



The East Asia Concept of the German Federal Foreign Office (2002) and the Federal Government's Strategy on China (2023) – Similarities and Differences

Original Paper

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Abstract

In July 2023, the German federal government published its "Strategy on China". This had been mandated by the 2021 coalition agreement, but happened quite a bit later than originally intended. While the Strategy is the first ever comprehensive document to set out the federal government's China policy, it can – and should – be compared to the federal foreign office's East Asia Concept of 2002 that also established basic tenets of German China policy. Remarkably, the principles enunciated in both documents are the same or very similar: The references to basic values such as democracy, the rule of law and human rights have not changed, Tibet and Xinjiang are mentioned prominently. Then, as now, there is an appeal to Beijing to assume responsibility for world peace and global affairs. There is also no change regarding the need for a peaceful resolution of the Taiwan issue and for German across-the-board cooperation with EU partners on China. Major differences exist, however, on economic issues. Two decades ago, China was the largest recipient of German development aid; now it is, depending on the yardstick used, the world's second-largest or largest economy. In 2002, German companies in China were seen as an asset in the endeavor to bring Western values to China; in 2023, they are regarded as a risk possibly causing an overdependence on China. The Strategy is based on the assumption that China has changed – meaning: for the worse – and that as a result Germany needs to change its approach to China. One of the Strategy's central features is the concept of "de-risking" the German economy from China. This has, however, failed so far: Since the Strategy's adoption, German companies have invested more in China than ever before. The jury is still out on whether the Strategy will over the coming years be a blueprint for Germany's China policy. Basing oneself on the fate of the Concept, that is rather not to be expected. It would, however, be erroneous to presume that Beijing's policies can only move in one direction. That would disregard the experience that the policies of the Communist Party have over the past decades been prone to considerable swings – the most recent example being the sudden demise of the zero-COVID policy. It is therefore not excluded that relations between Germany and China could become closer again in future.

Keywords

Strategy on China • East Asia Concept • democracy • rule of law • human rights • Taiwan • de-risking

1 Introduction

After long preparations, the German government presented its first Strategy on China² on July 13, 2023. The coalition agreement had stated: "In order to be able to realize our values and interests in the systemic rivalry with China, we need a comprehensive Strategy on China in Germany within the framework of the joint EU-China policy"³. The strategy had been expected for some time: foreign office minister of state Tobias Lindner had announced it in January 2022 for later in the year.⁴ However, the

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2 "China-Strategie der Bundesregierung", 2023, <https://www.auswaertiges-amt.de/blob/2608578/810fdade376b1467f20bdb697b2acd58/china-strategie-data.pdf>.

3 "Mehr Fortschritt wagen – Bündnis für Freiheit, Gerechtigkeit und Nachhaltigkeit. Koalitionsvertrag 2021-2025 zwischen der SPD, Bündnis 90/Die Grünen und FDP" ("Dare to make more progress – alliance for freedom, justice and sustainability. Coalition agreement 2021-2025 between SPD, Bündnis 90/Die Grünen and FDP"). 2021, p. 157, <https://www.spd.de/koalitionsvertrag2021/>.

4 Lindner, Tobias. "Keynote Speech by Minister of State Tobias Lindner at the MERICS China Forecast 2022", 26.01.2022, <https://www.auswaertiges-amt.de/en/newsroom/news/lindner-merics-china/2508286>.

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agreement between the three political parties of the “traffic light” coalition took considerably more time than expected.

The Strategy on China is not the first document dedicated to Germany’s China policy since the turn of the century. As early as 2002, the federal foreign office had developed an East Asia Concept⁵, which was presented to the public by a high-ranking politician, printed as a brochure and widely distributed.⁶ The German government’s 1993 Asia Concept⁷ had focused on the entire continent; China played an important but not central role in it.

For a better understanding of Germany’s China policy, the Strategy on China and the East Asia Concept are compared below, including their underlying political conditions, their reception and the effects of the Concept on the government’s China policy. From this, conclusions can also be drawn for the future development regarding the Strategy.

It is fair to assume that the East Asia Concept played no role in the development of the Strategy on China, and that its existence may not even have been known to those responsible for developing it. In 2017, the Concept was still accessible on the website of the federal foreign office; however, inquiries at the end of 2022 in the archives of the federal foreign office led to the result that traces of it could no longer be found.

Even though immediately after the publication of the Strategy on China it was often pointed out that what was now most important was its implementation, it is not to be expected that the Strategy will turn out to be a blueprint for the China policy of the federal government, the Länder (federal states) and the municipalities – such as when considering the conclusion or renewal of city partnerships.

The East Asia Concept has not fulfilled this function: it was publicly presented by minister of state Ludger Volmer in June 2002 and received some attention by the public and in the media.⁸ It is however unlikely that anyone in the foreign office or elsewhere in the federal government looked up the East Asia Concept in order to find out what had to be done in concrete terms to solve a foreign policy issue. Still, through the informal involvement of relevant ministries in the preparation of the Concept, their positions had been concretized to such an extent that the principles laid down in the Concept probably had an effect even without the need of anyone having explicit recourse to it.

This is likely to be similar with the Strategy on China. There is an apocryphal story that federal chancellor Olaf Scholz was asked a few days before his trip to Beijing in April 2024 whether he had a copy of the Strategy on China in his briefcase – the chancellor is said to have merely smiled ...

Although the East Asia Concept was developed in cooperation with other ministries, the result was the sole responsibility of the federal foreign office. A short footnote⁹ refers to the cooperation with other ministries. The Strategy on China, on the other hand, is one of the entire German government.

In contrast to the East Asia Concept, the Strategy on China is thus even more of a compromise between several ministries that during the drafting process apparently often took quite different positions. These differing attitudes have not disappeared, even though a number of compromises have been successfully agreed. They can easily reappear in future foreign policy challenges. This applies in particular to the generally critical positions on China held at the top of the federal foreign office and in the federal ministry for economic affairs and climate action on the one hand, and the attitude in the chancellery, which tends to emphasize the need for economic cooperation with China, on the other.

On 26 January 2022, minister of state Lindner had announced that European, transatlantic and Asian partners as well as companies, non-governmental organizations, especially in the fields of human rights and climate, and think tanks dealing with China would be involved in the development of the Strategy. It is doubtful whether this has really been done comprehensively. In the Bundestag’s deliberations on the Strategy on 28 September 2023, the first speaker for the CDU/CSU parliamentary group, Johann David Wadehul MP, stated that the participation of the parliament in its entirety, the federal Länder and the municipalities, German business and European partners had so far failed to materialize and would have to be made up for.¹⁰

5 „Auswärtiges Amt, Aufgaben der deutschen Außenpolitik – Ostasien: Japan, Süd- und Nordkorea, Mongolei, China einschl. Hongkong und Macau, Taiwan – am Beginn des 21. Jahrhunderts“, Berlin, Mai 2002 (Federal Foreign Office, Tasks of German Foreign Policy – East Asia: Japan, South and North Korea, Mongolia, China including Hong Kong and Macau, Taiwan – at the beginning of the 21st century, Berlin, May 2002).

6 Röhr, Wolfgang “Nicht die allererste Strategie...” (“Not the very first strategy...”), China.Table, 17.07.2023, <https://table.media/china/standpunkt/nicht-die-allererste-strategie/>.

7 “Asien-Konzept der Bundesregierung. Deutscher Bundestag, 12. Wahlperiode, Drucksache 12/6151, 25.10.93” (“Asia Concept of the Federal Government. German Bundestag, 12th legislative period, printed matter 12/6151. 25.10.93”), <https://dserver.bundestag.de/btd/12/061/1206151.pdf>.

8 Hansen, Sven. O. J. “Globalisierung der Chancen und Risiken: Das neue Asienkonzept des Auswärtigen Amtes” (“Globalization of Opportunities and Risks: The New Asia Concept of the Federal Foreign Office”), <https://www.asienhaus.de/public/archiv/hansen.pdf>; Heilmann, Sebastian, “Grundelemente deutscher Chinapolitik” (“Basic Elements of German China Policy”), China Analysis No. 14 (August 2002), p. 2, http://www.chinapolitik.org/files/no_14.pdf.

9 East Asia Concept, Page 2 footnote 1: “The federal government departments work together on the definition and implementation of this program, which is subdivided according to federal state and subject area, in their respective areas of responsibility, with their specialist concepts and priorities, with their instruments and using their own budget.”

10 Wadehul, Johann David, “Deutscher Bundestag, 20. Wahlperiode, Stenografischer Bericht, 125. Sitzung, 28. September 2023” (“German Bundestag, 20th legislative period, Stenographic Report, 125th session, 28 September 2023”), p. 15527, <https://dserver.bundestag.de/btp/20/20125.pdf#P.15525>.

Even if this were true, the federal government might be forgiven as such a comprehensive participation would probably have been difficult to achieve in the limited time available.

With only 14 pages, the East Asia Concept is significantly shorter than the Strategy on China with its 61 pages. Although most of the Concept is dedicated to China – just ahead of the space dealing with Japan –, the much longer Strategy can of course go into much more detail on numerous issues.

The East Asia Concept is dedicated to the whole of East Asia, i. e. not only China but also Japan, the two states on the Korean Peninsula and Mongolia. The Strategy on China refers only to China. In accordance with Germany's one-China policy, Hong Kong, Macau and Taiwan are in both documents treated as parts of China. This is explicitly pointed out in the title of the East Asia Concept.

The Strategy provides for an in-depth coordination of future China policy through the establishment of regular meetings on China at the level of state secretaries. Below this level, coordination efforts are to be conducted on a regular basis between the ministries. The government pledges to report regularly on the implementation of the Strategy; evaluations are to involve the parliament and other key stakeholders. As of this writing (November 2024), such a report has however not yet been presented nor has it been announced. The key stakeholders particularly include the Länder; in regular meetings between the federation and the Länder, China-related topics that concern the Länder are to be put on the agenda. In order to consistently develop German-Chinese business relations, the government also pledges to establish a continuous exchange with business associations, companies and trade unions on the implementation of the Strategy (p. 60). – There are no comparable considerations in the Concept.

While the East Asia Concept was published only in German, the Strategy on China is available also in English¹¹ and Chinese¹² – a sign that, at least from a German perspective, Germany's international role has now grown significantly.

Jointly with the East Asia Concept, the foreign office published two other concepts: a South Asia Concept and a South East Asia Concept. They received less public attention than the East Asia Concept and also did not serve as blueprints for foreign policy. – The Strategy on China followed the publication of the National Security Strategy of the federal government¹³, Germany's first such strategy. It was announced by federal chancellor Scholz, federal foreign minister Annalena Baerbock, minister of finance Christian Lindner, minister of the interior Nancy Faeser and minister of defense Boris Pistorius on 14 June 2023, one month prior to the Strategy on China, at the federal press conference (Bundespressekonferenz). It was thus presented to the media on a much higher political level and at a more prestigious location than the Strategy on China, which was announced by minister Baerbock alone and – remarkably – not at the foreign office, but, a few hundred meters away, at the offices of the think tank Mercator Institute for China Studies (MERICS), an entity that was at the time sanctioned by China.

The reception of the Strategy was also considerably more comprehensive than that of the Concept: In line with China's increased importance and the greater public attention that China-related issues have received for some time, there were disproportionately more articles and statements in the media in 2023 than in 2002.

On September 28, 2023, the Bundestag held a debate of more than an hour on the Strategy, which – and this is perhaps even more important than the content of the debate itself – took place at 9:00 a. m., i. e. at parliamentary *prime time*. In the past, debates on China-related issues, if they took place at all, were usually relegated to the late evening. – There was no comparable consideration of the East Asia Concept by the Bundestag.

2 Background

For the understanding of the Strategy on China, it is difficult to overestimate the importance of one sentence (p. 9):

“China has changed. As a result of this and China's political decisions, we need to change our approach to China.”

In fact, in the last two decades hardly any other country in the world has changed as much economically and politically as China. From being the largest recipient of German development aid at the time of the East Asia Concept (Concept p. 3), the country has developed into the second largest or largest economic power in the world, depending on whether one calculates according to exchange rates or purchasing power parities. German trade with China had increased tenfold from around €30 billion at the time of the Concept to €300 billion at the time of the Strategy; with 40,000 students, there were four times as many Chinese students in Germany in 2022 as in 2001. Other countries, not least the United States, are now closely intertwined with China. For the majority of countries worldwide, including Germany and the EU, China is the largest partner for trade in goods.

¹¹ “Strategy on China of the Government of the Federal Republic of Germany”, 2023, <https://www.auswaertiges-amt.de/blob/2608580/49d50f-ecc479304c3da2e2079c55e106/china-strategie-en-data.pdf>.

¹² “Deguo lianbang zhengfu de zhongguo zhanlue”, 2023, <https://www.auswaertiges-amt.de/blob/2609698/0696f358622bc9bfa8fc962a844-4b41/230713china-strategie-chn-data.pdf>.

¹³ The Federal Government, “Robust, Resilient, Sustainable – Integrated Security for Germany – National Security Strategy”, June 2023, <https://www.nationalesicherheitsstrategie.de/National-Security-Strategy-EN.pdf>.

Important international problems such as decarbonization, health issues and AI can no longer be solved without China – the world's largest CO2 emitter.

At the same time, China has developed – especially in the last decade since Xi Jinping took over as leader of the CCP and President of the PRC – from a country that no longer only represents “socialism with Chinese characteristics” – i. e. a social order that can, as it were, by definition hardly be a model for other countries to emulate – to a state that propagates its social model as well worth imitating for other states, particularly in the global south. China's societal model differs considerably from that of Germany, and Beijing is creating new foreign policy instruments – Belt and Road Initiative, Shanghai Cooperation Organization, Asian Infrastructure Investment Bank, New Development Bank, etc.; it also attempts to adapt existing international organizations according to its preferences. It is therefore, at least from a German point of view, only natural for Berlin to look to Beijing with a new political approach.

Nothing would however be more wrong than to see differences between the Concept and the Strategy exclusively or even predominantly in a voluntary change in Berlin's attitude, one on which Beijing does not have any influence. As, at least from Berlin's point of view, China has become much more powerful economically, politically, ideologically and militarily, these changes are at the root of the modified outlook by the German government on China; it is them that bring about a new approach that has found its expression in the Strategy.

From this follows that a change in China's policies could also lead to a revision of Germany's attitude towards China. Where the Strategy contains analyses and blueprints for policies that are viewed critically by Beijing, there often exist ways of influencing these policies.

- An example of this is Beijing's stance on the Ukraine war. In June 2024 China marked the 70th anniversary of the Five Principles of Peaceful Coexistence – i. a. mutual respect for sovereignty and territorial integrity, mutual non-aggression and mutual non-interference in each other's internal affairs – with a conference in Beijing. If China applied these principles as well as the right of all states – including Ukraine – for the respect of their legitimate security interests, which it has frequently invoked, to Russia's attack against Ukraine, this could quickly lead to an improvement in political relations between Germany and China.
- Another example is the Strategy's adoption of the “triad” of partner, competitor and systemic rival, which has been used by the EU since 2019 (Strategy pp. 8, 10). If Chinese foreign policy would e. g. be more conciliatory vis-à-vis countries bordering the South China Sea or more open to adapt the United Nations system – including the composition of the Security Council – to the realities of the 21st century, the “systemic rivalry” might soon be over.

It should therefore be borne in mind that the Strategy on China is based on a snapshot of a political situation that can be subject to change.

3 Similarities

Contrary to what one might assume from some statements by the federal government, the essential principles of the Strategy on China differ at best slightly from the stipulations in the East Asia Concept. Some of the basic tenets of the 2002 Concept could have been written in 2023 with little or no change:

“The Asia-Pacific region has [...] continued to grow in importance for us in recent years – also, however, as a competitor and starting point for crisis-ridden developments with potential worldwide consequences.” (Concept p. 1)

[The opportunity presenting itself] “to the countries of the region to assume increasing global responsibility [...], is offset by the risk of serious conflicts. East Asia has some of the largest armed forces in the world.” (p. 3)

“Where developments in Asia have a global impact, i. e. directly affecting also our interests, we must exert influence – nationally, within the EU framework, interregionally [...] as well as multilaterally [...], in the various international organizations and in particular in the United Nations.” (p. 2)

“Germany's East Asia policy must therefore be a central element of Germany's and the EU's global foreign and security policy, if only because of the political and economic importance of the region and the risks it poses.” (p. 3) “Our policy towards the regions of East Asia finds its way into the shaping of the EU's relations with this region.” (p. 12)

“Improving the human rights situation in *China* is a central concern in our efforts to ensure the validity of universal human rights worldwide. [...] The protection of minorities, especially in Tibet and Xinjiang, is an integral part of the human rights dialogue with the Chinese government.” (p. 5)

“On the basis of the one-China policy pursued by us and all other EU member states Germany does not maintain any state relations with Taiwan, which is now democratically constituted. Germany is committed to Beijing and Taipei resolving all issues between them peacefully.” (p. 6)

“China must, as an emerging regional power and a member of the Security Council, be persuaded to take on increasing responsibility for world peace, the stability of the Asia-Pacific region and global concerns. This includes a peaceful resolution of all issues between the two sides of the *Taiwan Strait*.” (p. 7)

4 Differences

Due to the development of Germany and China over more than two decades, the Strategy on China contains numerous elements that no one had in mind when developing the East Asia Concept.

A new, important and central feature in the Strategy is the policy of economic “de-risking” (pp. 10, 34, 38):

“Germany accepts competition with China. [...] It is not our intention to impede China’s economic progress and development. At the same time, de-risking is urgently needed.”

“[De-risking] refers to reducing dependencies in critical areas, keeping geopolitical aspects in mind when taking economic decisions, and increasing our resilience. [...] We consider de-risking to be an expedient supplement to our actual strength.”

“The further China moves away from the norms and rules of the rules-based international order, the more critical dependencies on the Chinese market [...] can prove to be a problem. [...] It is both in our economic and business interests to avoid excessive risks [...]. The Federal Government is working to de-risk economic relations with China.”

This concept has been widely discussed by business and the media and is seen as one of the Strategy’s most consequential cornerstones.

Perhaps the new formulations that are in practice most important and possibly most far-reaching, and would not have been thought of in 2002 or even a few years ago, can be found in the Strategy on pp. 38-39. regarding the treatment of *outbound investment control*:

“Companies must take geopolitical risks sufficiently into account in their decision-making. The costs of concentration risks must be more strongly internalised on the part of companies so that state funds do not have to be tapped into in the event of a geopolitical crisis. We are therefore working to use market economy instruments to change the incentive structure for German companies in order to make removing unilateral dependencies more attractive.

[...] We are also assessing this from the point of view of avoiding an unwanted technology transfer. This applies in particular to sensitive dual-use technologies and to technologies that can be used for surveillance and repression. We will, as a matter of principle, also take into account the extent to which state export support reinforces excessive economic dependencies on the part of companies.

[...] The Federal Government expects companies, in the context of existing risk management processes, to keep a close eye on relevant China-related developments, data and risks. We will hold confidential discussions with companies that are particularly exposed to China regarding their China-related risk analyses with a view to identifying concentration risks in good time. The Federal Government will consult on whether existing instruments should be further developed.”

This could become the basis for an attempt by the German government to exert extensive influence on the investment decisions of German companies in countries outside the EU. The federal government is apparently aware of the problems of such measures; it therefore emphasizes that it wants to create incentives for the reduction of one-sided dependencies with “market economy instruments”. This would most easily be possible through the awarding – or refusal – of state support for export.

It would however be problematic if the German government wanted to implement its expectation that businesses would invest less in China without or against the will of relevant companies. The government currently has no legal recourse to do so. If it wanted to create such recourse, difficult questions of state liability could arise. For the time being, such outbound investment control is more likely to be used as a threat than a program to be rapidly implemented. It was noteworthy that when minister

Baerbock presented the Strategy on 13 July 2023, a representative of the business community immediately asked a critical question regarding this topic.

The relevant formulations in the Strategy are much more concrete than those in the G7 Leaders' Statement on Economic Resilience and Economic Security of 20 May 2023.¹⁴ In Hiroshima, the G7 leaders had only agreed that such measures "could be important":

"We recognize that appropriate measures designed to address risks from outbound investment could be important to complement existing tools of targeted controls on exports and inbound investments, which work together to protect our sensitive technologies from being used in ways that threaten international peace and security."

It remains to be seen how far the federal government is willing to go here – and to what extent companies will insist on retaining the free decision about their investments. This, it should be pointed out in passing, naturally also depends on the investment conditions that companies find in China.

Other important new principles in the Strategy on China that have no precursor in the East Asia Concept are the following. In this context, goals that appear in the Concept, but no longer in the Strategy, are also dealt with.

Both the Concept and the Strategy are firmly based on the one-China policy. In this regard, the Strategy states (p. 13, cf. also pp. 25, 43, 51, 55 s.):

"The One-China policy remains the basis for our actions. We only have diplomatic relations with the People's Republic of China. Germany has close and good relations with Taiwan in many areas and wants to expand them. As part of the EU's One-China policy, we support issue-specific involvement on the part of democratic Taiwan in international organisations. The status quo of the Taiwan Strait may only be changed by peaceful means and mutual consent. Military escalation would also affect German and European interests."

Sentences 2, 3 and 5 of this passage have no counterparts in the Concept.

The cooperation especially in the areas of climate, biodiversity and health that is being emphasized in the Strategy (e. g. pp. 10, 26 ss.), reflects the recent development of climatic conditions worldwide as well as the COVID pandemic.

The fact that the focus in the economic sector is no longer on supporting German businesses in

"exploiting the opportunities in the region with its great growth potential"

(Concept p. 7), but rather on

reducing "Germany's dependencies on China"

(Strategy p. 10, see also pp. 25, 27, 29, 34, 36), is a reflection of the economic development of both states and the security policy perception in Germany. This is the basis for Germany's goal of diversifying economic relations in such a way that it can continue to participate in China's economic development while reducing its dependence in critical sectors (Strategy p. 12). The priority of reducing risks quickly and at a cost that is acceptable for the German economy (p. 36) is also new.

This is accompanied by the announcement that the federal government will assist the German economy in the exploitation of diversified, sustainable sources of supply within the framework of its raw materials policy (Strategy p. 36). It also includes the consideration that the EU must in key areas not become dependent on technology from third countries that do not share its fundamental values, and that the German government will work to ensure that projects with China in which knowledge drain is likely are not supported or only supported under suitable conditions (Strategy p. 37). – All these are considerations of which there was no trace in 2002.

The Strategy is devoted in detail to the diversification of economic relations, including agreements with Australia, MERCOSUR, Mexico, Chile, Kenya, New Zealand, India, Indonesia, Thailand, Malaysia and the Philippines (p. 51). A comparison of the size of the gross domestic product of these countries with that of China – which would appear necessary to validate such policies – is avoided. – There are no corresponding considerations in the Concept.

Conversely, the Strategy lacks goals for the economic development with regard to China, which were presented in detail in the Concept (p. 7 s.):

"The German government is supporting the German economy in taking advantage of the opportunities in the region with its great growth potential. [...] To this end, we must maintain the effective infrastructure of German trade and economic

¹⁴ "G7 Leaders' Statement on Economic Resilience and Economic Security", 20 May 2023, <https://www.consilium.europa.eu/en/press/press-releases/2023/05/20/g7-leaders-statement-on-economic-resilience-and-economic-security/>.

development [...]. Economic – and thus also political – success in this growth region requires a long-term presence and systematically expanded, trusting networks. Major projects in East Asia still need political support.”

Nor are there any considerations in the Strategy about the positive influence of German businesses in China, such as they were still prominently dealt with in the Concept (pp. 5 s.):

“In the context of our development cooperation, it is important [...] to highlight the stabilizing effect of political action based on human rights. In this regard, German businesses can also make an important contribution through their corporate culture and in the context of training measures.”

While the Chinese military did not play a role in the 2002 Concept, the 2023 Strategy emphasizes that China has the

“largest maritime force in the world by number of ships and submarines”

(p. 10).

The triad of partner, competitor and systemic rival did not yet exist at the beginning of the millennium; accordingly, there was no need to emphasize that systemic rivalry with China does not mean that one cannot cooperate (Strategy p. 11). – However, China was already referred to as a “competitor” in the Concept (p. 1).

The reference to the fact that Germany seeks to protect the rules-based international order on the basis of the UN Charter, universal human rights, international law and the UN system (Strategy p. 11) is also a reflection on China’s increased importance in the international arena and the federal government’s view that China now pursues interests that do not correspond to those of Europe.

The federal government’s voluntary commitment to consult EU partners during preparations for intergovernmental consultations and inform them about their outcomes (Strategy p. 16) is also new – after all, these consultations have only been taking place since 2011. It is not known whether such preliminary consultation already took place before the intergovernmental consultations that were held in Berlin on 20 June 2023 – it can be assumed that this was not the case. General information about the course and outcome of these consultations is, on the other hand, extremely likely to have been part of everyday diplomatic exchanges. The Strategy states that ratification by the EU Council – and, it could be added, the European parliament – of the EU-China Comprehensive Agreement on Investment that was negotiated in 2020 is “[f]or various reasons [...] not possible at the present time” (Strategy p. 17). A reference to the mutual sanctions of March 2021 is thus carefully avoided.

New elements in the Strategy are, of course, the intergovernmental consultations – held since 2011 – as well as other dialogue formats such as the foreign ministers’ Strategic Dialogue, the High-level Financial Dialogue, the High-level Security Dialogue and the Climate and Transformation Dialogue. Another new consideration is to reposition the Human Rights Dialogue together with the Rule of Law Dialogue (Strategy p. 21).

Foreign minister Baerbock’s personal concern for a feminist foreign policy finds expression in the Strategy where it points out the intention to make the protection, promotion and participation of women an integral cross-cutting issue in relations with China (p. 21, see also p. 12). It is noteworthy that the idea of more intensive liaising between German and Chinese diplomatic missions abroad, which had already been mentioned in joint declarations on the occasion of intergovernmental consultations – and which has probably not played a major role in practice so far – is reappearing in the Strategy (p. 21).

The admonition that China should comply with its commitments under international law under UNCLOS and the “binding UNCLOS Award of 2016 on the South China Sea” (Strategy p. 21) is, of course, based on recent developments.

The federal government’s commitment to “ensuring that all interested Members of the German Bundestag and Members of the European Parliament can travel to China” (Strategy p. 22) is a reaction to the imposition of sanctions on some members of these parliaments and the refusal to issue visas to others.

With reference to the need for improving the working conditions of political foundations (Strategy p. 23), the federal government refers to their subordination to the Chinese security authorities by the NGO Act which came into force in 2017.

It is remarkable that the Strategy welcomes the work of the German expatriate congregations of the two major Christian confessions in China (p. 22), but no longer contains any reference to the suppression of the Chinese Christian churches, which was still contained in the Concept (p. 5).

In dealing with human rights, both the Strategy (pp. 20, 23) and the Concept (p. 5) refer explicitly to the situation in Xinjiang and Tibet. The Concept also mentioned the federal government’s repeated exhortations for dialogue with the Dalai Lama (p. 5); the Strategy no longer contains a reference to these calls, nor does it at all mention the Dalai Lama.

The requirement to ratify the International Covenant on Civil and Political Rights is mentioned in the Concept (p. 5), but not in the Strategy. The same applies to the call for a moratorium on the execution of the death penalty with the aim of its final abolition (Concept p. 5).

A reference to the situation in Hong Kong is included in the Strategy (pp. 20, 23) but not the Concept – after all, there has only been reason to do so since the enactment of Hong Kong's National Security Law in 2020.

What is new in this context is a reference to Germany's Supply Chain Due Diligence Act that obliges companies to assess their corporate relations in terms of human rights risks and to undertake prevention and remedial measures (Strategy p. 24). New, too, is a reference to export control that is intended to ensure that goods and technology from Germany do not encourage systematic human rights violations or exacerbate repression in China (Strategy p. 41).

The explanations of de-risking are to be seen as a reaction to the discussion about the need for decoupling, especially in the USA (Strategy pp. 25, 34): Dependencies in critical areas are to be reduced; in particular, medical technology products, pharmaceuticals, rare earths and preliminary products needed for the energy transition are mentioned.

The fact that China is now the biggest emitter of CO₂ (Strategy pp. 10, 26) was already foreseen in 2002: The Concept states that the greenhouse gas emissions of some Asian countries would exceed those of Western industrialized countries in the coming decades (p. 2).

Particularly important is the position of the federal government, as set out in the Strategy (p. 27), that

“vital international cooperation on climate action must not be used as leverage for asserting interests in other areas.”

China has long taken a decidedly opposite view: Countries could not limit cooperation with Beijing to certain areas, while describing it as a rival in other fields.

The need for China to pursue more ambitious targets in reducing its greenhouse gas emissions is phrased relatively cautiously in the Strategy (p. 27). From Germany's point of view, it is indeed less than satisfactory that China has only committed to reaching the peak of its emissions before 2030 without saying anything about when exactly this would take place nor where this peak might be.

It is noteworthy that the Strategy recognizes China's great importance for German universities and science organizations in the context of international scientific cooperation. It is also remarkable that Chinese research is described as being world class in a number of areas, such as artificial intelligence, quantum technologies and autonomous driving (p. 29). However, with the demand for respect for the constitutionally enshrined principle of freedom of science, the rejection of China's policy of military-civil fusion, and the demand for greater reciprocity in scientific cooperation (p. 29), new restrictions are created that are related to the recent perception that ideological questions are playing an increasingly important role in Chinese science. Against this backdrop, it is striking – and to be welcomed – that the German government apparently continues to support international mobility for students, academics and researchers with regard to China (pp. 23, 35) and emphasizes that free international scientific exchange is a precious asset, also in relations with China (p. 42).

Another new consideration is the Strategy's reference to the fact that the EU must not become dependent in key areas on technologies from third countries that do not share its fundamental values (p. 37).

Several trade instruments that have already been introduced in the EU for some time are mentioned in the Strategy: the EU Anti-Coercion Instrument, the Regulation on Foreign Subsidies distorting the Internal Market, and the legal framework for screening foreign direct investments created by the EU in 2019 (pp. 39 s.).

Also new are the considerations contained in the Strategy for the protection of critical infrastructure, for which

“risks of existing dependencies are rising against the backdrop of increasing geopolitical confrontations”.

In doing so, the German government states that Chinese security legislation obliges Chinese individuals, companies and organizations at home and abroad to cooperate with Chinese authorities and intelligence services – a view that is disputed by the Chinese side. Public 5G mobile telephone networks are explicitly mentioned in this context; the IT company Huawei is, however, not explicitly named here, but is obviously meant (p. 42).

The Strategy's considerations on “transnational repression targeting Chinese citizens” living in Germany, including through “overseas police stations” (p. 43), do not find a model in the East Asia Concept. The same applies to what in the eyes of the German government is necessary vigilance regarding “illegitimate interference on the part of official Chinese authorities” in Germany and Chinese disinformation campaigns (pp. 43 s.). Cooperation with Confucius Institutes has to meet the requirements of Germany's system of education and research, in particular the principle of the freedom of science, research and academic teaching. Researchers and teachers are required to share in the responsibility for this (p. 44).

It is striking that the Strategy chooses the formulation that China has entered into a “geopolitical rivalry” with the USA; a more neutral formulation would have been conceivable. New is of course the reference to the Belt and Road Initiative – which in the German language version is, interestingly, only referred to as the “Seidenstraßeninitiative” (“Silk Road Initiative”) (China-Strategie p. 48) – it dates from 2013. The Strategy claims that it has contributed to unsustainable levels of debt in some countries.

According to the Strategy, Germany, too, wants to attract new partners, but does not want to promote a new confrontation between blocs (p. 48). – None of this can, of course, be found in the Concept. Geostrategy, on the other hand, did already play a role in 2002 (Concept p. 1).

The Strategy mentions the “transatlantic alliance and the close partnership built on trust” with the USA, including in the G7, as partners for the coordination of German policy-making with and vis-à-vis China and as being of tremendous importance for the EU and for Germany (p. 49). Interestingly, there was no corresponding mention of NATO and the USA in the Concept (!). To the contrary, the G7/G8 (Concept) and the G7 (Strategy) are mentioned in both documents. The Concept also addressed the Asia-Europe Meeting (ASEM) in some detail (pp. 2, 13), whereas the Strategy, remarkably, does not contain a single word on ASEM (!). In a first, the Strategy also mentions German naval patrols and German participation in multinational joint military exercises in the Indo-Pacific (p. 50). The 2021/2022 voyage of the frigate “Bayern” to the region is not explicitly mentioned, nor are the joint exercises of the Chinese navy with Russia in the Baltic Sea in 2015 and 2017.

The clear statement of the Strategy according to which the German government is not pursuing decoupling from China in the technology sector is remarkable: the Strategy furthermore states that the creation of separate technospheres is not in Germany’s interest (p. 52).

Regarding the Belt and Road Initiative the Strategy states that the German government takes a critical view of its disregard for social and environmental standards, as well as of the dependencies that it creates. The government is therefore not participating in it. According to the Strategy, the EU is with Global Gateway making its own offer that is also its main contribution to the G7 Partnership for Global Infrastructure and Investment (PGII) that was established in 2022 (pp. 52 s.).

The Strategy’s concise statements on security policy are of central importance for the federal government. China is increasingly viewed as a geopolitically significant security policy actor which acts in a way that affects the security interests of Europe. Its antagonistic relationship with the US is described as running counter to German interests. China’s relationship with Russia, in particular since its war of aggression against Ukraine, is stated to be an immediate security concern for Germany. According to the Strategy, China is not credibly defending the sovereignty and territorial integrity of Ukraine, although as a permanent member of the UN Security Council it has special responsibility to uphold and protect the UN Charter. Closer arms cooperation on the part of China with Russia would have an immediate impact on bilateral relations. Security in the Taiwan Strait, the situation in the South China Sea and East China Sea as well as the Arctic and Antarctica are also addressed here (pp. 55 s.). – For obvious reasons there are no comparable statements in the Concept, with the exception of a reference to China’s role as a permanent member of the UN Security Council (p. 3).

The Strategy points out that China’s increasing importance leads to a greater need for people with expertise on China. Solid, current and independent expertise on China is therefore held as being essential for mutual understanding and for the long-term, successful pursuit and assertion of Germany’s interests. More exchange between young people, students and academics is thus advocated, as is cooperation with Chinese institutions. In this context, the Mercator Institute for China Studies (MERICS) – which has been sanctioned by China – is remarkably accorded a prominent role (p. 61).

There is one more fundamental difference between the Concept and the Strategy: The Strategy expressly states that the government will

“strive to implement this Strategy at no additional cost to the overall federal budget”

(p. 9). If one takes into account that the budget of the federal foreign office fell from 7.47 billion € in 2023 to 6.7 billion € in 2024 and could fall further to 5.87 billion € in 2025¹⁵, the importance of this clause can hardly be overestimated. – This is more restrictive than the provision in the Concept that foresees that federal government departments are to use “their own budget”.¹⁶

5 Implementation

In the years following 2002, there was no public discussion of any possible implementation of the East Asia Concept. The Concept – and, for that matter, German policy vis-à-vis East Asia – was just not seen as sufficiently important to warrant any such deliberations.

While relatively little has also been heard about the Strategy on China in the months immediately after its publication¹⁷, one year on there is, however, some discussion of its success – or the lack of it. In general, the federal government is being criticized

¹⁵ Bundesministerium der Finanzen, „Bundeshaushalt“ (Federal Ministry of Finance, “Federal Budget”), <https://www.bundeshaushalt.de/DE/Bundeshaushalt-digital/bundeshaushalt-digital.html>.

¹⁶ See above footnote 9.

¹⁷ Messingschlager, Stefan, “German Strategy on China – A Critical Appraisal”, SOAS China Institute, 15.02.2024, <https://blogs.soas.ac.uk/china-institute/2024/02/15/german-strategy-on-china-a-critical-appraisal/>.

because it allegedly has not fulfilled its promises of taking a tougher line on Beijing and successfully de-risking German business from China.¹⁸

The head of the Berlin think tank MERICS stated on the first anniversary of the Strategy that the federal government had not shown coherence on central conflictual issues. In addressing challenges of security policy or tariffs on Chinese electric vehicles, federal chancellor Scholz had taken a much more cautious line than federal minister of economic affairs Robert Habeck. Nor had the federal government started a constructive dialogue with German businesses on de-risking. Most businesses did not take any interest in the Strategy, at times it was even regarded as a hazard for the generally good relations to China.¹⁹

Others point to specific decisions taken by the federal government to show that there has not really been an effort to implement the Strategy. Compared to his predecessor Angela Merkel, who had already been too friendly to China, things had actually gotten worse, not better, under chancellor Scholz. This could be seen from the federal government's decision to allow the Chinese state company Cosco to acquire part of a terminal in the port of Hamburg in 2023 and Scholz's opposition to tariffs on Chinese electric vehicles. China's support for Russia's war against Ukraine endangered Europe's security, but in spite of the Strategy, Scholz, his social democrats and other parties had not drawn the necessary conclusions from this. On the Taiwan issue, too, the federal government did not speak with one voice. It was therefore difficult to demonstrate to Beijing that an annexation of Taiwan would have serious consequences.²⁰

It is claimed that relevant departments of the federal government had interpreted the Strategy in very different ways. The Strategy e. g. stated that the timely reduction of risks that originate from the producers of specific critical components that are intended to fulfil especially critical functions plays an important role in the protection and functioning of Germany's critical infrastructures (p. 42). In September 2023, security experts from the ministry of the interior had therefore insisted that Chinese components had to be removed immediately and entirely from the 5G network. The federal foreign office and the ministry of economic affairs followed that line. But it was not decided to speedily remove these components that are estimated to make up up to 60 percent of the German 5G network. Upon the behest of the chancellery and the ministry of transportation and digital affairs it took until July 2024 to come to a decision to remove these components – in a timeframe that experts considered as far too long.

Furthermore, it is stated, that in spite of the Strategy, Scholz's visit to Beijing in April 2024 came across as "business as usual". The chancellor not only traveled to China with a delegation of heads of major German companies, but also had three ministers in tow – of all people, those who are more in favor of cooperation than confrontation: minister for digital and transport Volker Wissing, who had advocated a softer line towards Beijing, particularly in the 5G debate, food and agriculture minister Cem Özdemir, whose aim during the trip was to get China to reopen its market for German pork, and environment minister Steffi Lemke, who was supposed to promote climate cooperation with China. Also, Scholz did, in his statement following a meeting with prime minister Li Qiang, not mention China's threats against Taiwan or the massive human rights violations committed by the Chinese leadership in Xinjiang.

Finally, it is claimed that in June 2024, minister Wissing (FDP) violated the coherence agreed in the Strategy when he traveled once more to Beijing to sign a memorandum of understanding on the transfer of automotive data. His visit had apparently not been sufficiently coordinated with other ministries: The foreign office and the ministry of economic affairs – led by green politicians – and the ministry of the interior – led by a social democrat – reacted angrily.²¹

Others claim that there has been no sign so far of the "Zeitenwende" ("turn of an era") – announced by chancellor Scholz three days after Russia's attack on Ukraine in the Bundestag – in Germany's China policy. No comprehensive structural changes or adjustments in China-related institutions and administration had so far been observed. The language used in government documents and debates in the Bundestag had become more direct and critical in relation to China, and awareness of Germany's systemic rivalry with China and its strategic dependencies on China had grown significantly. There was, too, general agreement that things cannot go on as they are. But the requisite debate of the future goals of German-Chinese relations that goes beyond the role ascribed to China as a partner, competitor and systemic rival was still outstanding; it should have preceded the

18 zur Nedden, Christina, "Wie die Bundesregierung um eine gemeinsame China-Politik ringt" ("How the federal government is struggling to develop a common China policy"), Welt, 23.09.2024, <https://www.welt.de/politik/ausland/plus253587586/China-Wie-die-Bundesregierung-um-eine-gemeinsame-Linie-ringt.html>; Deutschlandfunk Nova, "Kabinett legt China-Strategie sehr unterschiedlich aus" ("Cabinet interprets Strategy on China very differently"), 11.07.2024, <https://www.deutschlandfunknova.de/beitrag/wirtschaft-kritik-an-china-strategie-der-bundesregierung-waechst>.

19 Deutschlandfunk, "China-Experte Huotari: Bundesregierung hält sich nur teilweise an eigene China-Strategie" ("China expert Huotari: German government is only partially adhering to its own Strategy on China"), 13.07.2024, <https://www.deutschlandfunk.de/china-experte-huotari-bundesregierung-haelt-sich-nur-teilweise-an-eigene-china-strategie-100.html>.

20 Hauberg, Sven, "Im Umgang mit China ist Olaf Scholz in den Neunzigern hängengeblieben" ("In his dealings with China, Olaf Scholz is stuck in the nineties"), 15.07.2024, <https://www.merkur.de/politik/taiwan-china-strategie-olaf-scholz-spd-bundesregierung-ampel-russland-ukraine-krieg-zr-93185667.html>.

21 Heide, Dana, "Deutschlands China-Politik: Einig nur auf dem Papier" ("Germany's China policy: United only on paper"), Internationale Politik, 02.09.2024, <https://internationalepolitik.de/de/deutschlands-china-politik-einig-nur-auf-dem-papier>; "Experten kritisieren Umsetzung der China-Strategie" ("Experts criticize implementation of Strategy on China"), Handelsblatt, 12.07.2024, <https://www.handelsblatt.com/politik/deutschland/ausenpolitik-experten-kritisieren-umsetzung-der-china-strategie/100047902.html>.

discussions on the Strategy on China. A longer-term goal for relations with China had still not been decided on, and an answer to the question of where Germany's China policy should ultimately lead was still missing.²²

The most glaring lack of implementation has, however, been in the field of de-risking. The government had apparently been confident that German business would, by and large, follow its lead on reducing the risk of being overly exposed to China by directing investment elsewhere, e. g. to Japan, India and ASEAN countries, and investing less in China. To the government's great distress, this has not come to pass: To the contrary, German FDI in China has surged. 2023 was, with €11.9 billion, a record year; never before have German companies invested as much in China as during this year.²³ Investments grew further to €7.3 billion in the first half of 2024 alone.²⁴ More than ever before, EU investments are driven by German companies: In 2023, 62 percent of all European investments in China came from Germany; in the first half of 2024, 57 percent. This development is likely to last into the future, as several multi-billion € investments were announced in 2024.²⁵

6 Conclusion

The East Asia Concept and the Strategy on China come from very different times: In 2002, China had a year earlier joined the WTO, and the United States had been weakened by the attacks of September 11, 2001. China was a poor country with great potential for the future. Today, China is economically powerful, politically ambitious and is also making rapid progress militarily – so much so that the US sees its position as number 1 in the international community, which had been undisputed for quite some time, at risk.

Economically, the USA and China are Germany's most important partners after the EU. From 2016 to 2023, China led as partner in the trade in goods; the USA generally led if one also included services – and may in 2024 take the position of Germany's most important trading partner overall. Without its EU partners, however, the German economy would not be viable.

Russia's attack on Ukraine has made it even more clear to Germans that, for the time being, they depend on the US for their security. Moscow – which French President Emmanuel Macron had temporarily seen as a possible partner – has taken itself out of the game as a security partner for Europe. Against the backdrop of its dispute with Washington, Beijing has decided to rely on Moscow, even though Russia disregards many principles of foreign policy that have been dear to China for decades.

That Washington has decided to see Beijing as its main opponent and that Beijing is also increasingly assessing the relationship with the US as antagonistic leads to a conundrum for Germany. Berlin must, if at all possible, avoid being forced to choose between the two; it is important for it to get along with both Beijing and Washington. Opinions in Berlin differ on how this can be achieved: some look more at economic interests, others above all at European values.

The Strategy on China is a result of this difficult situation; at the same time, it is a compromise between the value-based attitude of the foreign office and the ministry of economic affairs and the more interest-driven position of the chancellery. The dispute over which position will be given greater weight has not yet been decided by the Strategy; rather, it represents merely a stage in a longer-term debate.

This was not fundamentally different when the East Asia Concept was drafted: discussions about whether the focus in relations with China should be on human rights or economic opportunities were already prevalent at the turn of the millennium and before – especially since June 1989. They are however often forgotten today. In particular some younger China scholars and diplomats occasionally appear to believe that this conflict of interests is brand new and has not been sufficiently taken into account so far. The difference between the starting points of the Concept and the Strategy is that Germany is now dealing with a China that has grown many times over and is much more self-confident, but has not yet fully learned to come to terms with this new situation. The US have been aware of its role as a superpower for a hundred years. After reunification, Germany learned quite fast to deal with its position as the largest economic power in the heart of Europe, and it makes few mistakes in fulfilling this role. China, on the other hand, sometimes apparently finds it difficult to take into account that, as an Asian colossus, it is often viewed with suspicion and even fear by its neighbors. It is to be hoped that the learning process in Beijing will progress quickly.

Many younger diplomats and academics know from their own experience the development of China in the last ten to fifteen or, at best, twenty years, a time during which China has certainly not become an easier partner for Germany. They are now

22 Godehardt, Nadine, „The Logic of Germany's China Policy in the Zeitenwende“, SWP Research Paper 16, October 2024, pp. 5 s., 31 s., https://www.swp-berlin.org/publications/products/research_papers/2024RP16_Germanys_China_Policy.pdf.

23 Matthes, Jürgen, Deutsche Direktinvestitionen in China und Hongkong auf neuem Höchststand – von Diversifizierung kaum eine Spur“ („German direct investment in China and Hong Kong at a new high – hardly a trace of diversification“), IWF Kurzbericht Nr. 7, 16.02.2024, <https://www.iwkoeln.de/studien/juergen-matthes-deutsche-direktinvestitionen-nach-china-und-hongkong-auf-neuem-hoechststand-von-diversifizierung-kaum-eine-spur.html>.

24 Tagesschau, „Deutsche Wirtschaft investiert stärker in China“ („German economy invests more in China“), 13.08.2024, <https://www.tagesschau.de/wirtschaft/weltwirtschaft/deutsche-direktinvestitionen-china-100.html>.

25 Kratz, Agatha et. al., „Don't Stop Believin': The Inexorable Rise of German FDI in China“, Rhodium Group, Note, 31.10.2024, <https://rhg.com/research/dont-stop-believin-the-inexorable-rise-of-german-fdi-in-china/>.

projecting this development linearly into the future, drawing the conclusion that China will become ever more powerful and at the same time more authoritarian in the coming years. Then again, when the Chinese economy makes limited progress – as is currently the case – they also see this as a threat: In any case, they state, the time of “naivety” towards Beijing must be over. This view overlooks that the relationship between the Federal Republic of Germany and the People’s Republic of China has been marked by a plethora of ups and downs in the decades since the establishment of diplomatic relations in 1972. It also fails to take into account that the CCP has made more than one unexpected volte-face during this time – most recently at the end of 2022 when dealing with the Corona pandemic. In light of these experiences, it cannot be ruled out that bilateral relations could, in future, once again become less problematic. Taking this into account is optimistic, but anything but naïve.

Perhaps dealing with the East Asia Concept of two decades ago can sharpen our view for the fact that there was once a time when, despite a multitude of problems, bilateral relations were seen as promising by both sides – and that it is at least conceivable that such times can return.