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# **The US-Europe-China Triangle in an Increasingly Multipolar World**

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**Beijing, January 2006**

This paper is a reflection of the author's one consistent view<sup>1</sup> that peace and security of the world in the 21<sup>st</sup> century may depend very much on the evolution of the relations between three major strategic forces, namely, the United States, Europe<sup>2</sup> and China. The triangle relations may well become the major pillar to underline the nature and sustainability of the world power structure in the future. This paper will first focus on the broad international environment in which the triangle in the post-Cold War era emerges and bears particular significance on the world situation; then examine specific policies of each of the three powers and the resultant interaction among the three players, closing with some concluding remarks on this triangle relations as well as China's options for pushing them in a right direction.

### **The broad world context of heading increasingly towards multipolarity**

To examine the emergence and development of the triangle relations between the US, Europe and China, it is perhaps essential first to put the triangle in a larger world context in the post-Cold War era. So, the first question the paper attempts to explore is what kind of world situation that we are going to face into the 21<sup>st</sup> century may serve as a proper backdrop against which the three powers interact. At the risk of being oversimplified, the following three elements are perhaps the most important highlights in the future world situation relative to the role of the triangle in the international relations:

The first element to notice is the end of the Cold War which may most probably lead us into a long transitional period towards a multipolar world. The collapse of the Soviet Union indicated the unraveling of the bi-polar power structure that had underpinned the international relations in the whole Cold War years. The world has now left behind the only superpower - the US, but with a number of emerging powers in various regions. The gamut of participation by various nations in world affairs has widened. Combined, they are all expected to play increasing roles in reshaping the world security landscape, leading inevitably to the redefining of the national interests of these forces and the readjustment of their power alignment, threat perceptions, strategic objectives, and security strategies that do not necessarily agree to each other.

It is in this sense, that the world is heading towards multipolar direction. But of course the multipolar world is far from reality today. From all signs, multipolarization is a process, and may well be a long process at that. The chief reason lies in the fact that the Cold War ended not only peacefully but also abruptly with few prepared for the dramatic changes. In history, when an international order was fundamentally changed, it was generally changed by means of a war. The old international mechanisms and the old world order were smashed with the perishing of the defeated. The victor(s) dictated the terms on which the new mechanisms and the new world order were established. Peace would be assumed with great predictability and endurance, for better or worse. But this is not the case for the end of the Cold War. Interestingly, when the Soviet Union suddenly crumbled and the Warsaw Pact announced itself

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<sup>1</sup> The views expressed in the paper are entirely of the author's own, and do not necessarily represent those of any other individuals or any organizations.

<sup>2</sup> Europe in the paper is a political concept as it is referring to the geographical Europe but excluding Russia. The definition sounds a bit controversial but may more easily be accepted in the international academic community. Based on this understanding and the current evolution of the European situation, Europe in the paper is interchangeable with the European Union.

the demise, both winners and losers of the Cold War seemed at a loss. It is not strange therefore that although over a decade has passed since the end of the Cold War, many a nation seems still fumbling for its own place and the proper role in the future world, its true national interests and its strategic objective for security.

Multipolarization is going to be a long transitional process also because emerging powers in various regions need time to be significant players in the full sense. Many countries like China, India, Brazil or South Africa, or groups like the European Union (EU) or the Association of Southeast Asian Nations (ASEAN) are all potential powers that will be important components of the future world power configuration. On the other hand, they all need a process of development to reach true world power status. So far, only the United States fits that title. And perhaps it is because of its all-dimensional superiority over other powers that many analysts even pegged the present world as unipolar in nature. But the assertion is wrong as they failed to appreciate the inevitable rising of other powers.

Multipolarization needs more time to be mature also because while the former balance of force as reflected in the bipolar world being destroyed, the new balance of force is yet to be established. Many, if not all, international regimes designed in the Cold War to sustain the security and stability are either inadequate or simply crumbling while new ones are yet to emerge. How to build a new world regime competent to address the future challenges to the international community is no doubt a time-assuming and complex process.

The second element that has been playing a particularly pivotal role in reshaping the international relations is the ongoing globalization. As a matter of fact, the end of the Second World War had paved the way for the greater integration of world economies. But the globalization process immediately came to a standstill when the Cold War started, separating the world into two hostile blocs. With the collapse of the Soviet Union, central planning lost favor and a unified global market based upon market economies came into being, effectively reviving globalization. Today, countries are almost all existing in an increasingly globalized world economy. Goods and services, real and financial capital, labor, technology and ideas all flow across national borders more readily and in far greater quantities than before. To the economies of many countries, China's in particular, globalization appears specially to have brought multi-benefits: faster economic growth, rising shares of international capital, access to new technology and sources of productivity growth, and increasing per capita incomes which have helped to raise large numbers of people out of poverty.

But globalization is a double-edged sword. For all the gains that globalization brings, it also produces losers. Economic globalization could so easily expose those countries to the possibility of large outflows of capital where government macroeconomic and financial policies appear to be out of line or where questionable investment strategies are being followed. Against the backdrop, all countries, developed and developing alike, are facing opportunities as well as challenges riding the wave of globalization. On the other hand, it is the developing countries that may bear the brunt of negative impact of globalization, which, in essence, is a worldwide industrial restructuring led by developed countries with transnational corporations

as the central force of commerce. As a consequence, countries do not all stand behind the same starting line. As the current trend of globalization develops from the old and irrational economic order, the developed countries, with their advantages in trade, financing and investment, have reaped the lion's share of gains from such a process. Thus, the growing tendency towards globalization may well enhance the risks in the emerging economics and make developing countries' markets more vulnerable; force these countries to pay greater prices because of the lack of equality in sharing the benefits. Even within the developed countries, the negative implications of globalization have also posed new challenges, demanding fundamental structural changes in their economies and readjust their economic relations with the outside. In short, globalization has provided new primary impetus to the change of balance of force among all the world nations, and set a new stage for the international relations.

The third defining element is the advent of science and technology which has become another significant facilitator to the change in the balance of force among world powers, as well as the change of their security perceptions and strategies. Science and technology have always been the greatest productive force in the development of human society. Revolutionary advancement in science and technology each time in history would always be accompanied by the fundamental transformation of the means of social production and speedy progress of social development. But nothing in history can be compared to the fast progress in the field of computer, material, laser, space, and bio-chemistry in the recent decade, and their revolutionary impact on the whole world. Information technology, in particular, has already played a critical role in leading the major powers in adjusting their military strategies and strengthening quality building of their respective armed forces, which has been leading even to changing the mode of future warfare.

But, again like globalization, rapid development of hi-technology has also a double-edged sword effect for world security. It provides the developed countries, and the US in particular, the new material means to develop and deploy new weapon systems, and carry out the so-called revolution of military affairs (RMA). But the development of hi-technology also gives rise to the new possibility of fast proliferation of weapons of mass destruction (WMD). In a deeper sense, while hi-technology provides new impetus to the economic development and social progress in various countries, it also greatly changes ways of life and thinking of the average people, having a strong impact on the traditional mechanisms of operation in a civilized society. Non-traditional security threats are emerging as increasing security challenges to the nations of the world with such high speed and great magnitude that no nation can single-handedly deal with them.<sup>3</sup> As the 9/11 event illustrated, while a state builds on greater strength, its society and individuals could become more and more vulnerable.

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<sup>3</sup> See Paul Stares “ ‘New’ Or ‘Non-Traditional’ Challenges”, April 2002, <http://www.unu.edu/millennium/stares.pdf>. Paul Stares said, “The range of conceivable security concerns broaden dramatically-some would argue limitlessly- to include a host of economic, social, political, environmental, and epidemiological problems. Whether they emanate from outside or inside the boundaries of the state is immaterial to their consideration as security threats. Likewise, whether they are the product of the deliberate or inadvertent acts is irrelevant. The harmful impact on the individual or the surrounding ecosystem is what matters. What makes problems ‘new’ or ‘non-traditional’ threats, therefore, is not that they are truly phenomena or products but rather that they are now treated as security concerns.”

Now what are the implications of the interplays of all the above trends to the world situation, the major power's relations in particular? The following points may be in order:

1. The existence of one superpower plus a number of basically regional powers may be the basic pattern of the power structure in what is believed a long period of peaceful transition in the first half of the 21<sup>st</sup> century. However, this picture is not static. Despite the unshakable dominant position of the United States as the only superpower for quite a long time to come, the rise of other powers is an irresistible trend. While the only world superpower is anxious in maintaining and expanding its dominance over the world, other powers are also striving to achieve a more significant role so as to best protect their national interests in the evolution of the international relations. This struggle will run through the whole transitional period.

2. In the above general framework of the changing world configuration, relations between major players are witnessing a growing amount of complexity and unpredictability unknown in the Cold War. In an increasingly interconnected world, nations are becoming increasingly interdependent and mutually constrained. The complex and uncertain nature of the international relations may find expression particularly in the extreme difficulties with which major powers are trying to form their threat perception and pinpoint where the threats come from. No longer is the line so clear-cut between an ally or a friend on one side, and an adversary or even an enemy on the other as in the Cold War. There isn't a white and black picture. In many cases, countries could be friends and adversaries at the same time. Or they could be friends and partners in some fields or at current time, but adversaries in other fields or probably in the future.

3. Economic security has become one of the major focuses in the international relations. Judging from the recent development, globalization and high-technology continue to provide favorable conditions for many countries to conduct structural reform and facilitate their economic development. They have in addition added momentum to the regional economic cooperation and integration. But their negative implications have also been on the rise intensifying conflicts in interests among all nations. Even within the developed West, tensions and conflicts in interests are increasing that start eroding the traditional coalitions particularly across the Atlantic. But the most serious problems come from many developing countries, which have seen growing political and social turmoil and instabilities as a result of the poor economic performance at home and an enlarged gap in terms of economic power with the developed countries abroad. As a matter of fact, the tension between North and South has replaced the tension between East and West as the primary element to influence the world situation today. All these have become the in-depth, albeit indirect, source for the rise of non-traditional security threats to the world including the international terrorism.

4. Ideology is no longer a dominant factor in the development of state-to-state relations but ideological bias and particularly the Cold War mentality continues to remain and persist in the formulation of the foreign and security policies of quite a few major powers. This is perhaps one of the major legacies of the peaceful transition from an old world system to a new one in

an abrupt manner. Obviously, the end of the Cold War makes obsolete the ideological criterion of defining friend and foe by judging whether it was communist or capitalist. But for all the effort by major powers to harmonize their relations as partnerships, deep-rooted suspicion and distrust among them persist. Military alliances continue to exist and are even strengthened. Nations are still divided based on different perceived values, and different geo-political and economic interests. In addition, the unbalanced development of various regions in the world also provides great incentives to the rise of various fundamentalist forces in different countries. Particularly noticeable is the religious extremist force like the Islamic fundamentalism, which, closely linked up with arch-nationalist or separate elements in the economically backward areas, feels no restraint in asserting its own value and imposing its will on others by all the means it can lay its hands on. It does not care what a cost it might be to launch such an attack. Indeed, as the 9/11 event again demonstrates, the Taliban and the al Qaida groups in Afghanistan have become the most dangerous international terrorist groups, and pose a new challenge to world security in a magnitude unimaginable in the past.

5. Regional cooperation and integration have become an irreversible trend in the international relations. The rapid development of globalization and high-technology have become one of the primary driving forces for various regional countries to close ranks and strengthen economic and political cooperation so as to enhance their competitive power. The trend has especially become instrumental for the regional powers to strengthen their position vis-à-vis the US, the only superpower in the world in terms of competitive power. What can be termed as an exemplary practice is first of all the expansion of the EU that helps the European countries to achieve a critical position in the shaping of the future world. East Asia has also made significant leaps in this respect, exploring new ways of regional cooperation to help maintain economic dynamics in development and occupy a more favorable position in the world competition. The model of ASEAN plus 3 (meaning China, Japan and South Korea), and the creation of Free Trade Zones of China and Japan with ASEAN respectively are just a few of the examples. The economic regional cooperation in the Asia-Pacific is even expanding into other areas like political security, military, and cultural matters.

All the above trends do not exist in isolation. They impact and reinforce each other. And it is against this backdrop that the implications of the triangle relations between the US, China and Europe are particularly significant for peace and security of the world. This prediction does not suggest that other relations among major powers are insignificant. There are numerous other triangle relations that could also be important in the maintenance of global stability or regional peace and security. But taking a closer look at these other triangles, one would find that like the triangle relations of the US, China and Europe, they invariably include Washington as an indispensable player. Chiefly owing to the limitations of the other involved countries, however, these triangle relations are either reducing in effect or too restricted in a certain specific region to have large impact on the general peace and security of the world, let alone the shaping of the future world power structure.

The US, China and Russia, for example, formed a strategic triangle in the Cold War that had almost become the central factor that determined the security landscape of the world. With the

end of the Cold War, although that triangle has remained important in maintaining the world stability, it has evidently reduced its bearing on the international situation. It is chiefly because of the shrinking of the power of Russia in terms of its comprehensive strength, which makes the US no longer regard Russia either as the source of the main threat (except perhaps in the nuclear competition) or of the primary support. Relations among these three major powers are no longer based on the complete adversarial competition like in the Cold War. Nor should they find it imperative to focus only on this triangle to ensure their core security interests. Russia is no doubt going to reemerge as one of the decisive powers in the world and regain its say in the international relations in the future. But that will take time. For quite some time to come, Russia may have to live in the shadow of the increasing roles of other regional powers in settling the regional issues.

Japan is another country that is expected to play a more important role in the international affairs. Despite its long time economic depression since early 1990s, Japan is still the second largest economy in the world. Its importance for the world stability and peace cannot be overestimated. Thus, many triangle relations involving Japan could be crucial particularly in the Asia-Pacific, like the triangle relations between the US, China and Japan; between the US, Japan and Russia, between the US, Japan and Korea, etc. Problematic many be Japan's weak integration into the Asian context so far as well as its closed and exclusive society which both limit the power of Japan.

There are other rising powers particularly like India in Asia, Brazil in Latin America, South Africa, Egypt or Nigeria in Africa, which could be very important in deciding peace and stability in various specific regions respectively. But all these countries are developing countries; despite their huge potentials for the impact on the world situation, they are yet to find a modus operandi for the sustained development and social stability domestically. In addition, they seem all a little too far from the center of gravity in Eurasia, a central place for power struggle among the major powers in the 21<sup>st</sup> century. They have thus more limitations than China and Europe in the future roles.

### **Status and roles of the US, Europe and China**

It is against the above said backdrop, one may find that only the three strategic forces, namely, the US, Europe and China may each truly play their special roles in shaping the future world. The significant value of the triangle relations is therefore fundamentally built on their unique status and roles respectively.

#### ***The United States***

The US is no doubt the most preeminent nation among the three. No matter in what criteria, Washington is today at the peak of its power and strength, enjoying a dominant all-dimensional position. As the true global superpower, its influence and outreach have seen no peer in human history as the result of the end of the Cold War. Not even the Roman or the British Empires at their prime times can compete with the American current unprecedented supremacy.

The US superpower status is first of all underlined by its powerful economic power. Its GDP (purchasing power parity) has reached 11.75 trillion US dollars in 2004,<sup>4</sup> twice that of Japan - the second largest world economy. The economic strength of California State alone has risen to the fifth largest economic identity, surpassing France. Half of the world's 500 billionaires and a third of the 27 million millionaires call the USA their home. Five of the top ten banks are US, six of the top ten pharmaceutical/biotech companies, four of the top ten telecommunications companies, seven of the top ten information technology companies, four of the top gas and oil companies, nine out of the top ten software companies, four of the top ten insurance companies and nine of the top ten general retail companies are all from America, facts that form a vivid picture of the power concentration. They own controlling interests in most of the large corporations that dominate the economy and form almost an imperial system in the world.<sup>5</sup>

What merits notice is that compared to other Western countries, the US economy demonstrates greater vitality and reticence. This is partly due to its edge in advanced science and technology. As a result, the US power is more diversified across various economic sectors, and is particularly the dominant force in finance, pharmaceuticals, biotech, information, software and retail trade. In other words, giant US companies have a powerful network of control over the major sectors of the "new economy", finance and trade. The US power also comes from its favorable demographic structure in terms of both the age and quality of the population. In the period of 1990s, the US population has increased by 32.7 million, the equivalent of half of the population of Britain and France put together. This large-scale absorption of immigration has provided unique conducive condition for the US to accept various new ideas and technologies.<sup>6</sup>

The US has also a virtual control of various international economic mechanisms, which helps consolidate its dominance over other countries. Through the International Monetary Fund, the World Bank and the World Trade Organization, the US exercises economic power over poorer countries and shapes the international trade framework.

Today, it is still an undeniable fact that the US remains the center of gravity of the global trade system, and a most powerful engine for the world economic growth. The US dollar remains the leading international currency. More importantly, taking advantage of the ongoing globalization, the US will continue to be able to control and employ the global natural and human resources (even through the use of military force). The trend of the US dominance is unlikely to change in the foreseeable future. Thus, the US will continue to be the axis of the Western coalition system and the center of the global economy.

The superior economic power also provides powerful support to the US military expansion, which becomes another benchmark of the world only superpower. Today, the US is not only

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<sup>4</sup> The figure is taken from the US CIA "the World Factbook", November 1, 2005, <http://cia.gov/publications/factbook/geos/us.html>.

<sup>5</sup> Etra Jaimers, "Economic Empire", Washington, October 9, 2002, <http://eatthestate.org/07-03/factsonEconomic.html>.

<sup>6</sup> Ibid.



equipped with the overwhelming military capability including its nuclear and conventional strength, but also demonstrates its willingness to employ it for its own benefit. In 2005 fiscal year, the US expenditure has risen to over 400 billion US dollars, accounting for almost half of the world total, and surpassing all the military spending of the next 15 countries combined. The US is also the only country in the world that has a true blue water navy and a powerful projection capability worldwide at a short notice enabling them to fighting two major wars at the same time.

The US military dominant position finds even more its expression in its superiority in quality. Washington is now far more advanced than any other major powers in developing sophisticated military communication and information technologies. In the research and development field, the US input is about 6 times the total input of the 6 other major powers. In the modern history, there has never been such a lopsided advantage of one power over the others like today. Nor have these nations the political will to compete with the US huge military force. Under the circumstance, the US is now practically unchallenged by military threats from any other power or power group except perhaps by those from the international terrorist groups, the so-called asymmetrical threats. The situation explains why Washington enjoys a relative freedom of action to such an extent that it can virtually act without caring about the implications these actions may generate to other nations.

With the economic and military expansion, the US also dominates global weapons sales, exporting more than the next 14 countries combined. These sales earn high profits and are used to payoff or buy up allies and armed forces in strategic regions, another vehicle for the US consolidation of its world only superpower status.

But of course the US has also demonstrated its weakness for all its powers and influence described above. While it is clear that the US control over the world economy is a reality, it is also clear that the power is based on fragile foundations and a highly polarized global order. In fact, the US financial position is deteriorating, not the least due to its growing trade deficit. The US is more dependent on the rest of the world for capital than at any time in the past 50 years. Analysts argue that the US can neither sustain nor expand its empire under these conditions. The military overstrain in the world also leads to the increase of the military spending and other related costs, putting further pressure on the weakened economy, through government deficits, reduced social safety nets, unemployment and sinking domestic demand for goods and services outside the military sector.

Politically, the US increasing ambition to reshape the world order on its terms has given rise to the growing uneasiness and resistance of other powers towards the US hegemony. The issue at the bottom is evidently the increasing rift in interests between the US on the one hand and all the other nations on the other. Even the US allies are seeking redefining their threat perception and often find their core national interests do not necessarily overlap those of the US as it was the case during the Cold War. As the Iraq war in 2003 has demonstrated, Washington has won the war but failed to win the peace. Instead, the US has been increasingly isolated and its reputation and credibility as a responsible nation seriously damaged.

Against the mixed backdrop, ever since the end of the Cold War, the US security strategy has been focusing on the prevention of the emergence of a major power or power group to challenge its hegemony over the world by taking advantage of its unparalleled predominance. It is in this sense, that Washington has consistently been watching the development of other major powers who could be candidates to challenge the US domination in the future, lest anyone from them might someday rise to that. The list of the potential adversary includes both the US present allies like Europe and Japan and former adversaries like Russia and China. But clearly, the US seems most concerned over the rise of China and Europe. The reasons for this attention I shall elaborate on later on.

So, concentration on the management of major power's relations has always been the major focus of the US security strategy. And although the objective of the strategy has never changed, its implementation has greatly been affected by two primary factors: one from the domestic environment; the other from the fast changing strategic situation in consequence of the 9/11 terrorist attack.

In its domestic environment, the rise of the new conservatism across the whole country has not only enhanced the appeal of "America-is-number-one" psychology among the grass-roots populace; it has also fundamentally changed the power structure in Washington, in which the hardliners have the upper hand over the political liberals over security issues. The election of George W. Bush to the White House in 2000 was the vivid showcase of the change. One was immediately struck by the toughness and conservatism of Bush's team. The following are perhaps the most salient highlights of the policy of the Bush administration when he first became president of the United States:

-- Military superiority was stressed as the top priority on Washington's national agenda. Indeed, the Bush team at his first term of presidency was even labeled as a team from the Pentagon, as many important members of Bush's policy-making body had either held important posts at the Pentagon or the JCS.

-- The administration's policy was also characterized by its unilateralist approach to the international issues. It did not even care to hide its intense dislike of a world order based on international legal documents, and demonstrated consistent resistance against a number of these treaties: Kyoto protocol, international conference on racism, treaty on small arms, CTBT, ABM treaty, just to name a few.

-- The administration seemed more willing to take a confrontational approach towards countries thought to be hostile, whether practical or potential, characterized by a strong bias on ideology.

-- The administration showed a strong interest in East Asia, and was planning to place an increasing emphasis on strengthening the preparation to fight a regional war in the Asia-Pacific.

No doubt the whole international community was receiving the brunt of the drastic change, even the reversal, of the US traditional policy, which aimed to consolidate its domination by creating an international system and the code of conduct to constrain all its adversaries. But the sudden change of the international situation forced the administration to redefine its threat perception and readjust its security strategy.

The drastic change of the international situation was caused by the terrorist attack in the United States on September 11, 2001, which claimed over two thousand lives and shocked the United States as well as the world by large. The attack revealed that the superpower could also be vulnerable despite its mighty military capabilities, and that the real challenge to the US comes from a field they had grossly neglected.

The Bush administration painfully but quickly readjusted its threat perception. The homeland security has become the priority on its national security agenda. The international terrorism together with the prospect of the spread of missiles and WMD into the hands of "rogue states" or even terrorists like the Al Qaida group is regarded as the most likely and dangerous threat. The prospect of China's rise as a potential threat to the US is still alive, but has evidently receded as a secondary risk on Washington's new list of problems.

The Bush administration has also quickly proclaimed a long-term war on terrorism as its uttermost priority in security. Large-scale US military actions soon started in Afghanistan in the name of bringing all the culprits to justice and eliminate once and for all the only foreseeable threats to the US homeland security. The war in Afghanistan was supported by the overwhelming majority of the international community as they all see the rise of the terrorism as the common scourge of humanity.

This was not the case in the Iraq war, which the US started in March 2003 under the pretext of eliminating the WMD that Iraq was allegedly to have produced in secrecy. The war was won after barely a month through the US mass strike on the feeble Iraqi army, and Saddam Hussein's government was overthrown as a result. But as the Bush administration started the war without the authorization of the Security Council of the United Nations and on grounds which were proved later on as entirely false, the international community was seriously divided as to the legitimacy of the US invasion. In the meantime, the Bush administration has underestimated the repercussions of the Iraq war. The subsequent development in the country demonstrated that the US military was capable of fighting a war, but hardly able to maintain peace. Instead, Iraq has been a battleground of anti-American insurgents mingled with all sorts of terrorist groups. This is indeed a typically asymmetrical warfare in a completely chaotic situation that the US is yet to learn to cope with. No one knows how long it will take to stabilize the situation and rebuild a normal, unified and peaceful Iraq. It seems at least for the near future the US will still be bogged down in Iraq. The whole Middle East together with the arc joint belt between Asia and Europe where many Islamic states are situated will continue to be the source of turmoil and instabilities, and where the coupling of international terrorism with the spread of WMD constitutes the most appalling threat to the US security as well as peace and

stability of the world.

All these developments of the situation have important implications on the US relations with other major powers. Vigilance against the rise of new powers on the part of the US has never been abated. On the other hand, the US appears to have neither time nor energy to take hedging or preventing the emergence of the competition of major powers as the top priority on its national agenda. More importantly, the US has even an increasing need to solicit the support or cooperation in its war against the terror, the prevention of spread of WMD, and the stabilization of Iraq. This has served as an important background against which the major power's game is unfolding in the future.

### ***Europe (European Union)***

Europe has never been a clear concept in the political sense except for its geographical delineation. It traditionally includes such major European powers like Germany, France, Italy, and the United Kingdom, etc. But Russia has always been excluded from Europe by its European counterparts. During the Cold War, Europe as well as Germany were divided. As a number of Eastern and Central European countries had embraced the socialist system and belonged to the Soviet camp in the name of Warsaw Pact, they, like the Soviet Union, were also barred from the European club. So in those years, when people referred to Europe, all they had in mind was usually only its geographically western part, which adopted a capitalist system.

The end of the Cold War has not only paved the way for the unification of Germany, but also the unification of Europe. It also added great dynamics to the European integration, which ended up with the latest round of expansion of the European Union in 2004, extending the number of its members to 25. There are now only a few in the European continent left out of the EU, but they are all on the waiting list to be new members. For the first time in history, Europe can truly be taken as a whole political identity, represented by the EU. Despite the fact that the EU still excludes Russia as part of Europe, it has otherwise mustered almost all the European major resources into a union, whose members have agreed to abolish their borderlines; try to work out a common constitution; and form a parliament, whose laws transcend the national laws of each of these countries in terms of their authority.

What is more remarkable is that all the progress of this decades-long integration has been achieved in peace. In the European history, at least three attempts were made respectively to unify Europe, but all by means of war and conquest. They all failed. The first was the creation of the Roman Empire about 2000 years ago. The effort to unify Europe and the land around Mediterranean lasted for centuries but finally the Roman Empire perished amidst incessant internal strife and external wars. And then France and Germany both tried to use their powerful military force respectively in the 19<sup>th</sup> and 20<sup>th</sup> century to conquer all the other European countries to unify the continent in bloody wars. Both fell apart in the end, leaving strong suspicion, mistrust and even hostility among European nations.

Bearing all the historical experience in mind, in a region where nations bore their grudges

against each other in such an intense manner that two world wars had been started in this place in the last century, bringing untold sufferings and damages to mankind, progress in the peaceful integration of Europe is particularly extraordinary.

With the new expansion into 25 member states, the EU has promised to become a truly powerful strategic force in the long transitional process towards a multipolar world in both economic and political terms. The union is added about 74 thousand square kilometers in its total territory, with its population increasing from 0.38 billion to 0.45 billion. Its aggregate GDP (purchasing power parity) has reached having a total GDP over US \$11.65 trillion dollars in 2004.<sup>7</sup> Politically, with the increase of its economic power, the EU has redefined its global interests, and strengthened its determination to play a more proactive and independent role in the international arena. It has been even making greater efforts to accelerate the traditionally slow pace of military integration among member states. Brussels has now decided to set up its own military command structure, which is to be completely independent from the NATO command structure, and envisaged to be engaged in future military actions that either were not to be carried out by the NATO, or in conjunction with NATO. In such cases, the EU would initiate its own military command, and employ its own rapid response units, which are targeted to be available by 2010. The mission will usually aim at humanitarian rescue, peace-keeping, and crisis management, etc.<sup>8</sup>

The rise of Europe in such a unified manner has many positive implications to the world peace and stability as well as the shaping of the future power structure of the world.

First of all, as one of the largest institutional arrangements, the EU has set up a framework in which its member states could settle disagreements, harmonize policies, and sustain cooperation. In such a framework, settling disputes through wars and military conflicts are now unimaginable. Thus, the consolidation and expansion of the European countries into one union itself has eliminated once for all the historical source of the military conflict in the European continent - a most strategically important area, bordering Russia, the Middle East and North Africa. By contributing to the stability and prosperity of Europe, the European Union contributes to the stability of wider regions. It also goes without saying that the peaceful development of the EU is another indication for the world heading towards multipolarity.

Secondly, the experience of the European integration mode has provided valuable inspirations as well as important lessons for other parts of the world for their own regional cooperation and integration. While some of their experience may bear the European brand and is not necessarily suitable to other places, other experience from the European practice has universal value and is very much relevant. For example, the European countries started their integration right from the economic dimension, thereby gradually developing increasing common interests among those participants. These common interests have become the firm bedrock of further integrating efforts. After the end of the Second World War, the question of

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<sup>7</sup> The figure is taken from the US CIA "the World Factbook", November 1, 2005, <http://www.cia.gov/publications/factbook/geos/ee.html>.

<sup>8</sup> See "The Defense Pillar of the EU Is Now Tentatively in Shape-a Good Deal between the EU and the NATO", People's Daily, Beijing, China, April 28, 2004, <http://www.people.com.cn/GB/junishi/1078/2252690.html>.

how the European security structure was to be shaped was hotly debated. The consensus reached was that Europe should never come back to the old regional order, based on the rivalry and balance of force among major powers. But it was a huge challenge as how to prepare the future in a dramatically different way that would assure sustained peace and stability. At this crucial juncture, a group of European statesmen with an extremely insightful strategic vision and great political courage initiated the European integration process. On May 9, 1950, the French Minister Robert Schuman put forward a bold plan, proposing “to subject the whole of the French-German coal and steel production to a common ‘High Authority’ in the shape of an institution open to other European countries that wish to join.”<sup>9</sup> The plan was readily accepted by the then German Chancellor Konrad Adenauer. In April of 1951, the two most important countries in Europe together with Italy, Belgium, the Netherlands and Luxembourg formally agreed to the establishment of the European Coal and Steel Community (ECSC). The event proved to be striking the nail right on its head as far as the issue of integration was concerned. It has become the basis for the rapid economic interconnections among European nations ever since. More importantly, it has also provided a more propitious political context in Europe in which the most essential resources for making war has been put under the control of a supranational institution. Political suspicion and mistrust against each other were thus vastly diminished.

Also, the European integration has firmly built itself on the political reconciliation of nations who had traditionally regarded their bilateral relations as of zero sum nature. In fact, the process of the European economic integration has been going hand in hand with the process of political reconciliation among the European nations, France and Germany in particular. It is because of this success, Germany has seemed comfortably integrated into the European family. Today, with the rise of this strongest nation in Europe, which looks increasingly ambitious to play a growing role in the international arena, no other European countries harbor serious suspicion or fear of their security interests being fundamentally undermined. The European practices ought to give much food for reflection for regions like the Asia-Pacific, which is also in the process of seeking regional cooperation and integration.

Thirdly, the EU has demonstrated to be a most influential player in the world by its soft power. European countries generally have a vision which seems more in light of the development of the world situation, hence having a more appealing power to other members of the international community. They strongly support a multipolar world, which they believe is far more stable and conducive to the European interests than a world dominated by one superpower. European countries are also strongly in favor of maintaining the world order by good global or regional governance through universally acceptable institutions and regimes. They advocate a multilateral approach to the peaceful settlement of the international disputes, and pursuing multilateral arms control and disarmament. Against this backdrop, European countries attach importance to the role of the United Nations, and actively participated in all the UN sponsored activities. With regard to the UN peacekeeping and policing operation activities, the European countries have now deployed more than 100,000 troops abroad, 10 times as

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<sup>9</sup> Declaration presented by Mr. Robert Schuman, French Foreign Minister, May 9, 1950, [Europa.eu.int/abc/symbols/9-may/decl\\_en.htm](http://Europa.eu.int/abc/symbols/9-may/decl_en.htm).

many soldiers as sent by the United States. The EU is the most generous contributor to the development assistance to the developing countries. It provided 70% of all the international civilian foreign aid in the form of humanitarian assistance, technical expertise, or support for national building. In assisting “democracy building” in the Middle East (excepting Iraq), the EU contributes 15 times more annual aid than the United States. In the Middle East, the Euro-Mediterranean Partnership launched in 1995 commits the EU to engaging in a security dialogue and to establishing an eventual free trade area in this area. The European countries have provided more than \$10 billion in development aid and loans to the Middle East through this program, which also dwarfs the America’s Greater Middle East Initiative in scope.<sup>10</sup>

But then the EU proved to be still in a progress of being a mature strategic force. On its way ahead, there seem numerous obstacles to its goal of perfecting the European mode of integration. As the road has always been bumpy, full of setbacks and even reversals in the past, the European integration progress in the future will also not be a smooth sailing. The challenges to the EU are mainly two-fold:

The first set of problems comes within the EU itself, particularly from its quickened institutionalization drive. Political leaders of its members seem very ambitious in taking more bold measures to lead the largely economic bloc into a full-fledged Federation of Europe in an accelerated pace. This is particularly shown in their efforts to seek the ratification of the draft Constitution, which was designed to provide such trappings of statehood as one flag, one president and one anthem. It needs the ratification from all its 25 EU members. But the effort was stalled. Despite the fact that 9 states succeeded in the ratification, France and Netherlands - two of the core members of the EU - failed in either of their referendums in 2005. As a result of this failure, the ratification process has been forced to be shelved for the time being. The unexpected rejection by the majority of the French and Dutch painfully pointed to a fact that while the European integration progressed with an astonishing speed, there is evidently a gap between what was designed by the European elites of business and politics and what can be accepted by the general public of many EU member states. Many worried that with the speed-up of the integration, member states may lose their national control and identity to a stronger unaccountable EU bureaucracy at the heart of a super-state. Others from more affluent member states are concerned over the degradation of their welfare owing to the joining poorer Central and Eastern European members. In short, the rejections of the constitution do not really vote against European integration. Rather, they raise a serious question whether the integration goes too far and comes too soon.

With the expansion into 25 members, the EU seems also to come across a series of challenges out of need of readjusting their mutual relations among the old and new members. They are yet to agree on the new procedure of decision making process, the new budget, and the composition of the European Commission, just to name a few. All these issues are tough to solve because they involve sovereignty, national interests, and cultural perceptions of a member states. In the final analysis, underlining the debates around these problems is the

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<sup>10</sup> Andrew Moravcsik and Kalypto Nicolaidis, “ How to Fix Europe’s Image Problem”, in *Foreign Policy*, May/June, 2005.

fundamental question, namely how to strike a balance between achieving more unity while preserving diversity among the members. After all, the EU is no more than the collection of 25 sovereign nations. Against the backdrop, Europe seems now to need more time to digest all the problems to which the expansion has given rise.

The second set of problems comes from the difficulty for the EU to formulate a truly common foreign and security policy towards the outside world. While its members do not agree on many vital institutional issues within the EU, it is difficult to ask them to define a common ground towards the outside world. Thus, although EU members can often agree on abstract guidelines in foreign and security policy, they can hardly take uniform actions with regard to many specific vital security issues. The attitude towards the Iraq war is a case in point. While France and Germany led a group of European countries to vehemently oppose the US invasion, others led by Britain preferred to join the US coalition of willing. Between the two groups stand now a number of new member states, mostly from Central and Eastern European countries, which are more inclined to the US side politically for greater security but tied more closely to the Franco-German side economically. The recent change of the chancellorship to the conservatives in Germany has even further compounded the European security landscape. The split of their position is chiefly due to the different threat perception and defining of their national interests in different ways. Thus, the goal for all the EU members to speak as one voice remains a dream. The EU is yet to have a truly independent policy.

### ***China***

China represents another type of a rising power since the end of the Cold War. Having been an ancient great power which had made its great contribution to the development of world civilization over five thousand years, China, however, fell into a semi-colonial country, subject to the bully and exploitation by the Imperialist powers in modern history. It was not until the Chinese Communist Party-led forces won the civil war and proclaimed the founding of the People's Republic in 1949, China stood up, and was in a position to the peaceful development of the country. But that goal proved to be extremely difficult to reach in the Cold War years as the world was polarized into two halves in line with the ideological division, in which China was sandwiched in between the competition by the two superpowers, and could only concentrate on managing its survival in most time.

Special credit should be given to Deng Xiaoping, who, when re-becoming China's paramount leader in the mid-1970s, made a series of decisions in a resolute and timely manner to lead the country out of the ideological rigidity, to form a new security concept and to start reform and opening-up to the outside world. The end of the Cold War has provided more propitious condition for China to focus on its peaceful development. Since then on, the successive Chinese leaders after Deng have largely carried on his policy, making adaptations only when necessary. China has successfully embarked on a road of peaceful development compatible with its national conditions and characteristics of the times. The result has been an uninterrupted fast economic growth over the two past decades, the continuous upgrading of the living standard of the average people, and the impressive improvement of social progress. The long cherished goal of the Chinese people to build China into a prosperous, powerful,



democratic, civilized and harmonious modern country seems for the first time in sight. The following figures, as provided by the newly released China's White Paper entitled "China's Peaceful Development Road" published by the Information Office of China's State Council are most telling about the picture of a rising China: its GDP has increased from 362.4 billion Yuan (about US\$ 215.3 billion if converted directly from Renminbi into US dollar at the average exchange rate of that year) to 15,987.8 billion Yuan (about US\$ 1931.7 billion if converted directly from Renminbi into US dollar at the average exchange rate of that year) in 2004,<sup>11</sup> an average growth rate of over 9 percent per annum, calculated according to constant price. Its per-capita GDP has risen from less than US\$ 300 to more than US\$ 1,400. As a result of the economic development, China's overall national strength has risen by a big margin, the average people have received more tangible benefits than ever before, and China has enjoyed long-term social stability and solidarity and had a good government and a united people. The cohesion of the nation has increased remarkably.<sup>12</sup>

China's peaceful development with its remarkable progress has no doubt produced a profound and positive impact on the world peace and security in general and the Asia-Pacific in particular.

First of all, as the largest developing country in the world, China's economic miracle has pointed to a successful model of achieving economic progress chiefly relying on its own strength. Just imagine what an astonishing achievement it is to successfully manage to feed nearly 22 percent of the world's population on less than 10 percent of the world's arable land. China has made contributions not only to reducing human poverty and improving the quality of life, but also to promoting peace and prosperity of the world.

China's stable and relatively fast growth has brought hope and a new driving force to world economic development. Statistics released by the World Bank show that China's economic growth contributed on average 13 percent to world economic growth from 2000 to 2004. In 2004, the world economy reported the swiftest growth in 30 years, while China's economy grew by 9.5 percent and became a key driving force for the former. Also in 2004, China's import and export figure doubled that of three years previously, reaching US\$ 1,154.8 billion, and its import figure nearly doubled that of three years previously, reaching US\$ 561.4 billion. By the end of 2004, China had made use of US\$ 745.3 billion paid-in foreign capital, and approved more than 500,000 foreign-funded enterprises.

China's sustained economic growth, social stability and its people's peaceful life benefit its neighboring countries in particular. The Asia-Pacific economy kept a 6-percent growth between 1999 and 2004. To ensure a stable environment for the continuous development of its surrounding areas, China overcame arduous difficulties at the time of the 1997 Asian

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<sup>11</sup> The size of China's GDP has been very controversial. According to the US estimate, China's GDP (purchasing power parity) should be 7.262 trillion US dollars, already the second largest economy in the world. But the US data could be much exaggerated. The precise number may be somewhere between the two figures. See also the US CIA "the World Factbook", November 1, 2005, <http://www.cia.gov/publications/factbook/geos/ch.html>.

<sup>12</sup> For more details, see "China's Peaceful Development Road", White Paper, the Information Office, State Council, China, Beijing, December 22, 2005, [http://www.chinadaily.com.cn/english/doc/2005-12/22/content\\_505678\\_.html](http://www.chinadaily.com.cn/english/doc/2005-12/22/content_505678_.html).

financial crisis, and stuck to the principle of keeping the value of the Renminbi stable while expanding domestic demand, and helped to the best of its ability the victim countries to weather the crisis. China played its role in finally overcoming the crisis. China also played a proactive role in working together with its neighbors to combat the natural disasters like SARS in 2003, and providing assistance to the suffering countries after the Indian Ocean tsunami in late 2004, and massive earthquakes in South Asia in October 2005

Despite gigantic achievements, China still remains the largest developing country in the world, with a formidable task of development lying ahead. According to the latest statistics released by the World Bank and statistics recently released by China in 2004, China's aggregate economic volume accounted only for 16.6 percent of that of the US, and its per-capita GDP was merely 3.6 percent that of the US and 4.0 percent of Japan, ranking 129th among 208 countries and regions around the world. By the end of 2004, 26.1 million rural Chinese still lived under the poverty line, more than 100 million farmers have to be provided with jobs elsewhere, and the government is obliged to create jobs for nearly 24 million urban and rural residents every year.

Indeed, despite the impressive record of its economic performance, China is still far from being a world economic power in its true sense. According to a Chinese economist, a world economic power should at least meet 6 requirements: 1. the share of the economic aggregate volume in the world total should not be lower than 4%. China has barely reached that threshold. 2. the role of science and technology in contributing to the economic increase should be higher than 60%. In the United States, the ratio is as high as 80%. China has so far only seen the ratio between 30-50%, an indication that the backwardness of China's science and technology has become a bottleneck for its sustained economic development. 3. It should have a number of world-class enterprises internationally competitive. Among the 500 most powerful corporations, there are only 12 Chinese enterprises, just an odd sum of the number of the American and Japanese giants. Moreover, most of those Chinese enterprises are on the list of the 500 most powerful mainly because of their size rather than their competitive power. In short, China still lags far behind those most advanced economic powers in terms of quality. 4. It should have its own currency with strong international influence and freely convertible. China's Renminbi has the potential to become both. But that will take time to reach that status. 5. It should have its own significant say in the formulation of the rules of world economic game. As is well-known, the present international economic order is dominated by the developed countries led by the US. China is able today to participate in the discussion of the world economic matters only on occasions at best, but hardly able to have a crucial say in the decision making. 6. It should play a leading role in the regional economy. With the fast economic development, China's role in the Asia-Pacific economic interaction has grown but far from being a leading economic power in the region. Japan's dominant place is still irreplaceable for quite some time to come. Thus, gauged by the above 6 criteria, China has only met the first one. There is still a long way to go for China to reach the level of the moderately developed countries and achieve common prosperity for the whole country.<sup>13</sup>

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<sup>13</sup> See Zhang Yugui, "How Far China Is From the World Economic Powers?", "Business Time", No. Two, 2004, <http://www.warton.com.cn/businessime>.

It is against the above backdrop, China is expected to unswervingly continue following the road of peaceful development, making great efforts to achieve a peaceful, open, cooperative and harmonious development, which implies that China is:

-- Striving for a peaceful international environment to develop itself, and promoting world peace through its own development;

-- Achieving development by relying on itself, together with reform and innovation, while persisting in the policy of opening-up;

-- Conforming to the trend of economic globalization, and striving to achieve mutually beneficial common development with other countries;

-- Sticking to peace, development and cooperation, and, together with all other countries, devoting itself to building a harmonious world marked by sustained peace and common prosperity.<sup>14</sup>

The above principles for China's future peaceful development could also be interpreted as the fundamental guidelines for China's security strategy. According to the White Paper "China's Peaceful Development Road", one can observe that with its economic development, Beijing has strived to foster a more benign international environment. China has developed friendly, cooperative relations with other countries and promoted peaceful coexistence and equal treatment among countries. China has always adhered to the principle of being a friendly neighbor; and has constantly developed good and cooperative relationships with surrounding countries and other Asian countries and expanded common interests with them. China has established various cooperative relationships with major powers, and unremittingly augmented mutual dialogues, exchanges and cooperation. China has also expedited cooperation with a vast number of developing countries, to seek common development by drawing on one another's advantages within the South-South cooperation framework. Active in the settlement of serious international and regional problems, China attach importance to its broad international obligations, and plays a responsible and constructive role.<sup>15</sup>

Will China succeed in its goal of striving for a peaceful international environment to develop itself, and promoting world peace through its own development? Much depends on the realization of the two catching words: development and peace. In China's vision, its future lies in the success in its pursuit of harmony and development internally while pursuing peace and development externally; the two aspects, closely linked and organically united, are an integrated whole, and will help to build a harmonious world of sustained peace and common prosperity.

Domestically, China will have to insure the continuing success in its economic reform and

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<sup>14</sup> "China's Peaceful Development Road", White Paper, the Information Office, State Council, China, Beijing, December 22, 2005, [http://www.chinadaily.com.cn/english/doc/2005-12/22/content\\_505678\\_.html](http://www.chinadaily.com.cn/english/doc/2005-12/22/content_505678_.html).

<sup>15</sup> Ibid.

sustained development, which is far from a foregone conclusion. Numerous new challenges are ahead. While China's past development is unprecedented, it has been achieved at the cost of degradation of its environment and fast resumption of its resources. Thus, its mode of development would have to build on further optimizing its structures, increasing economic returns and reducing consumption; and enhance substantially the resource utilization ratio. To attain this target, China would also have to form a scientific concept of development with people first, overall coordination and sustainable development at the core, and realize the overall development of its economy, politics, culture and society. At the same time, modernization process has inevitably generated the redistribution of wealth and power, changing people's way of thinking, and even creating a new influential middle class or other interests groups, all of which would mean the rise of social instabilities. To properly fix these problems requires an accelerated political as well as economic reform by the government, or China runs the risk of jeopardizing the stability of the society, which may render its goal of further reform and sustained development impossible. In short, the government will have to carry out reforms, insure development and maintain stability at the same time. But how to strike a balance among the three overarching tasks, which could be in conflict on many occasions, will be huge challenges to China.

Internationally, China's rise would inevitably give rise to the concern, apprehension, mistrust or even hostility over its future policy orientation by other powers. This is quite understandable. In history, numerous examples show that when a major power emerged it would invariably become the cause of the restructuring of the world configuration and order. Often, this change materialized only through the use of military force. Will China's rise repeat the pattern of change of the balance of power? Already, the theory of "China threat" can be heard from many places. In addition, China's sticking to the socialist road may also cause ideological rift with the Western powers. All these problems may become obstacles to China's peaceful development despite its effort to win trust and confidence from the international community.

### **Bilateral relationships within the framework of the triangle**

Evidently, different status and roles of each of the three powers generate equally different bilateral relationships within the framework of the triangle relations. It may be in order to examine each set of these bilateral relationships before discussing the major characteristics and future development of the triangle.

#### ***The US-Europe relationship***

To view the US-Europe relations, it is essential to notice that the two sides across the Atlantic still have the most solid foundations for their close ties. They have the same political systems, common values, and deep-rooted cultural and even religious associations. But more importantly, the common security and economic interests since the end of the Second World War have cemented an enduring coalition between the two sides in the form of NATO and other cooperative mechanisms, which may most probably continue to be valid and useful to meet the security and economic concerns from both parties. To cope with the Soviet military pressure was of course the most dominant factor for the alliance relationship in the long period of the Cold War. But there is even deeper and wider overlapping of their economic interests

that had made the US-Europe relations more indispensable from each other both during the Cold War as well as in the post Cold War era. In fact, even today, the US dominance in the world economic structure cannot be achieved without the European gigantic support.

The scope of the US-European economic interdependence and their virtual joint control of the international economy and trade system is very impressive. According to a Western writer:

“Almost 48 percent of the largest companies and banks in the world are US and 30 percent are from the European Union (10 percent Japanese). In other words, the US and Europe control almost 80 percent of the corporations which have a dominant role in industry, banking and trade around the world.

“World markets are not competitive but shaped by the US and EU. World markets are divided up among the 238 leading US and 153 European companies and banks - this concentration of power is what defines the imperial nature of the world economy, together with the markets they control, the raw materials they pillage (80% of the leading oil and gas companies are US and EU owned) and labor they exploit.”<sup>16</sup>

Interestingly, the US-European dominance of the world economy through their close collaboration has even strengthened despite the political “coolness” across the Atlantic in recent years. From 2000 to 2004, for example, the US-European commercial trade increased by 12%, from 422 billion US dollars to 475 billion US dollars. Since 2000, 60% of the US direct investment abroad has gone to Europe. In the meantime, 75% of the European investment is in America, which has also seen an impressive rising to 37 billion US dollars in 2003.<sup>17</sup>

But despite such intimate close relations between the US and Europe, the bilateral relations between the two sides across the Atlantic have demonstrated a great amount of complexity in nature from the very beginning of the security alliance. This has particularly been so since the end of the Cold War. In the entirely changed international environment, new elements are emerging to compound the inherent complexity of the US-Europe bilateral relations. These new elements include the disappearance of the Soviet Union and the Warsaw Pact, thus the loss of the most important *raison d'être* for the value and even the existence of NATO, the rapid progress and expansion of the EU, making the European integrated strength almost an equivalent to that of the US, and the increasing divergence of the threat perception and conflict in defining their core interests. The two sides demonstrate a series of increasing disagreement and even conflict in interests and perceptions while continuing to see at stake the maintenance of their coalition relations.

In the alliance relations, the future of NATO has become the main issue of contention although neither side thinks it could dispense with the alliance. But it is also obvious NATO will not remain in its old shape since the common threat from the Soviet Union has gone. Even in the

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<sup>16</sup> Etra Jaimers, “Economic Empire”, October 9, 2002, <http://eatthestate.org/07-03/FactsonEconomic.html>.

<sup>17</sup> Yang Chengxu, “The International Situation Engenders New Changes”, July 19, 2005, [http://www.gmw.cn/01gmr/2005-07/19/content\\_271905.html](http://www.gmw.cn/01gmr/2005-07/19/content_271905.html).

Cold War, while it is the symbol of military and political cooperation based on common interests across the Atlantic, security objectives of the US and European allies were not always necessarily same and identical. For the US, NATO was not only instrumental in helping augment its contention with the former Soviet Union for the global military supremacy; it also gave legitimacy for the US to stay in Europe and to have a firm control of its allies. These US multiple-motives must have generated ambivalent feelings on the part of Europe. The European allies were grateful towards the US for its magnanimous assistance in addressing their greatest security concern, namely, to withstand the Soviet military pressure, they nevertheless were unhappy about the US dominant role in the alliance. The efforts of the European allies for a more independent stance had never ceased, but with poor progress.

But no longer does the European side want to dance to the US baton unconditionally with the increase of its strength, new threat perception, and the stronger desire to defend its own interests, not necessarily identical with those of Washington. The alliance is said in the process of transforming itself from a military-political bloc to the political-military one, and that its defensive nature would not change. But no clear and practical roadmap to all these transformations seems in sight despite of many consultations and planning. The main reason for its future uncertainty is that the US and European allies are no longer able to establish consensus in defining their own vital national interests and threat perceptions like in the Cold War years. In fact, with the time passing, one can see the enlarging gap and even the emerging conflict across the Atlantic in terms of interest perceptions. Again, Iraq war in 2003 is a telling story. For the first time, NATO failed to maintain its cohesion as a few critical European allies firmly refused to support the US invasion. Washington had wished to draw NATO into its coalition force by referring to the article 6 of the Charter of the organization. However, resisted by France and Germany, the US had to be content to forget about NATO and hatch up a "coalition of willing" instead. Evidently, Washington was not happy about it. The debate how NATO should be more relevant to the world and regional security continues, and seems difficult to find a quick and satisfactory answer within the alliance.

In other security areas, the US-Europe gulf with regard to their strategies has been particularly evident since George W. Bush came to power in 2001. True, the two sides are still at one on many vital security issues like the war on terror, non-proliferation of weapons of mass destruction, and settlements of regional disputes. But Europe has now demanded greater difference and independence.

This first finds its expression in the strong dislike of Europe about the US way of security conceptualization. The US explicitly wishes to build a unipolar world with its sole dominance while Europe pushes for a multipolar world in which the EU hopes to have an equal share with the US in the international affairs. To that end, the US - particularly since the Bush administration - tends to adopt a unilateral approach towards international issues while Europe stresses a multilateral approach. The divergent views explain a sharp contrast in their attitudes towards the norms in the international behavior, the international rule of law, the obligations under the international treaties and other binding legal documents, and the role of the United Nations. Finally, Europe generally hopes to settle international disputes through diplomatic and

peaceful means while the US seems to overemphasize the role of using or threatening to use force in order to protect its narrowly defined interests. It does not suggest that Europe denies the necessity of using military force at all times or under any condition. During the Kosovo crisis, many European countries did advocate the military attack against former Yugoslavia on behalf of the so-called humanitarian interference. The devastating consequence after the war was over, however, may have given the European a painful lesson that use of force without legitimate justification and the authorization of the UN Security Council would only mean creating more problems than the solution of the existing ones.

Many differences and the subsequent tension built between the US and Europe are generated by their growing different perceptions of the core interests in the security area. The Europeans seem particularly uneasy and nervous about the US aggressive moves into the Middle East and Africa in an attempt to strengthen its hegemony at the expense of their interests. They also feel frustrated, disappointed and even angered by Washington's excessively pro-Israel position towards the effort to solve the disputes in the Middle East at large, thereby intensifying the tension rather than stabilizing the situation in the region. Traditionally, Europe had strong ties with many countries in the Middle East and Africa in the colonial past. These regions are also the primary source of energy for Europe. In addition, owing to the fact that many European countries have large members of Muslim immigrants at home, the rising turmoil and turbulence in these regions as a result of the American action like the Iraq war would greatly jeopardize the stability in European societies. All these factors would continue to play a role in not only the European resistance of the US policy but also perhaps the European desire to adopt a more proactive policy so as to contain the US actions and to better protect their own interests.

The US and Europe have also different approaches towards the management of major power relations. This particularly relates to their attitude towards China and Russia. I would come to China later. But here suffice it to say that the two sides have evident difference in their approaches towards Russia. True, like the US, the deep-rooted suspicion on the part of many European countries towards Russia has largely persisted despite the collapse of the Soviet Union and the Warsaw Pact, and the rapid improvement in their interaction with Russia. Unlike the US, however, the EU tends to use its soft power to gradually lead Moscow into the European context to reduce its potential threat. In contrast, Washington seems more intent on continuing reducing Russia's strength and international influence, and pressuring it to domestic reforms on the US terms. This rift in approach could have significant repercussions on the US-Europe relations as well as the future situation in Europe.

The economic field where the two sides have so much interdependence can be another area for the US-Europe contention. With the increase of its economic power, the EU's euro has already become a serious challenge to the dominant role of the US dollar. Globalization has also made the two sides across the Atlantic more sensitive about the way to protect their economic interests, giving rise to more trade disputes. In fact, protectionism in both sides has been on the rise.

### ***China-US relations***

The China-US relationship points to the opposite end of the spectrum of the major power relationships as compared to the US-Europe relationship in terms of their course of development. The latter is still a more or less sustained alliance but with increasing rift in interests and concepts. China-US relations, however, have never been and will never be an alliance. The two countries even regarded each other as deadly enemies for quite long time in the Cold War. They gradually changed their outlook of the other side with the change of times, yet even today seem to continue to be perplexed by the precise nature of their bilateral relationship. Both countries seem ambivalent. The two countries still keep a wary vigilance against each other, but evidently see more common ground for their cooperation for the peace and security of the world at large and the Asia-Pacific in particular.

But problems seem to come more from the US side. On the part of China, the message especially since the end of the Cold War has been clearer and more predictable. In Beijing's perspective, China wants to be friends, not adversaries to the US. If history is any guide, then the course of China-US relations over the past half century or more should lead to three important conclusions: 1) China and the United States both gain from peaceful coexistence, and lose from conflicts; 2) Mutual interest serves as the bedrock of our cooperation; 3) China-US cooperation is conducive to stability in the Asia-Pacific region as well as peace and development in the world. "Based on this understanding, to strengthen China-US cooperation is not only a mutual need but also a responsibility, which the two countries shoulder in the interest of world peace and development. In case of differences and contradictions, both sides should keep cool and be sensible, and try to increase communications, reduce mistrust and seek common ground while shelving differences with a view to properly handling these differences and contradictions".<sup>18</sup>

But the US seems more ambiguous. Indeed, the ambiguity has a discernable continuity through all the US administrations starting from President Richard Nixon. All of them since Nixon have attached great importance to this bilateral relationship, stressing that Washington has both common strategic interests and fundamental differences with China. None have concealed the fact that the US China policy has always carried two conflicting aspects: while it wishes to see an independent, stable, and developed China which is friendly and cooperative to the US, and to see the expansion of this cooperation and collaboration with the US, it has also cherished great fear that an independent and strong China will eventually undermine the US security interests, thus makes great efforts in an attempt to create obstacles in China's progress, change China's course of development, and contain its expanding influence abroad. This dual nature of the US China policy of engagement plus containment has continued till today and seems even to have formed a certain pattern of US behavior since the end of the Cold War. Each administration, for example, would be strongly ideological against China and vowed to pursue a clearly containment-oriented China policy at its initial period of the presidency. With the time passing, necessity becomes the mother of change. Facilitated by the

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<sup>18</sup> See "Working Together to Write a New chapter in China-US Relations" speech by Wen Jiabao, Premier of China's State council at dinner hosted by nine American Organizations during his visit to the US, December 9, 2003, <http://www.Fmprc.gov.cn/chn/zxxx/t55872.html>.



evolution of the situation, each of these administrations would invariably readjust its policy, seeking cooperation with China at all levels. Bill Clinton and George W. Bush have all demonstrated such a pattern of behavior. But then, on this dual-fold nature of the US China policy, there has never been a consensus in the circle of the policy-makers in Washington. As a result, one can always hear different voices over China policy. Moreover, the partisan power struggle and mutual constraints among different established interest groups have always victimized the US China policy. Often, one powerful group attacked the administration's China policy not so much aimed at hurting China as hurting its domestic opponents. On many occasions, some specific US moves in dealing with China-US relations are worked out not really even in its own interests, thus pushing the China-US relations to an even more strange and difficult situation.

Changes of the international situation can of course always be a crucial factor in the evolution of the China-US relations. During the Cold War, it was obviously the need to cope with the threats from the Soviet Union that bound the two capitals together even in a quasi-coalition manner. With the end of the Cold War, incentives to cooperate with China to compete with the Russians fast waned in Washington while the enthusiasm to define a new enemy in the form of China has been rising. This was particularly evident during the initial period of the first term of President Bush. Tension between the two countries was immediately building up as a result of many US provocative moves against Beijing. In its stepping up military preparations for the contingencies in the Asia-Pacific, with China apparently as the primary target in the war scenarios, the US military reconnaissance and spying activities were dramatically increased, leading to the collision of a US EP-3 spy plane with a Chinese fighter plane in early April 2001. China lost a pilot, and the EP-3 was forced to land unlawfully on China's territory. The event plunged the China-US relations into the worst crisis since the Cold War was over.

But again, the 9/11 terrorist attack forced the dramatic change of the US threat perception and its security strategy. The prospect of China's rise as a potential threat to the US is still alive, but has evidently receded as a secondary risk on Washington's new list of problems. The cooperative aspect of the China-US relations has been dramatically coming to the fore while the confrontational aspect seems to take the back seat. In addition, with China's fast economic development and the rising influence in the international arena, Washington finds it more essential to secure cooperation with China on many vital issues like the war against terror, prevention of spread of WMD, and solution of regional disputes in the Asia-Pacific in particular. At the same time, Washington seems also increasingly uneasy about China's fast rise.

Under the circumstances, both trends of seeking greater cooperation with China and of sounding alarm on China's ascent are developing in Washington. On the positive side, Robert Zoellick, Under Secretary of the US State Department, has recently tried to highlight the cooperative aspect of the US China policy by suggesting that the US should not only take China as a "full member of the international system", but urge China to become a responsible stakeholder in the system". He emphasized that China's development is a trend that no force can stop; that China is not the Soviet Union of the late 1940s; that China does not seek to spread radical, anti-American ideologies; and that most importantly, China does not believe

that its future depends on overturning the fundamental order of the international system. He concluded by stressing that the United States welcome a confident, peaceful and prosperous China, and that only by transforming China into a responsible stakeholder, China can work together with America to sustain the international system and rebuild the China-US relations to be deep and lasting.<sup>19</sup> Zoellick's remarks were generally welcomed by Beijing as a positive sign to show that Washington has political will as well as interests to seek a cooperative relationship with China at least in George W. Bush's second term of presidency. It is based on Zoellick's remarks, many hope, with good reasons, that China-US relations may be able to enter a phase of constructive cooperation. The two countries can expect to have a fairly stable relationship for a period of time to come as long as both have overlapping strategic interests.

But then Zoellick's remarks seem to be only one aspect of the US China policy. On the other side of the coin are many rising voices beating the drums of so-called "China's threat". Reflecting this view are a number of latest official remarks and reports exaggerating China's increasing military build-up, as if already constituting a serious threat to the US security. All these remarks and reports called for the US to take immediate measures to respond to China's threat. In fact many significant measures have been taken to that effect, including a more beefed up military deployment in the Asia-Pacific, specifically aimed at China in the name of the accelerated military transformation and readjustment of its military presence abroad; a more consolidated military alliances with Japan, which will be used to focus more on the so-called China's threat; and an expanded military cooperation with Taiwan, that will surely give rise to the indignant reactions from Beijing.

No one knows if Washington will ever succeed in keeping a balance of the two aspects in the future. But what is more certain is that the relationship will continue to be mixed with cooperation plus conflict, fragile in its foundation, and subject to continuing ups and downs. Optimists argue that the two countries have no doubt increasing overlapped interests in each of their security calculations. Both in fact share a common desire to see a peaceful and stable Asia-Pacific. In addition to sustaining the coalition against terrorism, both understand that to manage the regional disputes or tension as in the Korean Peninsula, or cope with a whole range of non-traditional threats from proliferation of weapons of mass destruction to environmental deterioration requires cooperation or coordination of the two capitals. More important, economic complementarities provide powerful incentives for the two countries to seek mutual benefits through increasing economic interactions rather than letting their problems drift out of control.

Pessimists stress that serious obstacles will be still in the way of Sino-American relations. Ideological differences remain conspicuous. Regarding itself as champion of Western democracy, Washington will untiringly continue to attempt the dramatic transformation of China based on its values, which inevitably will meet the vehement resistance by Beijing. Geopolitical considerations will also further play a role in adding difficulty to the bilateral relations.

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<sup>19</sup> See "United States Urges China to Be responsible World Citizen" the speech by Robert Zoellick, the US Undersecretary of State before the National Committee on US-China Relations, on September 21, 2005, <http://www.usinfo.state.gov/utills/printpage.html>.

Washington will evidently remain uncomfortable that China's growing national capabilities and its expanding involvement in and influence over the international community may eventually undermine its own vital interests in the Asia-Pacific area in the future. Thus, its China policy invariably carries a strong element of containment of China in Beijing's perspective. This in turn may make Beijing think that the US strategic and military deployment in the region is aimed at weakening China and consolidating its hegemonic position in the Asia-pacific, and oblige it to react in self-defense. As a result, there is always an inherent danger of the vicious cycle of actions-reactions in China-US relations. The fear then may become a self-fulfilling prophecy. The third factor that will keep affecting China-US relations is the domestic elements in either of the countries. The strong prevalence of domestic politics in Washington more often than not will continue to use the China issue as a trump card for partisan politics. To demonize China remains the most convenient instrument with which the Republicans or Democrats or other political forces attack their opponents despite the fact that deteriorating Sino-American relations are not in the interests of their own country. The Chinese government has also an indignant and frustrated domestic audience to take care of. Often being criticized as being too soft on the US, the government has less and less room for flexibility and compromise in its attitude towards Washington when relations suffer a downturn. In addition, while the 9/11 event has been generally conducive to the strengthening of the cooperation between the two sides, it could add a new destabilizing element to bilateral relations if the two countries are unable to manage their differences over the strategy on the war against terrorism.

What constitutes the most serious challenge to their bilateral relations in long term, however, is the Taiwan issue, as it remains the most important and sensitive issue at the core of Sino-US relations. The situation could become even more dangerous if Washington continues to exercise a double standard in its China policy. While paying lip service to the commitment that it should undertake under the three joint communiqués with the Chinese government on the issue of Taiwan, Washington is now lobbying hard for the dumping of more sophisticated arms and equipment to the island and upgrading its official relations with the authorities there. Politically, with the recent relaxation of the situation across the Straits and the increasing isolation of the secessionist force in Taiwan, there seems now a growing hope that political reconciliation between the mainland and the island may be possible within the framework of one China. There are already signs, however, that certain political forces in Washington do not like the trend as the US may "lose" Taiwan - a most convenient venue to contain China. Under the circumstance how Washington will react towards the change of the mood in Taiwan, which may give up the dream of "independence" and be inclined more to the peaceful co-existence with the mainland and the eventual peaceful unification, could be a new litmus test on the US attitude towards China-US relations.

### ***China-Europe relations***

The China-Europe relationship has the potential to be a new type of major power's relations in the post Cold War era, which expects to be based truly on mutual trust, mutual benefit, equality and coordination. The reasons are many-fold:

First of all, as two truly rising strategic forces in the world today, both China and Europe must

be increasingly aware of the increasingly important role of the other side in the international area, and the significance of better mutual understanding and mutual support in their policies in order to better protect and promote their own vital interests. On China's part, Beijing views the European integration further moving ahead as one of the positive indications that the world is heading towards healthy multipolarity. During the Cold War, Beijing had also an interest in seeking cooperation with Europe. But its efforts seemed primarily driven by a desire to use Europe as either a counterweight to the threat from the former Soviet Union or a convenient tool in constraining the moves of the United States. Today, Beijing's motivations have evidently gone far beyond the Cold War mentality. It has taken Europe not only as an irreplaceable partner in economic and trade interactions, but also as an essential component in the future world structure. On the part of Europe, it is also clear that the rapid development and the rising influence of China must provide great incentives for the EU to seek more intimate cooperation with Beijing.

Secondly, the two sides do witness growing common interests particularly in their economic interaction. The bilateral economic and trade cooperation has grown rapidly. Bilateral trade amounted to 177.28 billion US dollars in 2004, a forty-fold increase since 1978 when China began to open up. The expanded EU has now become the biggest trade partner of China and China has become the second biggest trade partner of EU. Interestingly, the rapid progress of the two sides has been at least partly due to the over-stringent policy of the United States and Japan on the high-tech transfers. The EU seems to be more open-minded and forthcoming in that field, thus becoming the number one source of technology and equipment for China. Greater scientific and technological exchanges have become a major portion of the future cooperation between the two sides, something not to be found prominent in China's relations with either Washington or Tokyo. There is also another area which seems to increasingly add dynamics to the China-Europe cooperation, that is cultural exchanges. Both sides seem to be mutually attracted by the other side's cultural traditions and brilliant historical heritages. It has almost become a fashion now that many individual European countries carry out joint activities with China called "year of culture" to promote better understanding of and greater trust and confidence in each other. These measures proved to be very successful, providing new momentum to the cultural exchanges between the two sides.<sup>20</sup>

Thirdly, the increasing common ground on the world security issues has provided solid political support to the cooperation of the two sides. As reflected in a number of official documents, China and Europe today have shared views on most of the vital security issues in the world. Both agree that there are no fundamental interests in conflict between them. In this regard, unlike the US and Japan, the EU has made it clear that it pursues one China policy, a stance that makes China more comfortable in its relations with Europe. The two sides have very similar, if not completely the same threat perceptions and call for a multilateral, comprehensive and cooperative approach to addressing many threats that the international community faces. More importantly, both sides wish to see the world develop to a multipolar one, in which all nations live with each other in peace and harmony and are not dominated by any single power

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<sup>20</sup> See Li Hua, "On China-Europe Relations", *International Studies*, No. 6, 2005, Institute for International Studies, Beijing, China.

or power group. Both sides also stress that the desire to see a multipolar world does not necessarily mean a joint effort of China and Europe to keep America down. On the contrary, both sides have made it explicit that they both want to be friends of the United States, and that greater China-EU cooperation is not directed against any third parties and is not at the expense of the US interests in particular. This common understanding provides a strong political support to the sustained and strong China-EU ties in the future.

Last but not the least, the two sides seem also to succeed in putting the bilateral relations on a more institutionalized track, thus insuring to develop their interactions in a more predictable and manageable way. First, both China and Europe have each conducted comprehensive studies on their relations with the other in a systematic and thoughtful manner, which have resulted in long-term and coherent strategies of both sides on their future relationship. On the EU side, it has formulated a series of comprehensive documents on its relations with China since 1995. Among the others, “A Long-term Policy for China-Europe Relations” in 1995, and “Building a Comprehensive Partnership with China” in 1998 are most significant as both the documents set the basic tone for the future relationship between China and Europe. The latter document stressed that “China’s emergence as an increasingly confident world power is of immense historic significance, both to Europe and to the international community as a whole. China has become a major partner in a world increasingly bound together by the forces of globalization... Engaging China’s emerging economic and political power, as well as integrating China into the international community, may prove one of the most important external policy challenges facing Europe and other partners in the 21st century.”<sup>21</sup> On China’s part, Beijing advanced its first document related to its policy towards Europe in 2003. Like the European document, the Chinese one also set the tone for its own strategy towards Europe, striving to establish an overall strategic partnership relationship with it. In addition, the Chinese document tried to lay out some fundamental principles as basic guidelines to the positive development of this bilateral relationship. Thus, development of cooperation between China and Europe is not driven by ad hoc considerations or expediency. Rather, it has been built on a sound theoretical basis. Second, the two sides have succeeded in establishing channels of contact at various levels, bringing the bilateral ties on an increasingly institutionalized basis. In addition to the summit meeting each year starting in 1998, the two sides have also had mechanisms of exchanges of visits at various working levels, and ad hoc groups to treat differences whenever they occur. There are also numerous contacts of China with each of the EU member states. All these combined have come to form a working network that helps push cooperation where their interests overlap; to manage differences where their interests don’t; and to avoid confrontation where their interests are in conflict. Finally, through many years’ contact, it seems also that the two sides have come to agree to a set of guidelines as a code of conduct, essential in enhancing further trust and confidence in each other. These guidelines could be summarized as 1) mutual respect and trust; 2) equality and mutual benefit; 3) seeking common ground while reserving differences; 4) insisting on cooperation to achieve win-win results.

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<sup>21</sup> EU document “Building a Comprehensive Partnership with China”, March 25, 2004, [http://europa.eu.int/comm/external\\_relations/china/com\\_98/com98\\_0htm](http://europa.eu.int/comm/external_relations/china/com_98/com98_0htm).

On the other hand, the generally rosy picture of the future China-EU relations does not mean the cooperation between the two sides will be a smooth sailing all the way without pitfalls or obstacles. There are quite a few. Generally speaking, differences between China and Europe in 4 areas may primarily affect the bilateral relations in the future:

The first is marked by the frictions in the economic and trade relations, which have been so far mainly caused by three major issues. 1) The EU has been reluctant to recognize China's economic market status (EMS). Instead, Brussels is only content with a vague statement, iterating that "the EU welcomed the positive orientation of China towards building a market economy. Both sides (China and the EU) welcomed the creation of a working group aimed at actively identifying a practical solution to this issue".<sup>22</sup> But no specific commitment was given. Clearly economic interests sit behind the noncommittal tone of the EU. If China is granted EMS, it will no doubt strengthen its position in the framework of the WTO against any discriminatory moves of the EU in the name of anti-dumping clause. 2) The EU has surprisingly lagged far behind compared with other major players with regard to its investment in China. The investment of the major European countries including Britain, Germany, France, Italy, and Spain, etc in China accounts for only 0.3-1.5% of their total investment abroad respectively. Apart from some specific economic hurdles, lack of confidence in China's economic performance and its future orientation evidently underlines this poor record. 3) The EU has set the most severe trade barriers against China, generating often trade frictions and even conflicts that jeopardize the bilateral relations. Indeed, the EU is now the most stringent economic entity employing all sorts of pretexts like environmental protection or anti-dumping to raise various trade or non-trade barriers against the Chinese products or to reduce competitive power of the Chinese goods. Serving own interests, these discriminatory acts are clearly in contravention of the WTO principle of free trade; they also run counter to EU's commitment of helping China integrate into the world economic system as offered in its own strategic document on China.

Secondly, the EU is still unable to lift its embargo of arms on China. In Beijing's perspective, this embargo has become outdated since long. To continue to keep the embargo neither complies with the reality and nature of the all-round strategic partnership between China and EU, nor meets the requirements of future development of bilateral ties. The Embargo is a kind of political discrimination, and not so much to prevent China from buying advanced weapons from Europe. Rather, it is meant to oppose political discrimination against China.<sup>23</sup> Unfortunately until now, the EU has not been able to lift it although discussion on the subject has been going on and on. Reasons for the failure could be many. Division of views among members of the union is said to be the primary cause. Clearly pressure from outside, the US in particular, on EU not to do so is also one major obstacle. In addition, some Chinese analysts suspect that at least some members of the EU would not like to lift the embargo lightly as they might wish to use the issue as a bargaining chip to trade off more compensation from China on other issues.

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<sup>22</sup> Joint Statement of the Seventh China-EU Summit. December 9, 2004, <http://www.fmprc.gov.cn/eng/topics/WenJiabaocxezohy/t174512.htm>.

<sup>23</sup> Wen Jiabao, "Arms Sales Embargo against China is a Legacy of the Cold War", December 8, 2004, <http://www.fmprc.gov.cn/eng/zxxx/t173843.htm>.

Thirdly, on many occasions, the EU is still biased ideologically and likes to lecture China on those issues like human rights, democracy and religious freedom and so on in such a missionary and condescending manner that they are bound to irritate China to say the mildest, and undermine mutual trust in each other. Based on distorted knowledge about Tibet, the European criticism about China's policy is also close to the intervention in China's internal affairs.

Lastly, between China and Europe, there is also a Taiwan question though in a lesser degree. Although the EU has expressed explicitly its position to pursue one China policy, it nevertheless follows the US line of ambiguity, which leaves much room for the secessionist force on the island to maneuver. Its criticism on China's anti-secession law in 2005 not only is groundless, but also interferes in China's internal affairs, producing negative impact on China-EU relations.

All these problems demonstrate that China and EU still have divergent interests as well as perceptions. But obviously all of them seem tactical in nature and are in the process to become solved or managed otherwise. So they should be secondary, compared to the growing common ground between the two sides. Thanks to the established mechanisms aimed at trouble-shooting in their interactions, one is confident that the two sides are fully competent in managing and solving these differences in the future. There are good reasons to believe that a new type of state-to-state relations between China and EU are emerging. The key to the success is that the two sides continue to make efforts to foster their relations based on mutual trust and understanding. And as long as the two sides stick to mutual respect, mutual benefit, equality and coordination, bilateral relations between the two sides will surely witness continuous promotion and development.

### **Conclusion: Future evolution of the triangle and China's option**

Based on the above analysis, the triangle relations between the US, Europe and China may bear the following characteristics:

1. This triangle relationship may be the most important defining factor in the development of the world structure in the future. The importance does not only lie in the fact that the three powers are either in its supremacy or on the fast and sustained rise. It is also because the three powers are situated in the most important geo-strategic areas, thus good or bad relations among them will largely determine peace and stability in the Eurasia - the center of gravity of the world in the future. Further, because each of the three sides represents its unique strength (the US is the only superpower of the world, the EU the largest regional integrated institution, and China the largest developing country), good or bad triangle relations between them would have to involve relations between developed countries as well as between developed countries and developing countries, thus having a significant impact on the future international order.
2. The triangle relationship will be characterized by the dissymmetry in strength and influence

for a long time in the future. America continues to be the dominant force whose policy will determine the interaction of the three and the eventual shape of the triangle. To be more specific, the most crucial and key test for the evolution of the triangle relations in the future is whether Washington is willing to come to terms with European integration and the rise of China. On the other hand, it is also true that the US no longer have the luxury to be entirely free to do whatever they wish. Europe and China will become the two most significant constraining forces to Washington's action.

3. The triangle relationship will also be characterized by the complexity in each set of the bilateral relationships between the three powers. No side will take any of the other two as an absolute ally or enemy like in the Cold War. Instead, a large grey area exists in the interaction between them. Any two of them could be both friends and adversaries at the same time, or at different times or in different fields. But on the other hand, the US-Europe and China-Europe relationships may most probably be more stable than the China-US relationship as the US and Europe have the most dominant common pressing need to work together to maintain their joint control of the current international economic system (although the EU is only in the secondary position), while China and Europe have the greatest incentive to cooperate with each other for the goal of a multipolar world, in which they can expect to best protect their respective interests. So, these great common grounds could serve as the most significant counterweights in stabilizing the boats of the US-Europe and China-Europe relations no matter how rough the sea of the world situation is. China-US relations may be a different story. Both sides are yet to find the greatest counterweight (the greatest common interests to bind them together) to stabilize the boat of the bilateral relationship when is confronted with a crisis. Against the backdrop, it can be argued that China-US relations could be the most volatile and weak link in the triangle.
  
4. The possibility of evolution of the triangle relationship in the future may well hinge on the extent to which the three powers are able to get rid of the shackle of ideological prejudice and adopt a new security concept, which calls for common and cooperative security based on a multilateral approach. Again, much depends on the US attitude as this will require some fundamental readjustment in its current policy. While it may be difficult for the current US administration to do so, it is not entirely impossible that a new vision and rationality might get the upper hand in the US decision making circle. The Bush administration seems already aware that unilateral approach does not always work in the US best interests.

Against the above backdrop, the evolution of the triangle relations between the US, Europe and China is obviously a significant component part of a peaceful and stable international environment that Beijing wishes to develop for its best security interest. To insure the development of the triangle relations in a right direction, China should perhaps notice:

1. Despite its rapid economic progress and the rise of its political influence abroad, China is still a developing country in a long process of development via a thorny road. In fact, China is the most weak and vulnerable side of the three powers in terms of strength, which



becomes the primary cause of the dissymmetry in the triangle relations. It requires, therefore, tremendous effort for China to change its position through its own development that will take long time. Adequate strength is after all the prerequisite, or the pillar of a more stable and effective trilateral relations.

2. To understand its own place in the triangle does not mean that China is powerless in contributing to the development of a sound triangle relations. On the contrary, Beijing's policy could be significant, or even decisive to a certain extent. But what China should be on guard against is that it should resist the impulse of playing one power against the other for its own narrowly defined interests as one often sees in the traditional power games. Instead, Beijing should continue to pursue development of the bilateral relations in the triangle framework in accordance with its new security concept, and insist that cooperation with one power is not an alliance and certainly not against any third parties. In short, to pursue simultaneously friendly and cooperative relations with both the US and Europe should be in Beijing's best interests.
3. While acknowledging the importance of the triangle relations between the US, Europe and China, China should, however, not solely concentrate on the trilateral relations at the expense of other bilateral or multilateral relations. To augment its relations, for example, with the vast developing countries would continue to be the great power base for China to act internationally. It is also essential for China to continue foster good relations with its close neighbors including Russia, India, Pakistan, Japan, the two Koreas and ASEAN countries. Indeed, it is only when China is able to develop many other triangle relations well that Beijing can be able to enjoy a more favorable position in the triangle relations with the US and Europe.
4. Although the triangle largely plays on in the political and economic fields, it also has a military aspect. In view of the US enhanced military deployment in the Asia-Pacific, the volatile situation across the Taiwan Straits, and the uncertain nature of NATO in the future, the US policy as well as the US-Europe alliance has always a confrontation element against China. China should, therefore, remain sober-minded, striving for the best but preparing for the worst once the triangle relations reverse. Reflecting in the military field, China should not refrain from upgrading its own defense capability, not for the purpose of competing with the US or the Western alliance, but for self-defense. This is also indispensable for China to strive for a stable and benign triangle relationship among the three powers in the future.