

## Twitter Thread by Andreas Fulda



**Andreas Fulda**

@AMFChina



**BREAKING: 100+ China experts and human rights activists slam “naïve” EU-China deal for “entrenching Europe’s strategic dependency on China”**

**Maik Baumgaertner and Ann-Katrin Mueller report about open letter for @SPIEGEL\_English**

■What follows is the text of the open letter in full ■

We, the undersigned, are deeply concerned by the China-European Union Comprehensive Agreement on Investment (CAI) and call on the European Union to withdraw from this agreement 2/32

<https://t.co/vxmAXR84H1>

The signal sent by both the timing and the substance of CAI is that European leaders are set on pursuing access to Chinese markets, even if this is at the expense of the bloc’s values and national security. 3/32

<https://t.co/cc3RcZmEDM>

The deal is not only poorly timed but is also based on a naïve set of assumptions about the character of the Chinese Communist Party. It further entrenches Europe’s existing strategic dependency on China and runs counter to Europe’s core values. 4/32

<https://t.co/TFpJAZxEfA>

The outcome of seven years of negotiations, the agreement and the hopes attached to it are products of a bygone era. The Chairmanship of Xi Jinping has been marked by a steep deterioration in the human rights situation everywhere from Hong Kong to Xinjiang. 5/32

Despite evidence of ethnic cleansing, forced labour, and other gross human rights violations, the leadership of the European institutions have chosen to sign an agreement which exacts no meaningful commitments ... 6/32

<https://t.co/LsS5PGbP8y>

... from the Chinese government to guarantee an end to crimes against humanity or slavery. Xi's insistence on the centrality of the Chinese Communist Party in all parts of China's economic and social life has dashed once-understandable hopes for liberalization. 7/32

The Party's behaviour under Xi no longer affords any reason to believe it will be constrained by international agreements, much less this investment agreement. Defenders of CAI argue that the arrangement exacts meaningful concessions ... 8/32

<https://t.co/Vv7n2Pv7jp>

... in areas including the so-called 'level playing field' and labour rights. On the issue of labour rights, the commitment to ratify ILO conventions at an indeterminate point in the future is so vague as to be essentially useless. 9/32

<https://t.co/vIMwvQb1mH>

Furthermore, it is delusional to imagine that China will keep promises on these issues of investment and trade when it has broken its promises so regularly in recent years. 10/32

<https://t.co/F35A4qr1VA>

The Chinese Communist Party has spent the past year destroying autonomy in Hong Kong in violation of its own Basic Law and the Sino-British Joint Declaration, a legally binding agreement registered with the United Nations. 11/32

<https://t.co/QalxsSuQyf>

The Party regularly flouts WTO rules and has shown a disregard for international law in the South China Sea. 12/32

<https://t.co/7GE9tCbH95>

China's punitive sanctions against Australia, in breach of the free trade agreement between the two nations, is yet another example of the potential pitfalls of putting faith in a treaty of this kind. 13/32

<https://t.co/MDQRjkYwSV>

The sanctions have shown the dangers of relying too much on Beijing. The draconian measures against Australian exporters also show that the Chinese Communist Party has no qualms in weaponising interdependence. 14/32

<https://t.co/ECIQ7roMkJ>

Yet instead of divesting from China and diversifying European export markets in the Asia-Pacific, the agreement is likely to deepen dependencies of European companies on China. 15/32

<https://t.co/khQ3qAryEE>

Europe's existing dependency on China is alarming. Following the 2008 financial crisis, Chinese state-owned enterprises pounced on the opportunity to buy substantial stakes in key European infrastructure. 16/32

<https://t.co/pSCdFkKBeL>

In Portugal, they purchased the country's largest insurance company, nearly a third of its formerly state-run energy grid company, 27 percent of the country's largest bank, and 30 percent of the country's largest media conglomerate. 17/32

<https://t.co/uxsfSh039Y>

The Greek Government, under pressure to restructure its debt, found Chinese state-owned enterprises eager investors buying a minority stake in the country's power grid operator ADMIE ... 18/32

<https://t.co/3WCEaz3o7s>

... and buying a majority stake in the Piraeus Port Authority to make it a central part of China's "One Belt, One Road" Initiative. 19/32

<https://t.co/3HbzZSFNla>

Similar vulnerabilities are evident everywhere from Italy to Hungary. European leaders should be focusing on mitigating these risks, not signing onto a treaty that includes an investor-state dispute settlement mechanism which will ... 20/32

... consolidate the market access which these firms hold. European companies which are heavily invested in China can also be co-opted by the Communist Party. The fact that Ericsson's CEO has lobbied on behalf of Huawei in Sweden is a major red flag. 21/32

<https://t.co/NB7cPRtbvS>

There is mounting evidence that the Chinese Communist Party is seeking to influence or control European companies, for instance through party cells operating within multinational corporations. 22/32

<https://t.co/40iYCUaTB9>

CAI signals to European business leaders that such interference is a necessary by-product of China engagement, rather than a problem to be dealt with. 23/32

Those business leaders will be on their own to decide how to accept the political trade-offs, such as pressuring their home governments on unrelated issues, in exchange for controlled economic opportunities that the Party holds hostage when it needs something. 24/32

CAI is based on a naïve misunderstanding of the Chinese Communist Party, its strategy, and its methods, exposing European nations to an array of unnecessary risks. 25/32

<https://t.co/PH5gMNdeaR>

The agreement sends a signal to Beijing that the European Union is willing to set aside evidence of egregious human rights abuses for the low price of a few vague promises of greater market access. 26/32

<https://t.co/AYdRK1tK7q>

Europe can no longer afford to ignore the politics of the Party while pretending the agreements like the CAI are just about trade. It also sends the wrong message to the world. At a time when the democratic world is waking up to the challenge ... 27/32

<https://t.co/1O21AmS6U8>

... posed by the Chinese Communist Party to liberal democracy and the rules based international order, the deal is a set back for those who are seeking to prioritise a more cohesive and coordinated response. 28/32

The timing of the deal, signed in principle days before a new US administration that is seeking to rejuvenate the trans-Atlantic alliance takes office, is unfortunate to say the least. 29/32

<https://t.co/3wslcQtKaA>

For these reasons, we call on the European Union to immediately withdraw from the China-European Union Comprehensive Agreement on Investment ... 30/32

<https://t.co/CehRTonLEC>

... and to notify the People's Republic of China that any further negotiations are placed on hold until substantial and verifiable progress is made on the concerns named above. 31/32

<https://t.co/C1DST8XriW>

Are you a public figure, human rights activist, economist, security policy expert or China specialist and would like to co-sign this open letter?

We will continue to collect signatures on this open letter until Friday, 29 January /End

<https://t.co/vxmAXQQtir>