

**A CRISIS-RIDDEN CONTINENT AND A
CONFIDENT PARTY: EUROPE WATCHES
CHINA'S 18TH PARTY CONGRESS**

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Executive Summary

1. At this unprecedented moment of European weakness and Chinese strength, China has become more important to the EU and its member states than ever before. Thus, European elites have followed closely the once-in-a-decade transition of power during the Chinese Communist Party's 18th Party Congress.
2. EU leaders are apparently subject to two contradictory incentives: first, prevent a too strong dissonance between public interactions with China's authoritarian political system and the principles Europe subscribes to, and take into account widespread uneasiness in domestic public opinion. Second, practise realpolitik in the face of China's growing international weight.
3. The broader policy community displays a sense of uncertainty over the new leadership. Some analysts expect it to have a more nationalistic disposition, while others predict that little fundamental change in China's policies vis-à-vis Europe is on the horizon.
4. European China watchers also perceive looming economic problems and rising discontent within Chinese society. Many believe that the country is approaching a point at which decisive reforms are needed. Yet, observers have little confidence that the new Chinese leadership is capable and/or willing to deliver these changes.
5. European media reporting of the Party Congress was unprecedentedly intense, although it was still behind that of the U.S. elections. In terms of content, a deeper understanding of China's complexities sometimes is hampered by a lack of journalistic resources. Commentary reveals a widespread uneasiness about the influence of a political regime that is often portrayed as illegitimate.
6. Implications for EU-China relations are mixed: difficulties are bound to increase rather than decrease. However, given the lack of direct geo-strategic

competition, and the provision that both sides manage their points of disagreement cautiously, the bilateral relationship is not headed for open conflict.