

## Conclusions

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Since 1979, the international system has experienced major changes that have constituted and still constitute challenges for politicians. Thierry de Montbrial reminded us this morning of everything that separates the world of then from the world of today, a world really far from the hastily announced end of history, marked by the return of geopolitics and new technological changes, which we are just beginning to take full measure of.

Ifri plays a valuable role in helping the government and its officials to decipher and anticipate developments, and it gives us the resources to ask the right questions at the right moment. I welcome the dialog that has been established in recent years between Ifri and the Ministry of Foreign Affairs' Policy Planning Staff. In order to understand that an obvious link unites us – almost a bond of kinship – it is sufficient to recall the founding role played by Thierry de Montbrial in the establishment of what was called in 1974 the Centre for Analysis, Planning and Strategy.

### ***New balances of power***

This anniversary is taking place in an atmosphere of forward thinking, by asking ourselves about the future of Europe in the context of Sino-American competition. Less than two months from critical European elections, Europe is at a crossroads – and you give us a vital opportunity to examine some of the main challenges that we face.

The question you raise is one of those that determines the role of the European project and our Union in tomorrow's world. Will this world be dominated by balances of power? Or will it be regulated by law? Will the logics of confrontation finally take precedence over the logics of cooperation? Will their organization help to collectively respond to the major challenges of our time or condemn everyone to powerlessness? At the Sorbonne, where in September 2017 the French President called for Europe to be rebuilt, I would like to tell you what France intends to do to defend the interests of the European Union in the face of the new

geopolitical order, and how it wants to give our continent a leading role in the renewal of a multilateral system whose very foundations are now being challenged.

The past few decades have seen China establishing itself as a major and essential actor in international relations. It's an understatement to say that it has developed dramatically – the numbers are well known. Since the country's economic reform and opening-up in 1978, its GDP has grown on average by 9.5% per year. China, which accounted for less than 2% of global GDP in 1978, now produces 15% of global wealth. In four decades, 700 million Chinese have emerged from poverty, and, as a result of this remarkable growth, we can say that China "no longer hides its strength while biding its time", to use Deng Xiaoping's famous phrase.

Two years ago, at the 19<sup>th</sup> Communist Party Congress, President Xi was able to publicly state his determination to make China the leading world power by 2049, the date of the 100<sup>th</sup> anniversary of the Revolution. He presented specific calculated intermediate objectives for 2035, broken down for all areas, from economics to sport via all the traditional power channels and all the new vectors of influence. To ensure its security, but also to increase its geopolitical stature, China is also investing massively in its military budget, in its diplomatic resources, to establish itself as a world market leader in emerging sectors, and is organizing – while obviously protecting its domestic market – its move upmarket in artificial intelligence, 5G, drones, big data, facial recognition technologies, and even autonomous cars. Internationally, it sometimes plays an ambiguous game, posing as a defender of classic multilateralism while establishing alternative institutions promoting its own worldview, in a kind of "multiple bilateralism". This is what characterizes Chinese-style multilateralism.

At the same time, China's expanding stamp on the world is increasing in areas of potential friction, and particularly with the United States. Economically, you know these tensions are very real; last year, China and the United States were on the brink of a trade war when President Trump decided to impose tariffs on almost \$250 billion of Chinese products. Strategically, there is a risk of a confrontation occurring sooner or later. I am thinking specifically of the South China Sea and the Pacific. We should be vigilant about the geostrategic impact that the North Korean crisis represents for China and the United States.

The situation is ambivalent in the United States. On the one hand, some people seem to be preparing for a future major confrontation; on the other, voices are raised regularly warning of the escalation risks that an

unduly military reading of the major balances of power in Asia could lead to. The book of political scientist Graham Allison, *Thucydides' Trap*, describes the situation well. The author compares Sino-American rivalry with that which once set Athens against Sparta, and plunged the Greek world into the Peloponnesian War. Like Sparta, the United States, the dominant power, is worried, faced with the rise of the emerging power – yesterday Athens, now China. In this climate of mistrust, a spark could be enough to provoke war. For Allison, peace depends on the United States' ability to negotiate the terms of a new world order with China. Joseph Nye, the international relations theorist, counters that there is no guarantee that China is prepared to assume a guarantor role as a last resort. China's long history has, admittedly, led it to think of itself at the center of an organized and broader network, but it has never claimed to assume a guarantor role. Revolutionary China itself rejected the idea of an alliance. We can only hope that a dominant power like it agrees to assume its global responsibilities, provided of course that it exercises them wisely.

### ***A new multilateralism?***

This new geopolitical order is full of all kinds of implications for the future of Europe. Commercially, China and the United States are our major partners. A tariff escalation between these countries would disrupt global value chains, and generate overcapacity that would threaten the European market. But we also have to be vigilant so that an agreement between China and the United States is not made against European interests, through American privileged access to the Chinese economy that is incompatible with WTO rules. The first risk to avert is seeing our continent divided and exploited by a new bipolar struggle for influence. Similarly, we should guard against the collateral damage that competition between China and the United States will cause. Thirdly, in the face of warmongering, we must help to assert the strength and advantages of true balanced multilateralism, governed by the principles of international law. To do this, we can rely on a number of major powers, which are both democracies and strong supporters of multilateralism.

This is the goal of what is now called the "Alliance for Multilateralism" that my German colleague Thomas and I launched last week in New York with the support of our Japanese and Canadian partners.

### ***Clarifying Europe's relationships with the United States and China***

Additionally, to be successful, Europe must speak with one voice. With its 450 million members – without the United Kingdom – it is able to

make itself heard in this concert of powers. It's our interest and our responsibility. So, we must work with China and the United States under these conditions to prevent any drift, prevent the survival of the fittest becoming the norm in international relations, and avoid dialog and cooperation mechanisms between states being paralyzed or devoid of substance. This is all the more important since the challenges of our time – climate change, biodiversity loss, terrorism – all require collective and concerted solutions, and more multilateralism.

This is why, we are first of all striving to forge relations with the United States that uphold the friendship that binds us, and also meet the challenges of the present. The United States is Europe's oldest ally and remains a key partner in many respects, particularly from a military and intelligence point of view. Our relationship has been built over time through the events that have brought us ever closer. The United States' history is punctuated by swinging between the isolationist temptation and the will to engage in global affairs. Going beyond this swinging, nowadays the United States seems to be questioning the very foundation of the multilateral mechanisms of which it was initially one of the driving forces. Also, we are striving to show the United States that the exercise of sovereignty does not necessarily involve the choice of isolation, and we are ensuring that the very strong links that unite us, at different levels, allow us to maintain a constructive dialog, and if possible, cooperation in action.

Secondly, this is why we are working with China to establish a restructured multilateralism to contribute to global balances. Fifty-five years ago, General de Gaulle's France chose to establish diplomatic relations with the People's Republic of China because of "the impact of evidence and of reason". The world has changed considerably since then, but the impact of evidence and reason has only increased. In terms of climate, the economy and multilateralism, China is now a major partner which we have to and want to cooperate with, as nothing can be resolved on all these critical issues without it. Saying that is not being naive, but advocating a case for enhanced cooperation by having a clear idea of our objectives, principles and values that we care about. To succeed, Europe must demonstrate a double awareness: we must be fairly far-sighted to protect our interests and clear enough to make a commitment to enhanced cooperation.

For too long a time, the Europeans have let China play with their own divisions on issues as important as investing in our continent. In 2012, China held 16 million euros in European companies; four years later this number had increased tenfold. Let's beware of hasty simplifications. We

do not turn down Chinese investment; there are also imbalances in this area, since there are more European investments in China than Chinese investments in Europe – and this is even more true for France. What matters is knowing which sectors can be open to foreign investors, which are those that come under strategic areas, areas of European or national sovereignty, and which are those that, without being closed, call for vigilance and control. I think that nowadays, and recently, the time of passivity is over. The European Commission presented some days ago a communication that incorporated both the need for a partnership and the fact that Beijing is an economic competitor in search of technological leadership, which must be constantly taken into account. With this in mind, we have adopted a European instrument for controlling strategic investments, to coordinate and better detect the risks posed by foreign investments in our assets. We have also significantly enhanced our instruments and positions on trade defense; all of this was validated in an action plan at the European Council on 21 and 22 March 2019, which enabled the European Union to overcome divisions on these topics and to assert a desire for sovereignty. This work must continue, particularly in the field of 5G network security, or with regard to access conditions to public markets. It is only by equipping ourselves with instruments of genuine European economic sovereignty that we can protect ourselves from our differences. Saying that, I am not thinking solely about our relationship with China, but about Europe's position as both a credible actor and partner on the international stage. This applies to China, but also to our relationship with the United States and with others.

We have also realized that it's through European solidarity that we can best build this common solidarity. If strategic assets, like the autonomous port of Piraeus, have been owned up to now by Chinese investors, it is also because the member states asked Greece for too drastic privatizations, and that European companies were not involved at the time of this bid. These measures to defend our interests do not detract from our desire to work with China to define global balances. On the other hand, they allow us to do it on a sound basis of reciprocity. President Xi Jinping's recent visit helped to develop an approach, in a Europe-China framework, to both a renewed and more just and balanced multilateralism. In the discussion that the President of the Republic, Chancellor Angela Merkel, and the President of the European Commission, Jean-Claude Juncker, had with the Chinese President, I can see four areas of convergence.

### ***New prospects for convergence***

First, there is convergence on the need to build strong multilateralism together for peace and international security. We want to act together to preserve the 2015 Iranian nuclear agreement, to guarantee the denuclearization of the North Korean peninsula, to ensure the security and development of Africa, where much remains to be done, to support the security and development efforts that we want – again, in the particular case of Africa – respecting the principles of sustainability and durability.

Secondly, there must be convergence on the need to lead the way in the fight for the environment. We have the resources, and our responsibility is to take concrete action together to prevent the environmental disaster that threatens us, by taking action on climate and biodiversity. We must take pragmatic and innovative initiatives together to implement the Paris Climate Agreement, with next on the horizon the UN Climate Summit next September and COP15 on biodiversity in Beijing.

Thirdly, there must be convergence on the need to act together to modernize trade multilateralism and to develop new collective disciplines to ensure fairer competition at global scale. To this end, we must accelerate the work that we are doing together on modernizing the WTO – because trade multilateralism is undergoing an unprecedented crisis, which is embodied particularly in the breakdown of the WTO's Dispute Settlement Body. We must address together the root causes of the challenge of the multilateral trade order, by filling in the gaps in the current rules, as well as reducing the distortions of competition through new substantive rules on subsidies to industries, and especially in terms of technology transfer.

Fourthly, there must be convergence on the need to better articulate some of our initiatives. The Chinese Silk Roads project can help boost trade between Europe and Africa and can help boost trade between Europe and Asia. It turns out that the European Union has adopted for its part a strategy for connectivity, and we must therefore look for synergies and complementarities together, so that these routes operate in both directions, as the President of the Republic emphasized in his speech last year. Regarding the Silk Roads, and more generally regarding cooperation projects with third countries, it is essential that the international principles we defend – in particular economic and environmental sustainability – be taken into account. We can't imagine that we can have demands on investments made in China, or the demands that we ourselves have on our own European markets, and that we do not respect them when we go to invest together in Africa. These basic principles must be respected.

Yesterday and the day before yesterday, the EU-China Summit made it possible to apply this agenda practically. Tangible results have been achieved regarding China's commitment to strengthening collective disciplines at the WTO, but also regarding the European Union-China Comprehensive Agreement on Investments and Geographical Indications. The next international deadlines must be an opportunity to continue this work – I am thinking particularly of the next G20 in Japan.

### ***What will the relationship be with Russia?***

I would like to say a word about the relationship between Europe and Russia. It has a vital part in the future of international relations. The annexation of Crimea and the conflict in eastern Ukraine have resulted in a serious crisis in the relationship between the European Union and Russia. It has resulted in both the imposition of sanctions and the support for a political resolution of the Donbass crisis *through* the involvement of France and Germany in the Normandy Format. This commitment has not yet produced a result, but we have always made sure, and we must continue to make sure to maintain an open channel of dialog with Russia. Therefore, we are undertaking a policy that constantly combines dialog and firmness. However, the implementation of the Minsk Agreements is the condition for any substantial change in approach. While saying that, we do not exclude the possibility of a selective and gradual engagement with Russia, in particular on foreign policy projects, when there is a clearly identified European interest. Without being confrontational, but also without complacency in the face of some intimidation and manipulation practices, we must also seize every opportunity for dialog with Russia to assert our interests. It is essential to make sure that Russia is rooted in Europe.

