overcome, as showed by the case of the war in Ukraine, when China did nothing to stop the Russian aggression against Ukraine, while the EU was one of the first international powers to impose sanctions on Putin's country. To sum up, even if it is true that China and the EU are presented with many divergent positions, there exists a sort of tacit understanding in supporting the shift towards a multipolar world, where the American hegemony will be overcome. As a matter

of fact, the EU has all the necessary characteristics to loosen its military dependency on Washington, but it should become able to develop a common European defence strategy with more concrete results and a higher cohesion. In China, the consolidation of Xi Jinping's leadership has given a new impulse to China, which is presenting itself as a modern alternative to traditional values. Definitely, the EU and China are two major civilisations, and they should find the common ground to pursue common strategies to advance the human progress in general.

Over the years, although some differences among Member States, the European Union has been able to set up a quite effective strategy towards China, which helped to stabilise their relationship, in particular through the activity of the EU Commission. The number of joint statements, agreements, policy papers, grew exponentially, as well as their bilateral cooperation within international organisations. For example, in 2013 they published a joint document called EU-China 2020 Strategic Agenda, where they set up some guidelines for future developments. However, the European Union and its leaders understood the challenges that the increasingly assertive Chinese behaviour poses to the global order. The fundamental point of such interpretation was clearly evident in the 2019 Joint Communication published by the EU Commission together with the High Representative for Foreign Affairs and Security Policy. In this document, China was defined, for the first time, a "systemic rival", even though it was also defined a cooperation and negotiating partner, as well as an economic competitor.

Such rivalry became a major source of concern for many European States, since the Chinese commercial practices are perceived with a certain degree of suspicion due to their unfair nature and due to the recurrent risk of intellectual property thefts, together with the 5G issue and the use of alternative strategies to circumvent the rules-based approach followed by the EU institutions. Moreover, the human rights violations in the Xinjiang region are not tolerable for the majority of European States, thus creating a dangerous climate of ambiguity towards the Chinese partner, which of course rejected the label of systemic rival and denied being responsible of any violation. However, the frequent incoherency of single EU Members towards China, and the lack of a clear and concrete unitarian strategy have been negatively affecting the outcomes of EU-China relations. For example, the Balkan States, as part of the 16+1 mechanism, have often been more permissive with China and its investments. The 2019 Joint Communication partially solved the ambivalence problem, since it identified the characteristic of the Chinese partner, thus underlining the importance of the economic sphere but inviting Member States to a more cautious approach when confronting China.

If the European perspective is compared with the Chinese one, it seems that the EU is more afraid of China than vice versa. This is realistic because China has not always been transparent about its real intentions in international relations. Being a centralised country rather than a transnational union of

States is an advantage for China: it has the possibility to set out the guidelines of its foreign policy autonomously, under the leadership of the Chinese Communist Party. Publicly, the Chinese authorities, including President Xi, have always spoken about the EU in positive terms. This behaviour has its roots in a Chinese narrative based on the assumption that China is a peaceful country without hegemonic intentions which is only looking to win-win partnerships with other actors. This is the reason why China has been talking about "building bridges" with the European Union.

However, the core of the Chinese strategy in both Europe and the world, is the realisation of the Belt and Road Initiative, a gigantic infrastructural, diplomatic, socio-economic and cultural project, launched in 2013 by the Communist leaders in order to connect China with the rest of the world and increase the number of commercial transactions. Nevertheless, over the years China often spoke in positive terms about the European Union because it has clearly understood the advantages coming from having a partnership with an open market like the European one. Some problems arose due to the human rights issues, when the EU became more vocal about the Chinese claims in the South China Sea, the persecution of Uyghurs in Xinjiang, the security law in Hong-Kong, and the Tibet independence. As a consequence, the Chinese tones became sharper and started to underline the importance of the respect of the one-China principle, also denying the EU the right to interfere in Chinese domestic issues. To sum up, it appears quite clear that a more concrete strategy is necessary, if the EU wants to compete with the dynamism of China in the economic but also military, social and cultural fields.

There lies an aspect which was never touched by any divergence: the economic relationship. The amount of trade in goods and financial products has increased exponentially over the decades. In fact, the EU and its Members became more and more economically connected with China. Their interdependence reached its peak in 2020, when for the first time China became the EU's largest trading partner, surpassing the United States. The main divergence that arose in the economic field was linked to the centrality of State-owned enterprises in China, because they are too much reliant on the government and thus more competitive in international markets, if compared with EU firms, which are usually private. Statal subsidies have been a central reason for debates, as well as accusations upon China to discriminate European companies working there, where they reported being subjected to illegal practices and unfair competition. Apart from this aspect, their economies were able to grow together and create an efficient system of exchanges, where both competitive and cooperative elements coexist, in the spirit of -almost always- fair competition.

Nevertheless, things could be improved in the investment field, which seems to need a different and more effective regime. FDI of both countries is not low, but it may be considered so if we look at the size of both economies. However, to reach this purpose, in January 2014 the EU and China

started to negotiate the Comprehensive Agreement on Investment, in order to eliminate the lack of reciprocal market access for EU companies doing business in China, as well as facilitating European investments in the Chinese market and structuring a general legal framework regulating investments. This agreement would have represented a symbolical win for China, as a demonstration that the country is ready to stand in the business of globalisation with the strongest powers. However, even if the negotiations ended in December 2020 and the first version of the text was adopted, the agreement has not been ratified yet. The ratification process stopped in March 2021, when the EU Parliament decided to impose sanctions against four Chinese individuals and one Chinese entity upon the accusation of severe human rights violations against Uyghur people. Soon, China reacted imposing its own measures on five EU representatives, thus definitely blocking the enter into force of this fundamental agreement.

The failure of the Comprehensive Agreement on Investment was caused by the traditional and most recurrent source of political divide between the EU and China: respect for human rights. Specifically, the EU's sanctions mainly came from the accusation of violations in the Xinjiang region, against the Muslim minority of Uyghurs, but the Union has been vocal on another fundamental issue which has always been a source of concern for the West, that is Hong-Kong. The supposed persecution of Muslim minorities has been a central topic in the latest years: Xinjiang is an autonomous region where different ethnicities have always lived. However, China has often been accused of detaining these people, in particular the Uyghurs, into concentration camps where they are exploited for forced labour. The authorities have been denying their involvement in such situations, but it is true that the region is of particular geostrategic importance for China, as it is part of one of the six Belt and Road Initiative corridors which connect China to the Mediterranean. Consequently, the permanent tension caused by the difficult coexistence of different ethnic groups has been used by the government to justify repressive interventions in the region, alleging terrorist activities directed by Islamic groups.

The other main issue is related to tensions and repressions in the city of Hong-Kong. The territory returned under Chinese sovereignty in 1997, after the Sino-British Joint Declaration of 1984. This document established that the territory must have been governed under the principle of "one country, two systems", thus leaving a certain degree of autonomy to develop a Hong-Kong's own form of democracy. However, after some pro-democracy demonstrations organised in 2019, the central government decided to adopt the Hong-Kong Security Law. Even though this legislative act has been accused of violating the Sino-British agreement, the Chinese authorities remained firm in their willingness to adopt it for the territory of Hong-Kong in order to administrate it in times of emergency. Actually, the law is being used to suppress freedom of expression, arrest pro-democracy activists,

silence dissidents and target journalists and academics. It is interesting to notice that, in both cases, China accused "anti-Chinese" forces which are targeting China and trying to slow its development, undermining the Chinese democratic order, and adopted a conspiracy scheme where some of these forces are pursuing their anti-Chinese objectives.

Even in its relationship with the EU, China has been facing a lot of challenges. For example, China has been struggling in trying to complete its Belt and Road Initiative projects on the EU territory. Obviously, Europe has always been among the most important BRI targets. To prove the reality of its intentions, China tried to realise many infrastructural projects like railways, ports, highways, actually reaching more than 12 European ports and a consistent number of rail corridors running from China to Germany, France and the Netherlands. However, there are still some limits, especially in terms of European responses to the initiatives. For example, Chinese projects are mainly concentrated in Central and Eastern European countries, since those are the poorest European areas, thus more likely to be subjugated under Chinese dependencies. The Belt and Road Initiative has plenty of potential to be a game changer in Europe, but some Chinese promises had not been fulfilled, thus generating dissatisfaction and uncertainty among EU and non-EU Member States. Moreover, Europe is generally too much developed to be victim of similar forms of political and economic dependencies that China has been creating elsewhere in the world, namely in Africa.

Furthermore, the attractiveness of the Belt and Road Initiative is decreasing due to the presence of European infrastructural projects for the future development of the Union. Specifically, as a counter-reaction to the Chinese dynamism, the EU has recently approved Global Gateway. This should be a plan with the main goal of balancing the Chinese and also Russian impacts on the European economic and political system. Even if it was not presented as an explicit alternative to the Belt and Road Initiative, it clearly aims at supporting the economic development of poorer EU States. The main difference lies in the nature of the provided money: Europe offers grants, China offers loans. Moreover, the EU is used to attach some pre-conditions before borrowing money or conducting commercial transactions, namely clauses related to the respect of the rule of law and democratic principles. With Global Gateway, the EU aims to present itself as a transparent, accountable, and sustainable democratic partner, willing to support the development of its own Members and protect them from foreign dependencies. Through this initiative, the EU would demonstrate that it is able to invest in hard and soft infrastructure, with an eye to sustainable and green development in key sectors like health, transport and energy.

The existence of European alternatives has partially undermined the Chinese competitiveness among EU countries and the appeal of Chinese projects. One Chinese attempt to play a more strategic role in Europe was represented by the creation of the 16+1 mechanism, an agreement signed in 2012

with 16 European countries, not only with EU Members, belonging to Central and Eastern Europe. The reason behind this project was occupying the power vacuum left by the EU: in fact, these States are still characterised by deep differences in economic and democratic development, if compared with Western European States. However, China demonstrated to be lacking a long-term vision for the future development of the region, proving that its money is not always compatible with EU standards. In addition, China was not able to fulfil its promises in the area and countries did not benefit from such mechanism. Among those States, Lithuania decided to leave the organisation in 2021, calling it "divisive", and then contributed to exacerbate the already existing tensions between the EU and China letting Taiwan open a representative office in Vilnius. This was perceived as a violation of the one-China principle and pushed China to downgrade its diplomatic relations with Lithuania, which later accused China of boycotting its economy. In this situation, China demonstrated to be a problematic and unpredictable partner and the EU was presented with the difficult challenge of being capable of protecting its own Members against foreign powers.

Notwithstanding the already huge number of pending and controversial issues between the EU and China, in 2020 the world was hit by the Covid-19 pandemic, a lethal virus that spread all over the world in a very short time. This event caused a deep economic crisis, which started to affect national and international markets in the entire world. China and the EU were among the first regions to be severely hit by the virus: actually, the first cases were detected in China, in the city of Wuhan. Again, Beijing was looked with suspicion by the West because of certain unclear dynamics in communicating the existence of the virus to the rest of the world. However, China was brilliant in successfully managing the first stages of the pandemic and started its recovery very soon. In fact, the communist leadership worked hard to avoid any responsibility for having spread Covid, and embraced a "mask/vaccine diplomacy", starting to send medical aid and materials to the countries that were facing harder times than China. As in the case of Hong-Kong's demonstrations, China claimed that the virus was brought to China from foreign countries which intended to damage the Chinese image in the world. The European Union had also to adopt extraordinary countermeasures to contain the diffusion of the virus.

Moreover, the consequences of the pandemic were not only linked to the number of deaths and to health conditions, but also to the competition with China over vaccines. In addition, the necessity to reconstruct the path of people's contagion encouraged the development of new types of digital technologies, able to track people's movement. Such kind of apps became widespread over the world, and fostered the debate about secret surveillance measures, exploitation of personal data, violation of privacy. In the EU, and generally in the West, the use of such devices was limited due to the scepticism of people to be tracked and controlled. This is one of the reasons why Covid-19 was

contained faster in China than in the EU: Chinese people are less concerned with personal freedom and privacy.

Overall, the threat of Covid-19 presented a new and unique possibility for the European Union to show whether the mechanisms created after 2008 were efficient. Using a system of common resources would have been an opportunity to reinforce cohesion and transformation within the Union. Actually, during such hard times, after complex negotiations among EU leaders, led by Germany and France, they agreed on an ambitious recovery package aimed at boosting the common budget with immediate effect, through a pool of resources borrowed from financial markets on behalf of the Union. Concretely, these money would consist of a total of 750 billion EUR to give new impulse to the economic development: the project was called Next Generation EU, one of the most ambitious fiscal plans ever adopted within the EU's framework.

However, the whole crisis has not only been affecting States domestically but contributed to endanger their bilateral and multilateral relations. The same happened to the EU and China: at the beginning, as China was hit by the virus, Europe provided support thanks to governments and civil society, while when it was the turn of the EU, China shared its expertise in managing the virus, sending medical equipment and doctors. Nevertheless, their commercial relationship was severely affected since the maritime transportation of goods was one of the hardest hit sectors. Conducting an effective share of information and clinical treatment was made possible by the existence of the China-Europe railway, redefined as "Silk Road of Health". This situation triggered a further evolution in the EU-China health cooperation: in this field, their relationship shifted from a "donor-recipient" model, where the EU used to assist China, to an equal cooperation.

The pandemic occurred during an already difficult moment for China and the EU, which were experiencing a deterioration in bilateral relations. A lot of negative trends have been characterising their partnership, such as the 16+1 mechanism, the threat posed by the Belt and Road Initiative in Europe, the lack of market access for European companies, the violations of human rights. Moreover, the pandemic worsened the tense situation between China and the United States, thus putting the European Union in a middle position: choosing between one of the two bigger powers.

From a geopolitical point of view, rivalries among countries became stronger, cooperation decreased and turned into competition, suspicion, fear, and uncertainty started to become the general trend. In fact, as in the case of the EU and China, the transformation of their relationship from comprehensive partnership seemed to be moving towards strategic rivalry. The future might be shaped by such competitive feeling: usually, in times of crises, tensions tend to become more intense and difficult to overcome. Moreover, there are two fundamental fields that will probably influence the geopolitics of the future in unprecedented ways: the digital and the green. Both the technological

and ecological transitions have been gaining more importance over the decades, as they were recognised as two necessary steps for the future development of the world.

Thus, if China and the EU want to project a stronger role for themselves in the international community, they should be able to compete in these two fields. China is already a digital and cyber superpower, as it is demonstrated by the ongoing cyber war against the United States. The Eastern giant has all the necessary characteristics to be a concrete digital threat able to create difficult situations of illegal data acquisition. For example, the USA has recently encouraged EU Member States to impose stricter limits on importing 5G networks from China, obtaining mixed results: some countries excluded Huawei and banned Chinese products, others decided not to impose any limitation. Regarding the EU, the technological issue will represent a greater problem if the Union does not improve its digital capability and continues to be a second-tier player dependent on the balance of equilibrium between the US and China. In addition, the technological competition was endangered by the spread of Covid-19 and the diffusion of the above-mentioned tracking apps and digital devices controlling people's movement, raising many doubts about possible uses of technology.

On its side, the green transition is very likely to occupy a central place in many countries' agendas over the following years. The European Union has always given a great attention to climate change and carbon neutrality, and many of its current policies tend to be ecological and as much green as possible. In addition, China, even if it is still the largest global emitter of greenhouse gases, it is, at the same time, the bigger investor in renewable energy. Both actors have declared their commitment to reach carbon neutrality: the EU set this goal to be achieved in 2050, China in 2060. The green transition will surely influence the future balance of power on the global level, because the geopolitics of renewable energies is quite different from traditional sources like carbon fuels. To sum up, who will control the renewables will be advantaged in the great power global game. If compared with the digital field, the green transition seems to be more suitable for the EU and China to feed a common ground of understanding: they have already been cooperating in such field and many times remarked their commitment to the issue.

The future of EU-China relations will not be shaped only by their bilateral relationship. Actually, it is reasonable to think about a three-players game, where the United States will play an important part. As a matter of fact, until the EU does not provide itself an independent defence system, the US and NATO will always have the power to influence European politics. Moreover, even if the world is moving towards multipolarity, many are still thinking about a multipolar system with a sort of *primus inter pares* interpreted by the US. Thus, the EU has to adapt to the possible scenario where global relations will be based on the US-China rivalry, considering that almost everybody agrees on defining the current century as the Asian one. As a consequence, overcoming the traditional

geopolitical equilibrium would be a necessary step for the European Union: it should understand that the world needs a stronger Europe, able to become more incisive at the international level and capable of acting as a single actor in its foreign relations. To this purpose, it would be interesting to watch the evolution of the Union after Brexit, an event that may have accelerated the process of European "federalisation". On its part, China, if it wants to be a more credible partner and desires to acquire more international responsibilities, needs to act in a less suspicious way and should stop presenting itself as a systemic alternative to the West. However, given the relevance of both the EU and China, the developments that will characterise their relationship are surely going to shape the power equilibrium of the world over the following decades.

The digital and green transitions will be interesting turning points and an opportunity for both actors to overcome their divergences and find new mutual interests in order to manage these transnational issues. However, for several reasons linked to status quo and traditional geopolitical factors, it is quite inevitable that the EU and China will compete over many issues. This may be acceptable, but only if done in a fair environment and according to a democratic view of competition. In fact, there is the concrete possibility that China will be perceived as an existential threat to the geopolitical order created by the West for a long time. In fact, it is reasonable to think that China will continue to pursue its goals, domestically and internationally, without caring too much about the opinion of the EU or the American one.

Generally speaking, democracies have been disappearing over the past 15 years, being replaced by authoritarian regimes. Thus, the competition between the EU and China must be positioned within a much broader framework of conflict between democratic and non-democratic State actors. However, if the EU wants to defend its democratic and communitarian values, it should understand the fundamental historical momentum, where the US is not able to slow down the Chinese growth and the world is asking for another big democratic actor: only the European Union has all the necessary characteristics to accept such challenge. To conclude, the world also needs a China which proves to be prepared to embrace the responsibilities attached to its new superpower status, and a Europe which must be ready to react to eventual threats coming from the Chinese side. In fact, the trend seems to be oriented towards competition rather than cooperation, thus it would be advantageous for the world to have at least two powers able to balance each other, with an eye necessarily aimed at finding new opportunities to slow down competition and embrace new forms of cooperation.