

EU-China Relations – A Current Overview

GERGELY SALÁT¹

ABSTRACT: This study provides a comprehensive overview of contemporary EU–China relations, examining their historical evolution, structural characteristics and recent sources of tension. Unlike the geopolitical rivalry between the United States and China, the EU–China relationship has traditionally lacked territorial disputes and direct strategic conflicts, allowing for the possibility of a pragmatic modus vivendi based on economic cooperation and political dialogue. However, since 2020, the relationship has markedly deteriorated due to four major factors: the ideological shift in Western perceptions of China; intensified economic competition driven by China’s growing technological capabilities; the securitisation of China-related issues within European liberal discourse; and China’s increasingly assertive international posture. This paper argues that these tensions are exacerbated by internal European weaknesses – most notably its economic underperformance and strategic dependency on the United States. While Washington pressures its allies to adopt a confrontational stance towards China, European national governments

1 Associate professor and head of the Department of Chinese Studies at Pázmány Péter Catholic University, Budapest, and a senior researcher at the Hungarian Institute of International Affairs.

remain reluctant to sever ties with one of their biggest trading partners. As a result, a dual-track approach has emerged, in which anti-China rhetoric is outsourced to EU level, while national leaders pursue more pragmatic engagement. The return of Donald Trump to the White House in 2025 may inadvertently create new opportunities for recalibrating EU–China relations, as the decline in transatlantic ideological alignment grants Europe greater autonomy in foreign policy. The study concludes that although the fundamental reorientation of EU policy is unlikely, targeted efforts to improve competitiveness, revive the stalled Comprehensive Agreement on Investment and depoliticise China relations could enable the EU to pursue a more balanced and interest-driven approach in its engagement with Beijing.

KEYWORDS: EU-China relations, decoupling, US

EU–China relations differ fundamentally from those between the United States and China, as the former are not necessarily destined to turn into geopolitical rivalry. The great power competition between the US, intent on maintaining its global hegemonic position, and China is – according to many – inevitable (Mearsheimer, 2014; Allison, 2017; Doshi, 2021). In contrast, Europe faces no such structural confrontation: the EU is not a classical great power, it has no territorial disputes with China and their respective spheres of interest do not overlap. This does not preclude intense economic competition in various fields, yet there remains the potential for developing a *modus vivendi* in which rivalry is limited to specific domains, while cooperation prevails in others. The recalibration of China-EU relations is particularly appropriate now, as Donald Trump's policies have triggered significant changes across the globe.

Background

The establishment of relations between the European Economic Community (EEC) – the forerunner of today's European Union – and the People's Republic of China was facilitated by the major geopolitical shift of the early 1970s, during which the United States and China began to move closer. As a result, America's allies were also able to normalise relations with Beijing. First, most Western European states established diplomatic relations with China, and in 1975, the EEC itself formally initiated relations with the Far Eastern giant, then still under the leadership of Mao Zedong (Shambaugh et al., 2007).

This initial contact became truly significant only after China launched its “reform and opening-up” programme, opening the country up to the

outside world. European companies saw great potential in the vast Chinese market and its highly skilled labour force, while China urgently needed Western capital and technology. Consequently, from the 1980s onwards, numerous European firms established factories or representative offices in China. Parallel to this economic cooperation, institutional relations also developed. As early as 1978, the two sides established a joint committee to oversee bilateral relations and signed a trade agreement, which was replaced in 1985 by a new trade and economic cooperation agreement. In 1980, delegations from the European Parliament and the National People's Congress met for the first time, and since then, reciprocal visits between various officials have become routine. The 1990s ushered in a flourishing period of EU–China relations. In 1994, the two sides established a framework for political dialogue on issues of mutual interest, which later evolved into the institution of annual summits from 1998 onwards. The EU published its first China strategy in 1995, and in 1998, Premier Zhu Rongji became the first Chinese head of government to pay an official visit to the European Commission. In 2003, China issued its own EU strategy, and the two sides declared each other comprehensive strategic partners. The period from 1995 to 2005 is often referred to as the “honeymoon” of EU–China relations, characterised by increasingly close economic, political and cultural ties, with disagreements typically addressed through constructive dialogue. A series of institutionalised dialogue was launched, enabling the two sides to convene regularly to discuss developments in specific areas (Shambaugh, 2008; Casarini, 2006; Salát, 2025a).

China's accession to the World Trade Organization in 2001 gave further impetus to trade expansion. Over the following decade, the Chinese economy surpassed that of France, the United Kingdom and eventually Germany, becoming the world's second largest around 2010 – overtaking Japan. The shift in relative power was accelerated by the global financial crisis of 2008, which severely impacted European economies but had a

more limited effect on China (Wang, 2011). Cooperation between the EU and China continued during this period, with a growing number of formal partnerships established in areas ranging from climate change and global governance to sustainable development. Investments flourished as well (Szunomár, 2016; Matura, 2017). For 15 consecutive years, the EU was China's largest trading partner, a position recently taken over by ASEAN (Huld, 2024).

Of course, the relationship was never without challenges. The EU repeatedly launched anti-dumping investigations into various Chinese products, refused to recognise China as a market economy and frequently criticised Beijing's human rights record. There were debates about European firms' market access in China and the enforcement of intellectual property rights. Nonetheless, the overall trajectory of the relationship was one of increasing closeness. Both sides recognised that they did not face a geopolitical conflict – there were no territorial disputes, and the EU, lacking traditional great power ambitions, did not have clashing spheres of influence with China. Moreover, the two sides complemented each other in many areas, offering opportunities for mutually beneficial cooperation.

Deterioration of relations

Despite overlapping interests, China–EU relations have been in sharp decline across all domains since 2020, with serious tensions accumulating between the two sides. This deterioration can be attributed to four primary factors.

First, a shift had occurred in the mindset of the American elite by the mid-2010s. Previously, there had been the widespread illusion that China

would eventually integrate into the US-led international system due to its intensive engagement with the West. Albeit belatedly, the United States came to the realisation that this transformation would not materialise. Regardless of its intentions, China – by virtue of its growing weight – emerged as a clear challenger to American hegemony. This awakening led to the trade war initiated by the first Trump administration, as well as a sustained anti-China media campaign portraying the country not as a land of business opportunities, but as a rival to the democratic world. According to the simplistic dichotomy that has become mainstream in the West, the world is engaged in a moral struggle between democracies and autocracies, with the former naturally regarded as superior (Breslin & Mattlin, 2025). This cognitive shift gradually made its way to Europe, where mainstream media fully adopted the American narrative, and EU politicians became increasingly inclined to equate American state interests with those of EU citizens. This may be the result of American pressure, ideological bias on the part of European leaders or – most likely – a combination of both. One could argue that it is in Europe's interest to preserve US hegemony, but there has been no meaningful or honest public debate about this premise. Today, anyone failing to fully align with the American position can expect to be ostracised by the EU's political elite (the business elite, in contrast, takes a far more pragmatic view, but its role in shaping public opinion is limited).

Second, the strengthening of certain Chinese industrial sectors has indeed begun to threaten the interests of European companies. As long as China specialised in cheap assembly work and occupied the lower rungs of the value chain, everyone was happy to cooperate. European firms were not overly concerned about problematic Chinese practices (such as the flexible interpretation of intellectual property rights), as the vast Chinese market more than compensated for potential losses, and Western companies generally remained one step ahead of their Chinese imitators.

Profitability was therefore ensured. In the 2010s, however, China began to catch up with – and in some cases surpass – European firms in cutting-edge technologies linked to two major ongoing transitions: the green and digital transformations. As a result, China evolved from a low-cost supplier into a formidable competitor, gaining dominance in sectors such as solar panels and electric vehicles (Andersen, 2024; Andres, 2024). Europe had fallen behind in many areas, prompting the affected companies to lobby against China. Thus, Chinese business practices that had previously been overlooked suddenly became problematic.

Third, within Europe's prevailing liberal discourse – unsurprisingly influenced by American pressure and influence – everything related to China became suspect and dangerous. For certain political actors, adopting a tough stance on human rights and engaging in anti-China rhetoric is a means to gain electoral support. From their perspective, it is politically rational to advocate for a rollback of bilateral ties, even if doing so is economically irrational. The traditionally liberal press reinforces this narrative, creating an echo chamber in which China and its government are portrayed as fundamentally illegitimate actors. Both real and perceived issues related to China have become securitised, with everything from Chinese telecommunications equipment and Belt and Road Initiative (BRI) infrastructure projects to Chinese acquisitions of shares in European ports framed as national security concerns. The competition with Chinese companies has turned into an ideological battle – one that, in the eyes of many, pits good against evil (Schilder, 2022; Breslin & Mattlin, 2025).

Fourth, China's own behavior has changed significantly since the 2010s. Deng Xiaoping's well-known 24-character dictum (its main principle known as *taoguang yanghui*) – which emphasised maintaining a low profile – has receded, and Beijing has taken a more assertive stance in defending its interests (He & Feng, 2012). During this period, China's

economy grew large enough to support its emergence as a global power, and the country's confidence rose accordingly. The more self-assured posture of Chinese diplomats and politicians has been interpreted by many abroad as a sign that China seeks to upend the current world order, exert pressure – economic, military or otherwise – on other countries and shape their behaviour. Such perceptions naturally provoke resistance, reinforcing the notion that China's rise is a threat (Loh, 2024).

Several specific developments have further reinforced the rise of anti-China sentiment in European discourse. The outbreak of the COVID-19 pandemic in 2020 intensified hostility towards China, even though China and the EU cooperated closely on tackling the pandemic (Song & Bian, 2021). The adoption of the Hong Kong national security law was easily interpreted as evidence that China, despite its promises, had no intention of waiting fifty years to change Hong Kong's system.

Farewell to realism

On the EU side, at political level, a serious challenge emerged with the retirement of Angela Merkel, which marked the departure of the last major European statesperson still capable of maintaining a rational, pragmatic discourse on China. She was also one of the few leaders who could be contacted when one wished to “speak with Europe.” Her final act of pragmatic engagement was brokering the Comprehensive Agreement on Investment (CAI) with Chinese President Xi Jinping and French President Emmanuel Macron on the last working day of 2020. The CAI represented a significant step towards addressing European complaints regarding Chinese market access, levelling the playing field and fostering fairer

competition. However, as is well known, the agreement was not ratified by the European Parliament – which is dominated by actors far removed from *realpolitik* – and the politicisation of the whole China question rendered meaningful discussion of the deal impossible (Hamilton, 2022).

The extent to which German politics – the most important in Europe – has become ideologically driven and irrational in the post-Merkel era is well illustrated by debates over the EU's proposed “countervailing” (anti-subsidy) tariffs on Chinese electric vehicles. The Green Party, which – ostensibly due to its climate goals – should have been most enthusiastic about the rapid spread of cheap Chinese EVs, became one of the strongest proponents of tariffs. Meanwhile, the German automotive industry, which the tariffs were seemingly designed to protect, opposed them vehemently (Kyllmann, 2024).

French President Emmanuel Macron made several hesitant attempts to fill the void left by Merkel by advocating for European strategic autonomy and positioning himself as a broad-minded European statesman. However, he became too entangled in various interest groups and failed to develop a coherent China policy. As a result, European politics has lacked a strong actor capable of preventing the escalation of what can only be described as anti-China hysteria.

A further blow to China–EU relations came with Russia's 2022 invasion of Ukraine. As is typical in times of war, public discourse became black and white, and within this binary framework, mainstream European opinion placed China on the “dark side”. It is true that China did not join the sanctions regime, did not condemn Russia, and has provided significant assistance in keeping the Russian economy afloat and sustaining its standard of living. India, too, plays a similar role, but because EU–India relations are less ideologically charged and India is not viewed as a strategic challenger, this has largely been ignored. A lesser-known fact is that China is not only Russia's top trading partner but also Ukraine's largest. In this sense, China

plays a role in sustaining Ukraine's economic viability. Formally, Beijing supplies weapons to neither side, although Chinese-made components do appear in both countries' military equipment. China has not recognised Russia's territorial gains as legitimate (O'Neill, 2025). Thus, while black-and-white categorisation does not make sense in the case of China, the West continues to expect full alignment with its own position on the war. Failure to comply is considered morally unacceptable. This only worsens the situation, framing Chinese cooperation along a good-versus-evil axis rather than a useful-versus-useless one, thereby eliminating the space for meaningful dialogue or a China policy grounded in the concrete interests of European citizens and companies – rather than in nebulous moral considerations.

Decoupling is impossible

Europe's alignment with the United States has also manifested in symbolic gestures – such as the withdrawal of the Baltic states from the China–Central and Eastern Europe cooperation framework (known as the 17+1 format). These countries evidently calculated that their ties with China were marginal, while only the United States could guarantee protection from Russia. Thus, a demonstrative gesture towards Washington better served their national interests. Others, however, have shown less enthusiasm for severing ties with China, as the reality is that Europe needs China.

Over the past decades, exceptionally close economic ties have developed between China and the EU – well beyond the level of basic export–import relations. Of course, even trade alone is substantial (China and the EU are

each other's second-largest trading partners), but their interdependence goes far deeper. Supply chains are intertwined, with a significant portion of trade consisting of intermediate goods and components. There is also robust cooperation in research and development between Chinese and European companies, alongside numerous joint ventures. Mutual investment is considerable, and companies from both sides play key roles in each other's economies (Gurol, 2022).

To sever these ties may not be impossible, but it would undoubtedly be self-destructive. It is no coincidence that while the United States openly speaks of “decoupling”, Europe has opted for the milder term “de-risking”. In practice, however, both decoupling and de-risking are largely unrealistic, given the complexity of global supply chains (Jungbluth, 2023a). If we compare the deterioration of political relations between the US and China, or between the EU and China, with concurrent developments in the real economy, it becomes evident that – until very recently – economic interactions have not mirrored the political fallout. Despite the growing dominance of the decoupling/de-risking discourse, this has had little visible impact on actual economic relations.

EU–China trade reached an all-time high in 2022 (as did US–China trade), and the slight decline since then has likely been driven more by Europe's economic difficulties than by political intervention. Put simply: a German or American procurement manager deciding where to source a component is far more influenced by cost-effectiveness than by what their government's politician recently said about some ideological issue.

European policymakers are well aware of this reality. As a result, a division of labour has emerged: anti-China rhetoric is outsourced to EU level, while national leaders try to navigate between political-ideological expectations and practical realities. EU officials can denounce China without consequence, while national leaders cannot afford to do so. It is telling that while the European press is filled with alarmist headlines

about China's "malign influence", "debt-trap diplomacy" and "backdoors built into high-tech devices", national leaders regularly visit Beijing – accompanied, of course, by large business delegations.

In just the second half of 2024, Presidents Andrzej Duda of Poland, Alexander Stubb of Finland and Sergio Mattarella of Italy, as well as Prime Ministers Giorgia Meloni of Italy, Jonas Gahr Støre of Norway, Viktor Orbán of Hungary and Pedro Sánchez of Spain all travelled to China – despite the fact that bilateral relations were at a low point due to the tariff dispute over Chinese EVs (needless to say, Europe's two largest economies also maintained engagement: German Chancellor Olaf Scholz visited China in April, and French President Emmanuel Macron hosted Xi Jinping in May). In short, there is no unified European anti-China front. In fact, those national leaders whose political survival depends on their countries' economic performance are more than willing to deepen ties with China and personally lobby Xi Jinping for investment (Jungbluth, 2023b).

The case of Giorgia Meloni is particularly illustrative. At the end of 2023, the Italian Prime Minister announced with great fanfare that Italy would withdraw from the Belt and Road Initiative – essentially meaning that it would not renew a soon-to-expire and largely symbolic memorandum of understanding. This move received extensive coverage in the Western press, where it was framed as an act of courage and used to highlight the risks of engaging with China. Far less attention was paid to the fact that, during the summer recess of the following year, Meloni travelled to Beijing, where she signed a new three-year action plan with her Chinese counterparts. This new framework contained far more concrete and intensive cooperation than the original BRI agreement.

This event clearly demonstrates how Meloni sought to make a gesture to both the Americans and her domestic audience by rejecting the empty symbolism of the BRI, while simultaneously catering to the needs of

Italian companies and the imperative of job creation – which required Chinese involvement (Longhi, 2025). *Mutatis mutandis*, this is essentially the approach taken by every European leader, except for those whose relations with China are marginal.

European problems

Naturally, the deterioration of China–EU relations cannot be solely attributed to American pressure or the ideological dogmatism of European leaders. In reality, most of the problems labelled as EU–China issues are, at their core, internal EU problems. The other challenges largely stem from these underlying weaknesses.

As previously noted, Europe is militarily weak and therefore relies on American security guarantees (Madaio, 2025; Desmaele, 2025). In exchange, Washington expects European support for its broader strategic goal of countering China. At the same time, the EU also faces mounting economic difficulties, with declining competitiveness. Consequently, the rise of Chinese rivals poses a genuine threat to certain European industries, some of which are now facing existential challenges. However, if the EU's response is to restrict competition through protective tariffs, it will not enhance its own competitiveness. While such measures might offer short-term protection to the domestic market, they will do little to help European manufacturers compete for the seven-billion-strong global market outside the West, where Chinese producers are increasingly dominant (Lauer, 2024). What is needed is a different approach – one that avoids treating support for European manufacturers through state or EU-level subsidies as a taboo.

Progress is also needed in completing the unification of the internal European market. Chinese firms benefit from significant economies of scale, which EU companies struggle to match. Consider, for instance, that China – with its 1.4 billion citizens – has three national mobile service providers, all operating under a single regulatory authority. Meanwhile, in the EU's 27 Member States, dozens of regulatory agencies oversee hundreds of service providers under vastly different regulatory regimes. It is a rhetorical question which type of firm – Chinese or European – is better positioned to expand into the rapidly growing markets of the Global South (Bergeaud & Urabayan, 2025).

The recent focus on competitiveness is thus a welcome development. If Europe can achieve tangible results in this area, it would go a long way towards resetting the EU–China relationship. Without such progress, efforts to normalise political ties and de-emphasise ideological differences will yield limited results. After all, the economic competition between China and Europe is indeed intense – and the EU is not currently winning that race.

The return of Trump

The policies of Donald Trump's second administration and the US–China trade war may have a profound impact on EU–China relations. The trade war, underway since 2018, had already resulted in an average 15% tariff on Chinese exports to the United States by the time Trump's second term began. In 2025, however, the trade war entered a new and more intense phase. When Trump increased tariffs on Chinese products by an additional 10% in both February and March, China responded

quickly but in a restrained manner, making the situation appear manageable. In April, however, tit-for-tat measures escalated sharply, with US tariffs rising to 145% – and in some cases 245% – while China responded with tariffs of up to 125%. These rates amount to a near-total bilateral trade embargo between the world's two largest economies, rendering trade virtually impossible (Nagy & Salát, 2025). In May, both sides agreed to de-escalate temporarily, significantly reducing tariffs for a 90-day period. After renewed disputes, the same arrangement was extended again in June. Regardless of how the tariff issue is ultimately resolved, one thing is certain: US–China relations will never return to the previous status quo.

On another front, the United States has also become embroiled in disputes with its European allies. Whereas the Biden administration pursued broad coalition-building strategies, Trump has shown little interest in maintaining traditional alliances and has made a series of unfriendly gestures towards Europe. Vice President J. D. Vance's speech in Munich, leaked Signal conversations among US officials, the administration's shifting stance on the Russia–Ukraine war, demands directed at NATO allies and the imposition of a blanket 20% tariff on all EU products have all made it clear to European elites that they can no longer rely on the United States as before. The ideological alignment between Washington and the European mainstream has crumbled. At the same time, European manufacturers – many of whom heavily rely on the US market – find themselves in an increasingly difficult position. Should the EU and China fail to reach a compromise on tariffs on electric vehicles, China is likely to retaliate with its own punitive tariffs. For now, Beijing has taken only symbolic measures – such as restricting imports of European brandy – in the hope of keeping the door open to negotiation. But it is unrealistic to expect China to passively accept EU tariffs (Mei, 2024). Thus, there is a real risk that the EU – already close to recession, and having lost access

to cheap Russian energy and raw materials due to sanctions over the war in Ukraine – could find itself simultaneously engaged in trade wars with both its first and second-largest trading partners. The consequences of such a scenario would be catastrophic and may compel European leaders to reconsider their approach to China.

China, for its part, is also in a difficult position. Its economy is slowing, and the trade war threatens the country's primary remaining engine of growth: exports. Although China is far better prepared for a potential Trump presidency than it was in 2016 and has significantly diversified its global partnerships, the US tariffs will nonetheless weaken Beijing's bargaining position – including in negotiations with the EU. This creates a window of opportunity: China may now be more willing to make concessions – such as improving market access for European firms – that it previously resisted.

Signs of renewed pragmatism have already emerged. In spring 2025, both sides began sounding each other out. At the end of March, EU Commissioner for Trade and Economic Security Maroš Šefčovič held talks in Beijing; in early April, President of the European Commission Ursula von der Leyen and Chinese Premier Li Qiang discussed the implications of US tariffs by phone. On 10 April, the European Commission announced the launch of negotiations with China on phasing out tariffs on electric vehicles (contingent on the adoption of a minimum price). The following day, Spanish Prime Minister Pedro Sánchez visited Beijing, where he also addressed EU-related issues. In early May, China lifted sanctions imposed in 2021 on several Members of the European Parliament. Then, to mark the 50th anniversary of EU–China diplomatic relations, President Xi Jinping and Premier Li Qiang exchanged congratulatory messages with European Council President António Costa and Commission President von der Leyen. In July – after the submission of this manuscript – the annual EU–China summit is scheduled to take place in Beijing, even

though it is technically Brussels' turn to host. The EU agreed to travel to the Chinese capital, and Chinese Foreign Minister Wang Yi is expected to visit Brussels beforehand. Diplomatic engagement has also increased at lower levels (Zhang, 2025).

This rapprochement is entirely logical. With the United States turning inwards and urging Europe to shoulder more of its own defence responsibilities, the EU may gain greater autonomy in foreign policy and feel less compelled to align with Washington on China. Trump has repeatedly stated that allies should contribute more to their own defence and is pressuring NATO members to raise defence spending to 3% of GDP. While meeting this demand will be financially burdensome, it could help enhance Europe's defence capabilities and reduce its dependence on the US. The EU should use this increased room for manoeuvre to recalibrate its relations with China and decouple its China policy from American grand strategy. Trump's "America First" doctrine may also entail fewer ideological expectations towards allies than Democratic administrations, offering greater flexibility in foreign relations. Trump's personal priority is not anti-China policy per se, but the rebuilding of American industry. From that perspective, he may be indifferent to the state of relations between his two primary competitors – China and the EU. Whether this more hands-off approach extends to his senior officials in foreign, security and trade policy remains to be seen. Many of them belong to the more hawkish camp and may continue to push Europe towards Washington's preferred direction. If that proves true, little will change: US pressure will persist, and neither EU leadership nor China policy is likely to undergo a significant shift – except perhaps where national governments carve out greater space for realist approaches (Olink, 2025).

Yet it is worth recalling that there is no genuine geopolitical antagonism between China and the EU. There are no territorial disputes, no clashing spheres of influence, and the EU is not a classical great power that

inevitably comes into conflict with its peers. In fact, many interests overlap: the preservation of the international trading system, the maintenance of global stability and cooperation on climate change and counterterrorism are just a few examples.

What to expect

At present, both sides are awaiting the final configuration of the US tariff regime before determining how best to navigate the upcoming period. The United States has suspended its reciprocal tariffs on EU goods for 90 days and has also temporarily lowered tariffs on Chinese products. As a result, neither the EU nor China is currently prepared to commit to one another. According to reports, negotiations have thus far involved exploratory discussions rather than substantive offers, as both sides seek to assess the other's intentions.

The main obstacle to rethinking China–EU relations is structural in nature. As the United States turns inwards, both China and the EU are losing access to a critical market and are naturally looking to offset this loss. China does not want to see its export decrease, but a significant rise will likely provoke defensive measures from the EU, potentially igniting new conflicts (Tan, 2025). At the same time, no further market opening should be expected from China. The current economic policy priority in Beijing is to stimulate domestic consumption in order to counterbalance declining exports – but this primarily applies to domestic products, which support Chinese companies. This creates an irresolvable contradiction and presents a significant structural barrier to revitalising EU–China relations (Douglas & Leong, 2025).

Moreover, the current European political elite – and much of its electorate – remains receptive to anti-China rhetoric and harbours deep reservations towards the East Asian power. This attitude is unlikely to change. Additionally, many in the European mainstream view the Trump administration as a temporary anomaly and, despite all recent tensions, remain committed to Euro-Atlantic alignment. For this reason, a 180-degree shift in EU policy towards China is unlikely.

What, then, remains possible in EU–China relations? The most significant potential shift lies in the de-emphasis of ideological issues – which, in itself, could reduce tensions. In recent years, China policy in Europe has become a matter of moral identity, complicating negotiations at every level. If the EU is now compelled – however reluctantly – to set aside its moralistic reservations and focus on economic interests, it may be able to place relations on a more pragmatic footing. Once both parties start from a basis of interest, they will at least be speaking the same language. Even if they do not agree, they will be able to understand each other's motivations. In such a context, compromise becomes possible where interests align, and in areas of disagreement, positions can be clearly delineated – creating a more transparent framework (Buzna & Salát, 2024).

While the complete reorientation of policy is unlikely, there remains significant room for pragmatic cooperation. The parties should clearly define areas where they face direct and serious competition from the other and take robust measures to defend their interests in those domains. At the same time, mutual investments, scientific and technological collaborations, joint ventures and joint efforts on global health and environmental challenges can be mutually beneficial. Barriers to such cooperation should be broken down. As a first step, the reviving of the CAI – in some form, at least – should be considered as it could expand opportunities for European and Chinese firms on each other's market.

The changes taking place in the world bring many dangers, but they also offer opportunities. There are no fundamental conflicts between China and the EU, so they have every reason to strive for the joint exploitation of these opportunities.

REFERENCES

- Allison, Graham (2017). *Destined for War: Can America and China Escape Thucydides' Trap?* Boston, Houghton Mifflin Harcourt.
- Andersen, T. (2024). Chinese EVs in Europe: A threat to European automakers? International Centre for Defence and Security, <https://icds.ee/en/chinese-evs-in-europe-a-threat-to-european-automakers/>
- Andres, P. (2024). Adapting to Competition: Solar PV Innovation in Europe and the Impact of the 'China Shock'. *Environmental and Resource Economics*, 87, 3095–3129, <https://doi.org/10.1007/s10640-024-00904-8>
- Bergeaud, A. & Urabayen, C. C. (2025). Can Europe compete in a world dominated by the U.S. and China? Funcas, <https://www.funcas.es/articulos/can-europe-compete-in-a-world-dominated-by-the-u-s-and-china/>
- Breslin, Sh. & Mattlin, M. (2025). Bundling Threats: Why Dominant Perceptions of China Changed in Europe. *The Chinese Journal of International Politics* 18(2), 196–219, <https://doi.org/10.1093/cjip/poaf003>
- Buzna, V. & Salát, G. (2024). EU-China Relations in the Light of the American Elections. *MKI Perspective*, https://hiia.hu/wp-content/uploads/2024/11/1125_EU-China-relations-in-the-light-of-the-American-elections-combined.pdf
- Casarini, N. (2006). EU–China relations: From constructive engagement to strategic partnership. EU Institute for Security Studies, *Occasional Papers*, 64, <https://www.iss.europa.eu/sites/default/files/EUISSFiles/occ64.pdf>
- Desmaele, L. (2025). America's "China–First" grand strategy and the transatlantic bargain: revisiting the security–economics nexus. *International Politics*, <https://doi.org/10.1057/s41311-024-00577-6>
- Doshi, R. (2021). *The Long Game: China's Grand Strategy to Displace American Order*. Oxford, Oxford University Press.
- Douglas, J. & Leong, C. (2025). Trade with China is becoming a one-way street. *The Wall Street Journal*, https://www.wsj.com/economy/trade/china-us-export-market-222ebc3a?mod=trade_news_article_pos4

- Gurol, J. (2022). *The EU–China Security Paradox: Cooperation Against All Odds?* Bristol, Bristol University Press, <https://doi.org/10.56687/9781529219654>
- Hamilton, D. S. (2022). CAI is DOA. *Asia Europe Journal* 20, 65–68, <https://doi.org/10.1007/s10308-021-00624-4>
- He, K. & Feng, H. (2012). Debating China's assertiveness: Taking China's power and interests seriously. *International Politics*, 49, 633–644. <https://doi.org/10.1057/ip.2012.18>
- Huld, A. (2024). China–ASEAN trade and investment relations. *China Briefing*, <https://www.china-briefing.com/news/china-asean-trade-and-investment-relations/>
- Jungbluth, C. (2023a). Why de-risking from China may still lead to decoupling – for certain key inputs, but also for some companies. Bertelsmann Stiftung, <https://bst-europe.eu/economy-security-trade/why-de-risking-from-china-may-still-lead-to-de-coupling-for-certain-key-inputs-but-also-for-some-companies/>
- Jungbluth, C. (2023b). Why the EU's visit diplomacy with China needs a radical change. Bertelsmann Stiftung, <https://bst-europe.eu/europe-in-the-world/why-the-eus-visit-diplomacy-with-china-needs-a-radical-change/>
- Kyllmann, C. (2024). German economists split over EU tariffs on EVs from China as duties kick in. *Clean Energy Wire*, <https://www.cleanenergywire.org/news/german-economists-split-over-eu-tariffs-evs-china-duties-kick>
- Lauer, S. (2024). Attributing the fragility of the European automotive industry to unfair Chinese practices is a bit shortsighted. *Le Monde*, https://www.lemonde.fr/en/opinion/article/2024/06/19/attributing-the-fragility-of-the-european-automotive-industry-to-unfair-chinese-practices-is-a-bit-short-sighted-the-problem-runs-much-deeper_6675124_23.html
- Loh, D. M. H. (2024). *China's Rising Foreign Ministry: Practices and Representations of Assertive Diplomacy*. Redwood, Stanford University Press.
- Longhi, G. (2025). From the BRI to the Action Plan: Italy's China strategy under Meloni. *China Observers in Central and Eastern Europe*, <https://chinaobservers.eu/from-the-bri-to-the-action-plan-italys-china-strategy-under-meloni/>
- Madaio, R. (2025). Europe's military dependence on the United States and how to overcome it. *Agenda Pública*, <https://agendapublica.es/noticia/19810/europe-military-dependence-united-states-and-how-to-overcome-it>
- Matura, T. (2017). Chinese Investment in the EU and Central and Eastern Europe. In: Moldicz, Cs. (ed.) *China's Attraction: The Case of Central Europe*. Budapest, Budapest Business School, 49–71.
- Mearsheimer, J. J. (2014). *The tragedy of great power politics*. New York, W. W. Norton.
- Mei, X. (2024). From Canola to Brandy: Deciphering China's Diplomatic Trade Tactics. *Beijing Review*, https://www.bjreview.com/Opinion/Opinion1/202410/t20241014_800380281.html
- Nagy, A. & Salát, G. (2025). Amerikai–kínai kereskedelmi háború: az alkalmazkodás módjai. *MKI Nézőpont*, https://hiia.hu/wp-content/uploads/2025/04/0429_Amerikai%E2%80%93kínai-kereskedelmi-haboru-combined.pdf
- O'Neill, M. (2025). Biggest winner in the war, China changes stance over Ukraine. *EJ Insight*, <https://www.ejinsight.com/eji/article/id/4023996/250316-Biggest-winner-in-the-war-,China-changes-stance-over-Ukraine/>
- Olink, A. W. (2025). Renegotiating Alliances: Trump's America-First Foreign Policy and the European Union's Quest for Strategic Autonomy. *Finabel*, <https://finabel.org/renegotiating-alliances-trumps-americas-first-foreign-policy-and-the-european-unions-quest-for-strategic-autonomy/>
- Salát, G. (2025a). Fél évszázad hullámvasút. *Eurázsia* 4(6), 8–11.
- Salát, G. (2025b). Az EU és Kína kapcsolatai – korlátok és lehetőségek. *MKI Nézőpont*, https://hiia.hu/wp-content/uploads/2025/06/0613_Az-EU-es-Kina-kapcsolatai-korlatok-es-lehetosegek.pdf
- Schilder, T. (2022). Securitisation, China and FDI: The EU's Foreign Direct Investment Screening Regulation. *ELInternational Relations*, <https://www.e-ir.info/pdf/95998>
- Shambaugh, D., Sandschneider, E. & Zhou, H. (eds.) (2007). *China–Europe relations: Perceptions, policies and prospects*. London, Routledge.

- Song, L. & Bian, S. (2021): China-EU Two-level Cooperation and Challenges on Public Health during the COVID-19. *Security Science Journal*, 2(2), 129–147.
- Szunomár, Á. (2016). The characteristics, changing patterns and motivations of Chinese investment in Europe. In: *EU-China relations*. Brussels, Friends of Europe, pp. 73–76.
- Tan, H. (2025). US tariffs could give the EU exactly what it doesn't want: even more Chinese products. *Business Insider*, <https://www.businessinsider.com/trump-us-trade-war-tariffs-china-export-overcapacity-europe-dumping-2025-4>
- Wang, Y. (2011). How WTO accession has changed China and the road forward. Centre for International Governance Innovation, <https://www.cigionline.org/publications/how-wto-accession-has-changed-china-and-road-forward/>
- Zhang, Y. (2025). China's ties with Europe gain impetus. *China Daily*, <https://www.chinadailyasia.com/hk/article/612227>

How Is China-Europe Co-shaping Stable Multipolarity?

Consensus, Challenges and Pathways

JIAN JUNBO¹; HUANG KAIYUE²

ABSTRACT: As they navigate the current multipolarisation process, China and Europe should collaborate to ensure its stability, which would benefit both parties and the international community. Fortunately, China and Europe share some common ground in this area – they both recognise the importance of multilateralism in stabilising multipolarity and acknowledge the central role of the United Nations in multilateral efforts, despite existing cognitive differences and significant challenges posed by major power competition. Building on this foundation, the two sides should broaden their consensus through conceptual dialogue and foster practical cooperation to jointly establish a stable multipolar world.

- 1 Director and Associate Professor of the Center for China-Europe Relations, Fudan University.
- 2 Master student at the School of International Relations and Public Affairs, Fudan University.