

Improving Europe's capabilities to address the rise of China

The Congress of the Alliance of Liberals and Democrats for Europe (ALDE) Party convening in Athens, Greece, on 24-26 October 2019:

Notes that:

- the People's Republic of China has experienced unprecedented economic growth over the past decades. China has become a power that shapes political, economic and military trends globally. It is a key global actor with increasing presence and influence in the world, including EU nations. This newfound global role comes with greater responsibility for upholding the rules based international order including respect for the interest of smaller nations;
- the Chinese Communist Party (CCP) seeks to control all aspects of politics, justice, society and the economy as well as to assert the Party's unconditional power and leadership. China's development is not based on democracy, the rule of law and a free and social market economy, but rather - with its state capitalist and authoritarian one-party system – attempts to establish an alternative model to the open societies of Western democracies.

Believes that:

- openness, market economy, free trade and fair competition leads to prosperity and economic growth for all;
- human rights, as defined in the UN Universal Declaration of Human Rights are universal and must not be replaced by any other meaning of the concept;
- it is in the interest of the EU, and all of its Member States, to act united towards China and to stand up jointly for the defence of human rights, the rule of law and a free and social market economy;
- the Western Balkans should be supported and not hindered in their effort to transform their societies and political systems according to European Union standards in all the relevant policy areas, so they are able to provide for a better life;
- increasing Chinese influence in the European neighbourhood could pose a security risk to the European Union.

Calls for:

- the EU to act united and with a common foreign policy when dealing with China;

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- European Governments, political parties, officials, academia and think tanks to exercise due caution when dealing with China, ensuring freedom of speech and action are not compromised;
- a better understanding in Europe of the nature of the Chinese model of political and economic governance as well as of the CCP's ambitions for China in the 21st century;
- a better understanding of the challenge that an authoritarian system poses to the model of open Western societies;
- encourage increased investment in Europe in independent study programs on China and its political structure and society with a view to deepening our knowledge and awareness regarding China, its culture, language and history;
- a deeper engagement with China where interests coincide at global level, and in addressing regional security challenges;
- enhanced attention by the European Union to the activities of China in the European neighbourhood;
- the engagement of all relevant stake holders into a constructive dialogue directed to the preservation of freedom and democracy in Hong Kong, as enshrined in the basic law;
- establish programmes to up-skill our European workforces regularly to keep up with technological change in order to meet the growing economic competitive challenge of China and other emerging powers;
- the EU and European Governments should ensure the following issues are raised regularly in their bilateral dialogues with China, whilst also pursuing cooperation with China.

1. Respect for human rights, democracy and the rule of law

Expresses concern that:

- interference is taking place in the internal affairs of Taiwan - where the liberal Democratic Progressive Party is in power - with mainland China attempting to subvert its democracy to force eventual reunification against the will of the Taiwanese people;
- the human rights situation in China remains deeply worrying. Despite economic and social progress, such as a reduction in poverty levels, countless restrictions on political and civil liberties remain;
- China continues to pursue widespread and systematic human rights violations as an inherent consequence of its communist system of governance;
- we see a development in China, a country which the EU is committed to a comprehensive strategic partnership as expressed in the EU-China 2020 Strategic Agenda for Cooperation, where neither individuals nor minority groups such as the Uyghurs are guaranteed democratic or

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human rights and therefore welcomes the awarding of the Sakharov Prize for Freedom of Thought to activist Ilham Tohti;

- the situation for journalists, authors, intellectuals and oppositional voices in China is deteriorating and the use of arbitrary detention, as in the case of book publisher Gui Minhai, is increasing;
- the use of state propaganda and censorship is worrying and increasing, limiting freedom of speech and oppositional voices even more;
- the Chinese government uses violence and oppression towards the freedom movement in Tibet;
- the Chinese government does not fully comply with the Sino–British Joint Declaration and seems to abandon the principle of “one country, two systems”, infringing the rights and freedoms of the people of Hong Kong;
- the Chinese government is threatening the pro-democracy protesters in Hong Kong with the use violence and is calling protesters agitators or terrorists. In our defence of democracy, rule of law and human rights, we side with the pro-democracy protesters of Hong Kong who use their freedom of speech and assembly to make their voices heard;
- the Chinese government has oppressed and imprisoned members of Falun Gong organisation. The tribunal led by Sir Geoffrey Nice QC in the UK concluded that illegal harvesting of organs from prisoners, especially Uyghurs and Falun Gong members, is widespread based on two years of formal evidential work.

Condemns:

- the ongoing abuse of the Uyghurs in the Xinjiang province and the nationalist Chinese agenda that has led up to one million people being detained in re-education camps; [1]
- the Chinese government’s use of violence and oppression towards the freedom movement in Tibet;
- the arbitrary detention of journalists, authors, intellectuals and oppositional voices, notably the case of book publisher Gui Minhai;
- the Chinese authorities’ description of pro-democracy protesters in Hong Kong as agitators or terrorists;
- police violence, arbitrary arrests and any threats on the use of military force against the protesters in Hong Kong;
- mainland's China's attempts to influence the outcome of Taiwan's January 2020 elections.

Calls for:

- China to respect the universality of human rights;

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- support Taiwan with expertise and experiences of fighting disinformation to ensure January 2020 elections in Taiwan reflect the real will of its people as closely as possible;
- the European partners to demand from China full compliance with the Sino-British Joint Declaration on the question of Hong Kong and the adherence to the principle of "one country, two systems" from China, not undermining it in any way, be it through propaganda, introducing new laws *de facto* infringing it or the threat of using military violence to silence or scare the people of Hong Kong. The people of Hong Kong must have their rights and freedoms guaranteed now and in the future;
- the immediate release of individuals in re-education camps. Human rights, including freedom of religion must be respected and guaranteed for all people;
- China to respect the autonomy of Tibet and its exile government and the interest of smaller nations.
- the immediate release of imprisoned journalists, authors, intellectuals and oppositional voices, notably book publisher Gui Minhai;
- the EU to be clear in its dialogue with China that we have a broad view of human rights and will not accept any breaches of it nor the rule of law, international law or the inalienable rights of the individual to life and self-determination regardless of birth, belief, gender and sexual orientation;
- the EU to, in its future relationship and partnership with China, show a deeper understanding of the Chinese usage of words and concepts. [2]

2. Free Internet and digital sovereignty

Expresses concern that:

- China is shaping the digital revolution and is striving for global technology leadership by investing large amounts of resources;
- the so-called "social credit system" serves as a possible entry point into a totalitarian digital surveillance state, which the CCP uses to secure its unconditional claim to power and prevent any loss of control.

Believes that:

- attempts by the Chinese government to enforce its interpretation of "Internet sovereignty" on an international level must be rejected;
- securing digital sovereignty is of strategic importance to liberal democracies with open market economies.

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- close scrutiny and risk assessment of the involvement of Chinese companies (such as Huawei) in building important digital infrastructure such as the next 5G mobile technology;
- binding European minimum standards and principles for IT security and an effective cybersecurity structure.

3. The market economy

Expresses concern that:

- the Chinese economy is not a free market economy even if China has implemented comprehensive economic reforms in recent decades;
- strategic investments by large Chinese companies or consortiums often lead to increased state influence by China in the respective states;
- the Chinese government denies foreign economic actors the same rights in China that it uses for its own companies abroad.

Believes that:

- the newly adopted Investment Act is a step in the right direction, but not a sufficiently ambitious one;
- the conclusion of an investment protection agreement between the EU and China is of paramount importance;
- only a strong EU can economically compete with China and effectively counter China's attempts to weaken the EU for example through the 17+1 format.

Calls for:

- an active monitoring of investments of Chinese companies in Europe and regular assessments by the European Commission of possible risks and market distortions caused by such intervention;
- the European procurement market to be accessible to Chinese companies only if China accedes to the relevant WTO agreements such as the "Government Procurement Agreement (GPA)";
- the implementation of a consistent approach towards China's "Belt and Road Initiative" and related investment and infrastructure projects which can create dependency by EU countries and candidates for EU membership over the long-term and thereby increase China's influence on EU decision-making;
- the EU and its member states to pursue a trade and development policy towards Africa, as well as on a global scale, which allows states not to become too dependent on China;
- the EU to develop a clear strategy and strengthen existing cooperation with China and other Asian countries as part of the EU-Asia connectivity strategy;

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- legal steps to ensure full compliance with WTO terms, especially for investors in China, intellectual property rules, decisions over territorial claims and the Sino British Joint Declaration.

4. Peaceful resolution of conflicts

Believes that:

- the conflict in the South China Sea is a major threat to stability and peace in the region as well as a threat to the global economy;
- China is responsible for actively promoting a solution to the conflict by peaceful means and instruments of multilateral agreements and international law. In addition, China is responsible for recognising UNCLOS arbitration decisions;
- restrictions on Hong Kong's freedom and self-determination are unacceptable.

Calls for:

- the EU to make its contribution to the peaceful settlement of the conflict as an honest broker;
- the promotion of a multilateral conflict resolution mechanism in the South China Sea and the implementation of appropriate diplomatic initiatives in the region and in international forums;
- full compliance with the Sino-British Joint Declaration on the question of Hong Kong and the adherence to the principle of "one country, two systems".

5. A rules-based world trade system

Expresses concern that:

- China's current foreign trade policy is characterised by state capitalism and protectionism;
- contrary to statements made by the CCP, China does not adhere to the principles of the World Trade Organization (WTO) such as non-discrimination and transparency.

Calls for:

- the EU to continue to pursue the goal of increasingly integrating China in the rules-based world trade system, for example within the context of reviving the ongoing Doha World Trade Round or developing

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international trade rules within the framework of the WTO reform. The same applies to China's role in global climate and environmental protection.

Sources:

- [1] <https://www.amnesty.org/en/latest/news/2018/09/china-up-to-one-million-detained/>
- [2] For the Chinese government, human rights often only refer to economic rights, not civil or political rights. Stability usually refers to stability for the power of the Chinese communist party, thus could be used trying to legitimise violence against anyone who it believes interferes with this objective, be it Uyghurs, Tibetans or protesters in Hong Kong.

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