



INTERNATIONAL SECURITY FORUM BONN 2021

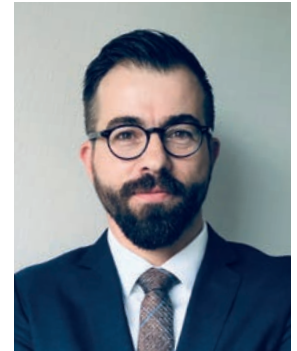
GEOPOLITICS IN THE INDO-PACIFIC
STRATEGIC CONSEQUENCES FOR EUROPE AND TRANSATLANTIC RELATIONS

RAPPORTEURS:
MARC NETTELBECK
FENJA WILUDA



FOREWORD

From left to right:
 Prof. Dr. Volker Kronenberg, Prof. Dr. Wolfram Hilz,
 Prof. Dr. Ulrich Schlie, Dr. Enrico Fels



The world around us is increasingly shaped by uncertainty and rising global security challenges. Alongside the ongoing SARS-CoV-2 pandemic, those challenges include the urgent need to curb further climate change, and the new geopolitical playing field in East Asia posed by the growing global footprint of the People's Republic of China.

The report of the International Security Forum Bonn 2021 strives to highlight these current global security challenges and tackles the big talking points of global politics. While the previous instalment of the International Security Forum Bonn had served as an opportunity to identify new ways of transatlantic cooperation in the wake of Joe Biden's election as

46th President of the United States, the Forum 2021 attempted an in-depth look at the transatlantic relationship, its 'New Green Deal' plan to combat climate change, and the shift of the United States' geopolitical focus towards East Asia and China during the first year of the Biden presidency. As every year, the ISFB was concluded by a two-day workshop on strategic foresight.

In spite of the ongoing challenges of the SARS-CoV-2 pandemic that had severely affected the previous edition of the ISFB, this year's Forum featured some in-person events, highlighting the progress being made in containing the global pandemic.

Prof. Dr. Volker Kronenberg
 Dean of the Faculty of Arts, and Director of CASSIS,
 University of Bonn

Prof. Dr. Wolfram Hilz
 Professor for Political Science, and Director of CASSIS,
 University of Bonn

Prof. Dr. Ulrich Schlie
 Henry Kissinger Professor for Security and Strategic
 Studies, and Director of CASSIS, University of Bonn

Dr. Enrico Fels
 Managing Director of CASSIS, University of Bonn

"The Rise of Asia and the Future of Transatlantic Relations"
7:15 p.m. – 8:45 p.m.



Panelists: [Names and affiliations of the six panelists]

INTERNATIONAL SECURITY FORUM BONN

Center for Advanced Security, Strategic and Integration Studies

cassis.uni-bonn.de

UNIVERSITY OF BONN



ViewSonic

CONTENTS

List of Participants	6
Executive Summary.	10
Forum Programme	14

COMMENTS AND PERSPECTIVES

Main Day: “Towards a Green Deal and Beyond: Germany, America and the World Ahead”

• Ulrich Schlie <i>Thinking Security Policy More Broadly</i>	23
• Peter Beyer <i>The Best Transatlantic Years Lie Ahead of Us – With a Positive Agenda We Can Imbue the Transatlantic Partnership with More Power</i>	25
• Theresa Fallon <i>A Common Focus on the Indo-Pacific Unites the EU and the US</i>	27
• Friedbert Pflüger and Gerhard Hinterhäuser <i>Geopolitics in the Indo-Pacific. Strategic Consequences for Europe and Transatlantic Relations</i>	31
• James D. Bindenagel and Andreas Heinemann-Grüder <i>Groping from One Crisis to the Next? After the Merkel Era, Politics Should Finally Start with Strategic Thinking</i>	34

Special Focus Day: “The Rise of Eastern Modernity? European Responses to China’s New Global Role”

• Norbert Röttgen <i>A (Super)-Power in the Making. Will Europe Stand Its Ground?</i>	37
• Mayssoun Zein Al Din <i>For a Stable Relationship between the USA and China</i>	41
• Jonathan Glennie <i>How Global Public Investment Could Steer the World Towards Collaboration</i>	43
• Helena Legarda <i>NATO’s China Conundrum</i>	47
• Maximilian Mayer and Emilian Kavalski <i>Have We Reached Peak China? Beijing’s Growing Influence on the Global Stage Masks an Overlooked Insecurity</i>	52

Strategic Foresight Workshop

• Victoria Toriser and Maximilian Schraner <i>Assessing Strategic Consequences for Europe, the US and Germany – The ISFB 2021 Foresight Workshop “Strategic China”</i>	55
---	----

Partners	72
Imprint	73

List of Participants

Philip Ackermann

Young German Association for Foreign Affairs (JDGAP), Berlin

Prof. Dr. Dan Banik

Professor and Director of the Oslo SDG Initiative, Centre for Development and the Environment (SUM), University of Oslo

Dr. Benjamin Becker

Director of the AmerikaHaus NRW e.V., Cologne

Carsten Berger

Young German Association for Foreign Affairs (JDGAP), Berlin

Dr. Una Aleksandra Bērziņa-Čerenkova

Head of Riga Stradins University China Studies Centre and Head of the New Silk Road Programme at the Latvian Institute of International Affairs, Riga

Peter Beyer MdB

Member of the German Bundestag, Coordinator of Transatlantic Cooperation, Federal Foreign Office, Berlin

Prof. James D. Bindenagel

Ambassador (ret.), Senior Professor, Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Sarah Shannon Binder

German Atlantic Association (DAG), Berlin

Norman Blevins

Hanns Seidel Foundation (HSS), Munich

Dr. Daniela Braun

Foreign and Security Policy Officer, Konrad Adenauer Foundation (KAS), Berlin

Dirk Brengelmann

Former Ambassador of the Federal Republic of Germany to the Kingdom of the Netherlands, and former NATO-Assistant Secretary General for Political Affairs and Security Policy, Senior Fellow at the Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Tim Broszjo

Intern, Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Richard Burt

Former US-Ambassador in Germany, Managing Partner McLarty Associates, Washington, D.C.

Prof. Dr. Cuihon Cai

Professor of International Relations, Fudan University, Shanghai

Christiane von Czettritz

Hanns Seidel Foundation (HSS), Munich

Prof. Dr. Dingding Chen

Professor of International Relations at Jinan University, Guangzhou

Zoë van Doren

Friedrich Naumann Foundation (FNF), Potsdam

Katja Dörner

Mayor of Bonn

Dr. Mathieu Duchâtel

Director of the Asia Program, Institut Montaigne, Paris

Christoph Erber

German Atlantic Association (DAG), Berlin

Theresa Fallon

Director of the Center for Russia Europe Asia Studies (CREAS), Brussels

Dr. Enrico Fels

Managing Director, Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Prof. Dr. Doris Fischer

Chair of China Business and Economics, University of Würzburg

Alexandra Fialkovskaya

Hanns Seidel Foundation (HSS), Munich

Dr. Peter Fischer-Bollin

Head of the Division Analysis and Consulting of the Konrad Adenauer Foundation (KAS), Berlin

Johann Frank

Major General in the Austrian Armed Forces, Head of the Institute for Peacekeeping and Conflict Management at the National Defense Academy, Vienna

Prof. Dr. Markus Gabriel

Professor, Holder of the Chair of Epistemology, Modern and Contemporary Philosophy, University of Bonn

Armin Gatz

German Atlantic Association (DAG), Berlin

Lisa-Marie Geltinger

Hanns Seidel Foundation (HSS), Munich

Dr. Florence Gaub

Deputy Director of the European Union Institute for Security Studies (EUISS), Paris

Jonathan Glennie

Principal Associate, Joep Lange Institute, Amsterdam

Alexander Graf Lambsdorff MdB

Member of the German Bundestag, Deputy Chairman of the Free Democratic Party Parliamentary Group, Berlin

Philip Green

Australian Ambassador to Germany, Switzerland and Liechtenstein

Konrad Greilich

Friedrich Naumann Foundation (FNF), Potsdam

Moritz Gress

Research Assistant, Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Prof. Dr. Xuewu Gu

Professor, Institute for Political Science and Sociology and Director of the Center for Global Studies (CGS), University of Bonn

Felix Haas

Young German Association for Foreign Affairs (JDGAP), Berlin

Ursula Heinen-Esser

Minister for Environment, Agriculture, Conservation and Consumer Protection of the State of North Rhine-Westphalia, Düsseldorf

Prof. Dr. Andreas Heinemann-Grüder

Professor, Senior Researcher at the Bonn International Centre for Conflict Studies (BICC), Bonn

Jerker Hellström

Director of the Swedish Center for China Studies (SCCS), Stockholm

Prof. Dr. DDr. h.c. Matthias Herdegen

Professor, Director of the Institute for Public Law and Director of the Institute for International Law, University of Bonn

Prof. Dr. Wolfram Hilz

Professor, Institute for Political Science and Sociology and Director of the Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Dr. Gerhard Hinterhäuser

Partner for Asia at Bingmann Pflüger International, Berlin

Prof. Dr. Michael Hoch

Rector, University of Bonn

Prof. Dr. Anna-Katharina Hornidge

Professor and Director of the German Development Institute (GDI), Bonn

Tim Hörster

Young German Association for Foreign Affairs (JDGAP), Berlin

Stefan Huber

Senior Adviser of the Director General for Defence Policy and Head of Cabinet of the Federal Minister of Defence, Berlin

Nicolas Huppenbauer

Research Fellow, Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Britta Jacob

Senior Policy Advisor on International and EU Affairs, Alliance 90/The Greens, Berlin

Dr. Karl-Heinz Kamp

Special Envoy of the Political Director at the German Ministry of Defence, Berlin

Prof. Dr. Emilian Kavalski

NAWA Chair Professor of Complex Systems, Centre for International Studies and Development, Faculty of International and Political Studies, Krakow

Dr. Markus Kerber

State Secretary at the Federal Ministry of the Interior, Building, and Community, Berlin

Peter Kesselburg

Young German Association for Foreign Affairs (JDGAP), Berlin

Dr. Sarah Kirchberger

Head of Asia-Pacific Strategy and Security at the Institute for Security Policy, Kiel University (ISPK)

Nico Kraft

Hanns Seidel Foundation (HSS), Munich

Prof. Dr. Volker Kronenberg

Professor, Institute for Political Science and Sociology, Dean of the Faculty of the Arts and Director of the Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Prof. Dr. Ludger Kühnhardt

Professor, Institute for Political Science and Sociology and Director at the Centre for European Integration Studies (ZEI), University of Bonn

Ulrich Lechte MdB

Member of the German Bundestag, FDP, and Chairman of the Subcommittee on United Nations, International Organizations and Globalization, Berlin

Helena Legarda

Senior Analyst, Mercator Institute for China Studies, Berlin

Dennis Lonsdorfer

Research Assistant, Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Prof. Dr. Maximilian Mayer

Junior-Professor for International Relations and Global Politics of Technology, Institute for Political Science and Sociology (IPWS) and Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Anna Marti

Office Director of the Friedrich-Naumann-Stiftung (FNF), Taiwan

David Merkle

Desk Officer China, Konrad Adenauer Foundation (KAS), Berlin

Gyude Moore

Senior Policy Fellow, Center for Global Development (CGD), Washington, D.C.

Iris Müller

Friedrich Naumann Foundation (FNF), Potsdam

Marc Nettelbeck

Lecturer, Cologne University of Applied Sciences

Philip Nock

Research Fellow, Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Dr. Mareike Ohlberg

Senior Fellow, German Marshall Fund of the United States (GMFUS), Berlin

Dr. Matthieu Osmont

Director of Institut Français, Bonn

Martin Ostendorf

Young German Association for Foreign Affairs (JDGAP), Berlin

Dr. Friedbert Pflüger

Head of the European Cluster for Climate, Energy and Resource Security (EUCERS) at CASSIS, University of Bonn, and Managing Partner of Bingmann Pflüger International GmbH

Heinrich Pfriemer

Global Head Industry Business Unit Defence and Security, SAP, Walldorf

Woodward Clark Price

Chargé d'Affaires ad interim at the United States Embassy to Germany, Berlin

Jeffrey Rathke

President of the American Institute for Contemporary German Studies (AICGS), Johns Hopkins University, Washington, D.C.

Janusz Reiter

Former Ambassador and Founder of the Centre for International Relations, Warsaw

Dr. Norbert Röttgen MdB

Member of the German Bundestag, CDU, and Chairman of the Committee on Foreign Affairs (2014–2021), Berlin

Dr. Marina Rudyak

Postdoctoral Researcher, University of Heidelberg

Tom Sari

Hanns Seidel Foundation (HSS), Munich



Prof. Dr. Dr. Jochen Sautermeister

Professor, Chair of Moral Theology and Director of the Moral Theological Seminary at the Faculty of Catholic Theology, University of Bonn

Prof. Dr. Ulrich Schlie

Henry Kissinger Professor for Security and Strategic Studies and Director of the Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Dr. Sarah Schmid

Hanns Seidel Foundation (HSS), Munich

Prof. Dr. Joachim Scholtyseck

Professor, Department of Historical Studies, Chair of Modern History, University of Bonn

Maximilian Schraner

Research Assistant, Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Jonas Schwarz

Young German Association for Foreign Affairs (JDGAP), Berlin

Dr. Bernhard Seliger

Representative of the Hanns Seidel Foundation (HSS) Korea, Seoul

Prof. Dr. Kristin Shi-Kupfer

Professor for Sinology, University of Trier, and Senior Associate Fellow at Mercator Institute for China Studies (MERICS), Berlin

Dr. Angela Stanzel

Associate, Asia Division, German Institute for International and Security Affairs (SWP), Berlin

Dr. Shogo Suzuki

Senior Lecturer, University of Manchester

Dr. Justyna Szczudlik

Deputy Head of Research and Head of Asia-Pacific Programme, The Polish Institute of International Affairs, Warsaw

Prof. Dr. Caja Thimm

Professor of Media Studies and Intermediality, Head of Department Media Science, University of Bonn

Jacob Tong

Research Assistant, Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Leo Tetzlaff

Student Assistant, Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Victoria Toriser

Consultant, REPUCO Consulting, Vienna

Jürgen Trittin MdB

Member of the German Bundestag, Alliance 90/The Greens, Berlin

Marcel Turlach

Research Fellow at the Henry Kissinger Professorship for Security and Strategic Studies, Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Maria Ullrich

Research Fellow, Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Lucas Unterberg

Public Relations Manager, BE Berlin Economics, Berlin

Rick Waters

Deputy Assistant Secretary for China, Taiwan and Mongolia, Bureau of East Asian and Pacific Affairs, Washington, D.C.

Dr. Joachim Weber

Senior Visiting Fellow, Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Prof. Dr. Ralph Weber

Associate Professor for European and Global Studies, University of Basel

Dr. Kirsten Westphal

Head of Project "Geopolitics of Energy Transformation", German Institute for International and Security Affairs (SWP), Berlin

Fenja Wiluda

Research Fellow at the Henry Kissinger Professorship for Security and Strategic Studies, Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Verena Wingerter

Friedrich Naumann Foundation (FNF), Potsdam

Leon Witt

Friedrich Naumann Foundation (FNF), Potsdam

Prof. Dr. Aimee van Wynsberghe

Humboldt Professor for "Applied Ethics of Artificial Intelligence" and Director of the Institute for Science and Ethics, University of Bonn

Dr. Mayssoun Zein Al Din

Executive Director, Academy of International Affairs NRW, Bonn

as of October 2021

Executive Summary

The sixth International Security Forum Bonn hosted by the Center for Advanced Security, Strategic and Integration Studies (CASSIS) of the University of Bonn took place from 29 September – 2 October 2021, and was held as a hybrid event for the first time. In order to comply with pandemic containment measures and due to COVID-19-related travel restrictions, all events of the Forum were hosted online and were accessible to enrolled participants via a dedicated virtual platform, with individual talks also being streamed on YouTube to a broader audience. The main event's panel discussion on the subject of the rise of Asia and the future of transatlantic relations was held at the University of Bonn's premises and could additionally be attended by a number of guests in person.

While the still raging COVID-19 pandemic continues to influence global decision-making processes and attract the attention of policymakers and the general public alike, it remains by no means the only current challenge for the international community. The attendees invited to the Forum comprised a selection of

high-profile policymakers, experts from academia and the corporate world as well as experienced diplomatic personnel. These skilled participants from diverse backgrounds shed light on the future of transatlantic relations in due consideration of policies on energy and climate mitigation and discussed the role of the People's Republic of China as a key player in international relations and the implied challenges the Western world must rise to.

The events of the Main Day on 29 September dealt with the overarching topic "Towards a Green Deal and Beyond: Germany, America and the World Ahead" and included, among others, introductory remarks by Professor Michael Hoch, Rector of the University of Bonn, Ulrich Schlie, Henry Kissinger Professor for Security and Strategic Studies, and Peter Beyer, member of the German Bundestag and coordinator of transatlantic cooperation. The experts addressed pressing questions of democracy and environmental matters in European and US-American societies and emphasised the need for a cooperative approach to meet common



Hybrid Panel
Discussion during
the ISFB 2021

economic and security challenges. Freedom and shared values as well as prosperity and free trade were considered the basis for a lasting partnership. Initiatives such as the 2021 EU-US Trade and Technology Council set standards for a resilient Western alliance in the 21st century. Domestic, foreign and security policy were scrutinised both in regard to the rise of China and looming climate change.

Further in-depth analysis of contemporary transatlantic relations was conducted during a panel discussion on the subject of a possible new Transatlantic Green Deal that featured, among others, Jürgen Trittin, member of the German Bundestag and former Federal Minister for the Environment, and Richard Burt, former US Ambassador in Germany. Matching ideas and parallel policies regarding both the promotion of economic growth and of climate mitigation were identified on both sides of the Atlantic. Factors hindering strategic alignment were also named, such as different political styles and diverging public acceptance of dedicated environmental protection policies in the respective societies. Domestic challenges and international discord particularly in regard to the impending commissioning of the Nord Stream 2 gas pipeline between Russia and Germany would have to be equally overcome in order to agree on integrated policies on technology and business development as well as climate protection.

The main event on this first day of the conference dissected the future of US-European relations in light of the ascent of East Asian powers. A high-profile panel including Britta Jacob, Senior Policy Advisor on International and EU Affairs of the Green Party, Theresa Fallon, Director of the Centre for Russia Europe Asia Studies in Brussels, and Alexander Graf Lambsdorff, Deputy Chairman of the FDP Parliamentary Group at the German Bundestag, explored the political and strategic ramifications of Western engagement in the Indo-Pacific region and discussed a variety of pressing challenges in the area. The threat emanating from the North Korean nuclear weapons programme, territorial disputes in the South China Sea, the coup d'état in Myanmar and the deteriorating political situation between China and Taiwan were among the topics debated. A unified transatlantic strategy to meet these multifaceted challenges, however, proved to be hard to outline. Relationships between Western

powers and the People's Republic of China were described as multi-layered and combining adversarial, competitive and cooperative aspects, thus defying simple labelling. Special attention was devoted to the German frigate "Bayern" which had been deployed to the South China Sea until February 2022 to show German presence and interest in the region. The terminology of a new Cold War emerging between the United States and China was subject to critical scrutiny by the panel, though a narrative of bipolar confrontation appears to be not readily applicable to the status quo of complex challenges and intertwined interests in the Indo-Pacific theatre and beyond. The debate concluded with the emphasis that zero-sum game thinking was to be avoided by all stakeholders and any conflicts in the region should be of high priority to the new German government.

Taking up the thread of the evening's discussion, the Special Focus Day on 30 September took place under the theme "The Rise of Eastern Modernity? European Responses to China's New Global Role" and was organized in cooperation with the Konrad Adenauer Foundation and the research group "Infrastructures of China's Modernity and their Global Constitutive Effects" funded by the Ministry of Culture and Science of the State of North Rhine-Westphalia. Opening remarks were given by Professor Volker Kronenberg, Dean of the Faculty of Arts and Director of CASSIS, Katja Dörner, Mayor of the City of Bonn, and Peter Fischer-Bollin, Head of the Division Analysis and Consulting of the Konrad Adenauer Foundation, who expounded the problems of the multilateral world order that the German economy has been profiting from for many decades, while also underlining the joint work of municipal cooperation in the field of climate and sustainable development, such as the city partnership between Chéngdū and Bonn in the German-Chinese context. A keynote address about Europe's reaction to the rise of China as a potential new superpower was given by Norbert Röttgen, Member of the German Bundestag and Chairman of the Committee on Foreign Affairs. In his address he had the audience consider that the People's Republic of China had already increased its power massively to influence principles of the international order. Europe, in comparison, was a world trade power, but not a relevant geostrategic player outside of the Western alliance, which led to entails the relevant question:

Could it forge an external identity as a power acting on the global stage? The emerging global system conflict, following Norbert Röttgen's line of argument, was a normative and institutional one, in which Europe would be well-advised to use unity as a strategic element to achieve issue-based cooperation with China from a position of strength, based on values.

In this context, Markus Kerber, State Secretary at the Federal Ministry of the Interior, alluded in a further talk to the fact that in a multipolar world, the West was facing one or more societal counternarratives, of which China had the most powerful one, and cautioned against underestimating the attractiveness of the Chinese high-tech autocracy. Further debates, which took place under Chatham House Rule with experts, among others Kristin Shi-Kupfer, Professor for Sinology at the University of Trier and Senior Associate Fellow at MERICS, and Philip Green, Australian Ambassador to Germany, Switzerland, and Liechtenstein, further investigated the challenges China's ascent presented to Europe and the West in such diverse yet interrelated fields like technology, security politics and global public goods. It was stated that despite China's rise to technological power and pugnacity in territorial disputes, it should not be credited as a systemic competitor, since a repressive surveillance state was no viable alternative to a liberal democracy. The Special Focus Day concluded with a panel discussion including Dirk Brengelmann, former German Ambassador to the Netherlands and former NATO-Assistant Secretary General for Political Affairs and Security Policy, and Professor Xuewu Gu, Director of the Center for Global Studies at the University of Bonn, who analysed risks, priorities and strategic options for Europe. Possible courses of action debated ranged from an intensification of ties to either the United States or to China to establishing equidistance to both global powers; a fourth option introduced was the enhancement of Europe's strategic autonomy. It was pointed out that the latter would come at the cost of transatlantic cohesion and that global capitalism was blurring the picture of a bipolar confrontation, since transnational companies would not align themselves with power blocs. Hence, the best and most significant option of the European Union to entice China to cooperate was its single market.

The conference concluded with the "Strategic Foresight Workshop", providing students, young practitioners and experts with professional insights into the methods of strategic foresight, scenario and strategy development. Participants applied these skills to outline and analyse the evolution of China's strategic interests over the next five years and their implementation in a multidimensional European, US and German perspective. In two public panels, challenges such as error-prone data sources, models of high volatility and interpretability were termed as well as possible solutions involving data intelligence, intersectoral cooperation and transparency that would help both the public and the private sector to make better informed decisions through effective risk analysis. An exchange between two experts based in South East Asia on the morning of 2 October gave valuable input to the workshop with perspectives on China from South Korea and Taiwan.

This year, our expert debates revolved around old and new types of narratives and Europe's stance with regard to China. A new Western consensus was called for taking into consideration miscellaneous interests in a multipolar world. We would like to thank all participants for their contributions and all of our partners for their continued support. We look forward to resuming this cooperation when hosting the ISFB again in 2022, hopefully in person.



International Security Forum Bonn 2021

Programme

Hosted by the Center for Advanced Security,
Strategic and Integration Studies (CASSIS)
University of Bonn

29 September – 2 October 2021

The International Security Forum Bonn 2021 was a high-level international event to ensure a dialogue on contemporary topics of foreign and security politics. The goal of the Forum was to ensure a debate between experts and practitioners, to identify vital aspects of a successful European foreign and security policy, and to develop holistic strategical solutions for pressing challenges. It was concluded by a two-day Strategic Foresight Workshop.

The International Security Forum Bonn 2021 was realized in cooperation with the following partners:



Wednesday, 29 September 2021

Main Day: “Towards a Green Deal and Beyond: Germany, America and the World Ahead”

– Online, Stream on Youtube –

Welcoming Remarks 4.30 p.m. – 4:45 p.m.	Michael Hoch , Rector, University of Bonn
Introduction 4.45 p.m. – 5.00 p.m.	Ulrich Schlie , Henry Kissinger Professor for Security and Strategic Studies and Director of CASSIS, University of Bonn
Keynote Speeches 5.00 p.m. – 5.35 p.m.	<p>Peter Beyer, Member of the German Bundestag, Coordinator of Transatlantic Cooperation, Federal Foreign Office, Berlin</p> <hr/> <p>Ursula Heinen-Esser, Minister for Environment, Agriculture, Conservation and Consumer Protection of the State of North Rhine-Westphalia, Düsseldorf</p> <hr/> <p>Woodward Clark Price, Chargé d’Affaires ad interim at the United States Embassy to Germany, Berlin</p>

Break 5.35 p.m. – 6.00 p.m.

– Online, Stream on Youtube –

Panel Discussion 6.00 p.m. – 7.00 p.m.	<p>“Towards a New Transatlantic Green Deal”</p> <p>Janusz Reiter, Former Ambassador and founder of the Centre for International Relations, Warsaw</p> <hr/> <p>Jürgen Trittin, Member of the German Bundestag, Alliance 90/The Greens, Berlin</p> <hr/> <p>Kirsten Westphal, Head of Project “Geopolitics of Energy Transformation”, German Institute for International and Security Affairs (SWP), Berlin</p> <hr/> <p>Richard Burt, Former US-Ambassador in Germany, Managing Partner McLarty Associates, Washington, D.C.</p> <hr/> <p>Chair: Friedbert Pflüger, Head of European Cluster for Climate, Energy and Resource Security, CASSIS, University of Bonn</p>
--	--

Break 7.00 p.m. – 7.15 p.m.

– Hybrid –

“The Rise of Asia and the Future of Transatlantic Relations”

Introduction

7.15 p.m. - 7.25 p.m.

Rick Waters, Deputy Assistant Secretary for China, Taiwan and Mongolia, Bureau of East Asian and Pacific Affairs, Washington, D.C.

Panel Discussion

7.25 p.m. – 8.45 p.m.

Britta Jacob, Desk Officer Policy Planning, Federal Foreign Office, Berlin

Alexander Graf Lambsdorff, Member of the German Bundestag, Deputy Chairman of the FDP Parliamentary Group of the German Bundestag, Berlin

Jeffrey Rathke, President of the American Institute for Contemporary German Studies, Johns Hopkins University, Washington, D.C.

Karl-Heinz Kamp, Special Envoy of the Political Director at the German Ministry of Defense, Berlin

Theresa Fallon, Director of the Center for Russia Europe Asia Studies (CREAS), Brussels

Chair: **Benjamin Becker**, Director of the AmerikaHaus NRW e.V., Cologne

THURSDAY, 30 SEPTEMBER 2021

Special Focus Day:

“The Rise of Eastern Modernity? European Responses to China’s New Global Role”

Presented by the Konrad-Adenauer-Foundation e.V.

– Online –

Welcoming Remarks and Introduction

- Stream on Youtube -

9.00 a.m. – 9:30 a.m.

Volker Kronenberg, Dean of the Faculty of the Arts and Director of CASSIS, University of Bonn

Katja Dörner, Mayor of Bonn

Peter Fischer-Bollin, Head of the Division Analysis and Consulting of the Konrad Adenauer Foundation (KAS), Berlin

Maximilian Mayer, Professor, CASSIS, University of Bonn

Keynote

- Stream on Youtube -

9.30 a.m. – 9.45 a.m.

“A (Super)-Power in the Making. Will Europe Stand Its Ground?”

Norbert Röttgen, Member of the German Bundestag, CDU, and Chairman of the Committee on Foreign Affairs (2014–2021), Berlin

Break 9.45 a.m. – 9.50 a.m.

Session 1

9.50 a.m. – 10.35 a.m.

“China: Meeting the Systemic Challenge”**Markus Kerber**, State Secretary at the Federal Ministry of the Interior, Building, and Community, BerlinChair: **Sarah Kirchberger**, Head of Asia-Pacific Strategy and Security at the Institute for Security Policy, Kiel University (ISPK)

Break 10.35 a.m. – 10.40 a.m.

Panel Discussion 1

10.40 a.m. – 11.40 a.m.

“The China Challenge: What Does Systemic Competition Mean for Democracies?”**Dingding Chen**, Professor of International Relations at Jinan University, Guangzhou**Ulrich Lechte**, Member of the German Bundestag, FDP, and Chairman of the Subcommittee on United Nations, International Organizations and Globalization, Berlin**Kristin Shi-Kupfer**, Professor for Sinology, University of Trier, and Senior Associate Fellow at MERICS, Berlin**Shogo Suzuki**, Senior Lecturer, University of Manchester**Justyna Szczudlik**, Deputy Head of Research and Head of Asia-Pacific Programme, The Polish Institute of International Affairs, WarsawChair: **Mayssoun Zein Al Din**, Executive Director, Academy of International Affairs NRW, Bonn

Break 11.40 a.m. – 11.45 a.m.

Keynote Speech and Discussion

11.45 a.m. – 12.45 p.m.

“The Indo Pacific: China’s Rise, Major Power Friction – The Perspective of a Middle Power”**Philip Green**, Australian Ambassador to Germany, Switzerland and LiechtensteinChair: **Wolfram Hilz**, Professor for Political Science, and Director of CASSIS, University of Bonn

Lunch Discussion12.45 p.m. – 2.30 p.m. (meanwhile networking session on wonder.me)

Panel Discussion 2

2.30 p.m. – 3.30 p.m.

“Global Public Goods in an Age of Transformations: Problem Solving with China?”

Dan Banik, Professor and Director of the Oslo SDG Initiative, Centre for Development and the Environment (SUM), University of Oslo

Doris Fischer, Chair of China Business and Economics, University of Würzburg

Jonathan Glennie, Principal Associate, Joep Lange Institute, Amsterdam

Anna-Katharina Hornidge, Director of the German Development Institute (GDI), Bonn

Gyude Moore, Senior Policy Fellow, Center for Global Development (CGD), Washington, D.C.

Marina Rudyak, Postdoctoral Researcher, University of Heidelberg

Chair: **Daniela Braun**, Foreign and Security Policy Officer, Konrad Adenauer Foundation (KAS), Berlin

Break 3.30 p.m. – 3.35 p.m.

Panel Discussion 3

3.35 p.m. – 4.35 p.m.

“Geopolitics, Technology and Security: How to Avoid a Cold War 2.0?”

Cuihon Cai, Professor of International Relations, Fudan University, Shanghai

Mathieu Duchâtel, Director of the Asia Programme, Institut Montaigne, Paris

Jerker Hellström, Director of the Swedish Center for China Studies (SCCS), Stockholm

Sarah Kirchberger, Head of Asia-Pacific Strategy and Security at the Institute for Security Policy, Kiel University (ISPK)

Angela Stanzel, Associate, Asia Division, German Institute for International and Security Affairs (SWP), Berlin

Chair: **David Merkle**, Desk Officer China, Konrad Adenauer Foundation (KAS), Berlin

Break 4.35 p.m. – 4.40 p.m.

Breakout Sessions**4.40 p.m. – 5.15 p.m.** (On risks, priorities and strategic options, all moderated on wonder.me)

Break 5.15 p.m. – 5.20 p.m.

Panel Discussion 4

5.20 p.m. – 6.20 p.m.

“Risks, Priorities and Strategic Options for Europe”

Una Aleksandra Bērziņa-Čerenkova, Head of Riga Stradins University China Studies Centre and Head of the New Silk Road Programme at the Latvian Institute of International Affairs, Riga

Dirk Brengelmann, Former Ambassador of the Federal Republic of Germany to the Kingdom of the Netherlands, and former NATO-Assistant Secretary General for Political Affairs and Security Policy, Senior Fellow at the Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

Xuewu Gu, Director of the Center for Global Studies (CGS), University of Bonn

Mareike Ohlberg, Senior Fellow, German Marshall Fund of the United States (GMFUS), Berlin

Ralph Weber, Associate Professor for European and Global Studies, University of Basel

Chair: **Maximilian Mayer**, Professor, CASSIS, University of Bonn

Conclusion

6.20 p.m. – 6.30 p.m.

Maximilian Mayer, Professor, CASSIS, University of Bonn



STRATEGIC FORESIGHT WORKSHOP

“STRATEGIC CHINA”

In cooperation with the Young German Council on Foreign Relations, the Friedrich Naumann Foundation for Freedom and the Hanns Seidel Foundation

– Online & in German –

FRIDAY, 1 OCTOBER 2021

– Online –

Workshop Day 1

9.00 a.m. – 7:30 p.m.

(By invitation only)

- Welcoming address and methodological input
- Construction of alternative scenarios
- Consistency and consequence analysis
- Presentation and discussion of scenarios

Debate

6 p.m. – 7:30 p.m.

(Open to the public)

“The Importance of Strategic Foresight with Regards to the Rise of China”

Stefan Huber, Senior Adviser of the Director General for Defence Policy and Head of Cabinet of the Federal Minister of Defence

Heinrich Friemer, Global Head Industry Business Unit Defense and Security at SAP

Chair: **James D. Bindenagel**, Senior Professor at the Center for Advanced Security, Strategic and Integration Studies (CASSIS)

SATURDAY, 2 OCTOBER 2021

– Online –

Debate

9.00 a.m. – 10:00 a.m.

(Open to the public)

Breakfast Input: “Perspectives from China’s Immediate Neighborhood”

Anna Marti, Office Director of the Friedrich Naumann Foundation, Taiwan

Bernhard Seliger, Representative of the Hanns Seidel Foundation, Korea

Chair: **Enrico Fels**, Managing Director of CASSIS, University of Bonn

Workshop Day 2

9:00 a.m. – 4:15 p.m.

(By invitation only)

- Determine fields of actions and options
- Development of a suitable and robust strategy
- Evaluation of the strategy
- Presentation of strategy options
- Debriefing





COMMENTS AND PERSPECTIVES

Main Day

“Towards a Green Deal and Beyond:
Germany, America and the World
Ahead”

Thinking Security Policy More Broadly

by Ulrich Schlie



*Prof. Dr. Ulrich Schlie,
Henry Kissinger
Professor for Security
and Strategic Studies
and Director of the
Center for Advanced
Security, Strategic and
Integration Studies
(CASSIS), University of
Bonn*

Genuine relations can only flourish if an open and honest exchange takes place. This was and is the motto of the Security Forum Bonn. The International Security Forum Bonn brings together politicians, scientists, practitioners, and students who discuss, among others, the future of transatlantic relations. The Forum offers an opportunity to explore what the future between Europe and the United States holds and where new accents can be set.

The strategic environment of the world of today is unprecedented in its complexity. Rising strategic uncertainties and strategic rivalries – the most recent developments on the borders of Ukraine remind us of the imminent threats and dangers – underline the necessity to understand the trends behind rapid change, to understand specific dangers and challenges, to think security policy more broadly. Questions of technological change, the fight against environmental degradation, the progress of international humanitarian law, and the consolidation of international organizations are tasks that challenge us all together.

Last September, US President Joe Biden greeted the heads of government of Japan, India, and Australia at the White House. Many observers recognized this as a further sign of the United States' new focus on the Indo-Pacific. Biden's line to counter China's claim to power has been a common thread running through his foreign policy activities. French President Emmanuel Macron has also been offered "in-depth consultations". The reason for this, however, is to be found in the settlement of disputes that has created tension in the relationship between France and the United States in the wake of the submarine dispute between France and Australia.

In August 2021, news of the unilateral and precipitous withdrawal of the United States from Afghanistan and thus also the withdrawal of the American-led military alliance, and the fall of Kabul have severely strained transatlantic relations. The images of the dramatic defeat in Kabul and the seizure of power by the Taliban will remain in collective memory for a long time to come. Talks about the "strategic autonomy" of Europe have taken on a whole new dimension. The discrepancy between words and deeds of the European Union has become obvious and affects national interests.

Will Europeans face further military security tasks in the future that will require a fundamental rethinking of European security policy? How can Europe's loss of significance be stopped and the cohesion of the continent be strengthened? What can Europeans do to ensure that the United States stays committed to Europe as a partner, keep the partnership vivid and increase its strategic weight?

At the beginning of 2021 Joe Biden's inauguration was celebrated as a transatlantic new beginning. Predictability, friendship, reliability, everything that had become fragile during the long Trump years or had been questioned by Trump's tweets seemed restored overnight. The events since then underline the various difficulties on the way forward. The fact that Biden's arrival in office was not a return to the status quo ante Donald Trump in transatlantic relations, was one of the key observations already in last December's

report of the Task Force on the "Future of Transatlantic Relations" at the Henry Kissinger Professorship of the University of Bonn. Reshaping the transatlantic partnership and strengthening the Atlantic alliance remain first and foremost tasks that should unite Americans and Europeans and bring them strategically closer together. NATO is the only organization that commits the United States to Europe, a political organization that can deploy military means. The preparations for a new strategic concept of NATO, which were adopted by the heads of state and government leaders in summer, is the opportunity to make a compelling case for the fact that close ties between Europe and North America benefit both sides. New realities need new answers. World history never marks a pause. Nothing is the same as it was in the past. For this very reason both sides need, more than ever, new ideas and ways of thinking.



*Prof. Dr. Ulrich
Schlie during
the ISFB 2021*

The Best Transatlantic Years Lie Ahead of Us – With a Positive Agenda We Can Imbue the Transatlantic Partnership with More Power

by Peter Beyer



*Peter Beyer MdB,
Member of the German
Bundestag, Coordinator
of Transatlantic
Cooperation, Federal
Foreign Office*

We are currently at a watershed in world history. We have seen a series of rapid changes: the economic and power-political rise of China, the return of geopolitics since Russia's annexation of Crimea in violation of international law, the threat posed by climate change, the opportunities and pitfalls of the digital transformation, and the many upheavals caused by the COVID-19 pandemic. The West stands amazed by these events, further unsettled by anti-democratic trends in many democracies.

Recognising this watershed is just the first step. In a second step we have to adapt our political strategies to these new circumstances, as that is the only way we will be able to overcome these challenges. Allow me to present five theories in this context.

1. The European Union Needs to Awake from Its Security Policy Slumber. To put it more clearly, the EU needs to become a thinking and acting geopolitical player, on the basis of its values. Otherwise, its power will continue to diminish. One example is the migration crisis on the border between Belarus and Poland, which took us by surprise. The most influential EU countries and the European Commission have to think more in terms of scenarios and simulations.

Our systemic rivals have been doing this for some time and are surprisingly creative in this area. They have realised, for instance, that the problem of migration is the EU's Achilles' heel, which already led to massive ructions within Europe in 2015 and 2016. This means that it is high time we find a reasonable balance between value-driven and interest-led policy.

2. We Need to Present a United Front. Since the summer of 2021 at the latest, I have been plagued by a sense of transatlantic impatience. As far as foreign policy is concerned, the Biden administration gives the impression that it is still warming up. Not least, that is down to the massive domestic pressure it faces. But time is running out and the campaign for the mid-term elections will soon begin. We now need to forge a strong alliance between Europe and North America. The return of the United States to the Paris Climate Agreement, the increase of US troops in Germany and the agreements regarding Nord Stream 2 are only a start. Too little is happening in many other fields, such as trade and the digital transformation. Yet it is urgently necessary to formulate a positive transatlantic agenda. Germany has a central role to play here. Especially in the aftermath of Brexit, Washington and Ottawa are looking to Berlin – and yes, we

have to concede that we, too, are not providing enough impetus. Multilateralism alone will not take us forward, will not enable us to develop the necessary strategies. Here we need considerably more from the new German government than a mere reference to international politics at the end of a policy statement by the new Chancellor, which we heard in the Bundestag on 15 December 2021.

3. We Need to Learn from Our Mistakes. The disastrous withdrawal from Afghanistan and the deep-seated tensions in connection with AUKUS reveal the fault lines in the transatlantic alliance. Something is not right here, and to put it simply, it is because we do not communicate enough and evidently do not trust one another on some issues. That has to change radically. We do not need to agree on everything, but we should be sufficiently involved in our partners' plans to be in a position to do more than simply react.

4. We Need to Show Unity of Purpose in Our Dealings With China and Russia. Disunity weakens the West – and makes our systemic rivals unnecessarily strong. China in particular wants to prove that its system is superior to democracies. We need to prove it wrong, also in the interests of consolidating our own democracies. The propaganda war is taking place primarily on the internet, exacerbated by cyberattacks on the nervous systems of the West. However, we should never slam the door in the face of possibilities to cooperate. Yet it must be made clear to China and Russia that they can only join in if they abide by the rules of international order.

5. We Need to Believe In the Innovative Potential Of Our Democracies. Even in the 1970s, the theory of the decline of the United States was propagated, at that time in connection with the problems faced by the US automobile industry. This decline ultimately never happened, not least because of the emergence of a new economic power on the West Coast in the form of the tech industry, which gave the country and eventually the entire global economy a major boost. This revolution not only generated prosperity and new impetus on the labour market, but was, incidentally, also one of the reasons why the West won the Cold War in the 1980s. The Soviet Union could not keep pace in this field. There are many current examples of the innovative power of the West and the superiority of democracies, one of the best being the cooperation between Pfizer and BioNTech in the development of their COVID-19 vaccine.

The best years of the West are not behind us, they are ahead of us.

A Common Focus On the Indo-Pacific Unites The EU and the US

by Theresa Fallon



Theresa Fallon,
Director of the Center
for Russia Europe
Asia Studies (CREAS),
Brussels

After a period of transatlantic drift, is the transatlantic community back? The 2020 Munich Security Conference introduced the term 'Westlessness'; the concept coined to define the perception of the absence of a united 'West' comprising both the US and Europe. US President Trump focused on the People's Republic of China (PRC) as a threat and embraced the Japanese concept of a Free and Open Indo-Pacific. Ushering in an era of heightened transatlantic frictions, President Trump studiously snubbed his European counterparts, and considered communicating with them a waste of time. He was particularly hostile to the European Union, a multilateral construct that was alien to him.

The advent of the Biden Administration dramatically changed the transatlantic tone. President Biden maintained a competitive approach to China as a rival with a special focus on the Indo-Pacific, and aimed to revitalise alliance relations and work in concert with Europeans in order to meet the China challenge. On the other hand, the European position evolved from seeing China as a partner, to identifying it as more of a systemic rival. The Europeans also recognized the increased importance of the Indo-Pacific. As a result, the PRC and the Indo-Pacific emerged as subjects of discussion and cooperation that do not divide but rather reinforce the transatlantic partnership.

Europeans have traditionally focused on the trade and economic opportunities offered by China's growth, often neglecting to take responsibility for the security implications. For instance, German and French companies have provided parts and equipment for China's warships and submarines, including silent diesel engines. As recently as December 2020, the German and French leaders tried to hurriedly conclude a Comprehensive Agreement on Investment (CAI) between the EU and PRC. This agreement was pushed through shortly before the Biden administration took office.

In some respects, this move by the EU was interpreted by the incoming Biden administration as a sign that the Europeans were not willing to work jointly with the US in order to increase their leverage over Beijing. The agreement would have given European companies, notably German car makers, increased access to the Chinese market, but would have also facilitated the transfer of European technology to China, and given legitimacy to the Beijing regime in the face of human rights abuses in Hong Kong and Xinjiang.

However, the investment agreement was not to be. The European Parliament never liked it, with many of its members voicing opposition out of concern for

human and labour rights. The chances of the European Parliament ratifying the agreement rapidly collapsed to zero on 22 March 2021, when China announced sanctions against European officials and against members of the European Parliament from all political groups, as a disproportionate reprisal against the EU imposing sanctions on a smaller number of Chinese individuals and entities involved in human rights abuses. The European Parliament would reconsider its position on ratifying the agreement only if China lifted its sanctions first, which is unlikely as China would lose face. If China and the West are locked in a new Cold War, then one could say that the agreement entered cold war storage.

Europe's perception of the PRC deteriorated dramatically after the COVID-19 crisis. China's 'mask diplomacy' at the outset of the pandemic and its 'wolf warrior diplomacy' against foreign critics backfired on European public opinion. Concerns about supply chain dependence, crackdowns on freedom of expression in China in relation to the pandemic and the deterioration of human rights in Hong Kong and in Xinjiang also played a role. As a result, Pew public opinion surveys in June 2021 showed that European public opinion had turned decisively against China.

China's bullying did not prevent the Czech Republic, Lithuania and Slovakia from deepening relations with Taiwan later in the year. Trade measures against Lithuania, after it decided to host a 'Taiwan representative office' on its territory, sparked a statement by EU officials. The more aggressively Beijing attempts to use its tools of diplomatic, political and economic influence in Europe, the stronger the backlash it seems to face.

Meanwhile, China's increasingly aggressive posture in the South China Sea, East China Sea and Taiwan Strait caused growing concern. In April and November 2021, the EU issued statements expressing concern over Beijing's unilateral actions in the South China Sea. The statements echoed similar statements by the US, showing a common front. In October 2021, the European Parliament called for a stronger partnership with Taiwan. In the course of 2021, individual EU Member States including France, the Netherlands and Germany sent warships to the South China Sea.

In April 2021, the EU Council issued Conclusions on an EU Strategy for Cooperation in the Indo-Pacific, followed by a more detailed Joint Communication with the same title in September. This was the first time that the EU referred to the concept of 'Indo-Pacific', which originally was coined by Japan and was adopted by the US in 2017.

The EU Strategy for Cooperation in the Indo-Pacific recognised that the world's centre of gravity was shifting toward this vast region. It set out the opportunities for trade and investment, but also pointed out, 'In recent years, geopolitical dynamics in the Indo-Pacific have given rise to intense competition, including tensions around contested territories and maritime zones'. It noted a 'significant military build-up, including by China.' The Strategy pointed out the 'display of force and increasing tensions in regional hotspots such as in the South and East China Sea and in the Taiwan Strait.'

The EU Strategy set out the goal of a rules-based security architecture in the Indo-Pacific and listed seven priority areas for cooperation with Indo-Pacific partners: sustainable and inclusive prosperity, green transition, ocean governance, digital governance and partnerships, connectivity, security and defence, human security. Under security and defence, the stress is on enhancing EU naval presence in the region and on maritime security capacity-building for regional partners.

Despite the reference to worrying geopolitical dynamics, the strategy is careful not to shut the door on cooperation with China, announcing that the EU would pursue its 'multifaceted engagement with China'. The EU set out its 'multifaceted' approach to China for the first time in a policy document dating from March 2019, the Joint Communication on EU-China – A Strategic Outlook. According to this document, 'China is, simultaneously, in different policy areas, a cooperation partner with whom the EU has closely aligned objectives, a negotiating partner with whom the EU needs to find a balance of interests, an economic competitor in the pursuit of technological leadership, and a systemic rival promoting alternative models of governance'.



The 2017 US National Security Strategy, issued under President Trump, spoke of ‘geopolitical competition between free and repressive visions of world order’ in the Indo-Pacific. Trump repeatedly called China a ‘strategic competitor’ and a ‘rival power’.

US China policy under the Biden administration broadly followed the tracks laid by the previous administration, stressing competition between the two countries. However, it also adopted a slightly more nuanced narrative, pointing to possible areas of cooperation and referring to a ‘multifaceted’ approach similar to the EU one. In November 2021, a senior US official briefing journalists ahead a video call between President Biden and Chinese leader Xi Jinping called US-China relations a ‘multifaceted dynamic’. Given that the EU’s own ‘multifaceted’ approach has been gradually shifting toward the facets of competition and strategic rivalry, there is now broad overlap between US and EU policy on China.

EU companies and governments are still attracted by the trade and investment opportunities offered by China, but they are now paying more attention to the strategic and security implications. Since October 2020, an EU foreign direct investment screening mechanism is in place that provides for the exchange of information and for shared analysis of incoming investment among EU Member States and the EU Commission, although eventually it is up to individual Member States to decide whether to accept foreign investment in their territory or not. Responding to US

concerns, the EU has also taken steps to control the export of dual use, emerging technologies, though these steps are still insufficient.

In response to China’s Belt and Road initiative building infrastructure across the world, thus expanding Beijing’s influence with scant regard to climate, environmental and social standards, in 2019 the US launched the Blue Dot Network initiative together with Australia and Japan. The Blue Dot Network seeks to certify infrastructure investment projects that are ‘transparent, climate-smart, sustainable, and responsible’, helping them attract private and public funding.

In December 2021, the EU launched its own Global Gateway initiative to support ‘smart investments in quality infrastructure, respecting the highest social and environmental standards, in line with the EU’s values and standards’. The EU announced it would mobilise an eye-popping EUR 300 billion for this initiative, though much of this amount represents sums that had already been committed under various EU and EU Member States’ schemes.

EU-US cooperation on the Indo-Pacific seemed to have taken a hit in September 2021, when the US announced the AUKUS defence pact with Australia and the UK. As part of this pact, Australia would break a commercial deal to purchase French submarines and buy US-UK submarines instead. France complained vocally and obtained the solidarity of the EU. France complained particularly that the US had not

consulted it, as it would have expected from an ally. However, the US showed a willingness to mend fences. One week after the announcement of AUKUS, Presidents Biden and Macron talked by telephone and issued a joint statement in which they agreed that ‘the situation would have benefited from open consultations among allies’. Biden praised French and European engagement in the Indo-Pacific region. The two leaders announced they would ‘open a process of in-depth consultations’.

On 2 December 2021, the EU’s External Action Service Secretary General Sannino and the US Deputy Secretary of State Sherman held their second dialogue on China (the first dated from May 2021). They reiterated in a joint press release that ‘the EU’s and United States’ respective relations with China are multifaceted’. They pledged cooperation to uphold the rules-based international order, and called China’s action in the South and East China Seas and the Taiwan Strait ‘problematic and unilateral’.

The following day, Sannino and Sherman held the first-ever EU-US consultations on the Indo-Pacific. The long list of possible areas of cooperation include: ‘the fight against the climate crisis (including prevention and rapid response to natural disasters), public

health and pandemic response and preparedness (including support for COVAX, advancing global health security, and support to national health care systems), freedom of navigation and maritime security, human rights, core labor standards as defined by the ILO (including those addressing child labour), good governance, infrastructure, critical and emerging technology, cybersecurity, and countering disinformation.’ This list closely resembles the list of priority areas of the EU Strategy for Cooperation in the Indo-Pacific, with particular emphasis on common values and standards, and on critical emerging technology, where the US is concerned that Europeans should not sell China technologies that would help China’s military modernisation.

Overall, there seems to be a close convergence of views between the EU and the US on China and on the Indo-Pacific. The EU seems to have come off the fence as a spectator in the US-China geopolitical rivalry, and to have joined the US camp. There is now goodwill on both sides, and great potential for cooperation. A continued common front between the EU and the US will depend largely on Europe’s choice to forego short-term gain engaging in trade and investment with China, in favour of long-term strategic and security benefit.



Theresa Fallon during the ISFB 2021

Geopolitics in the Indo-Pacific. Strategic Consequences for Europe and Transatlantic Relations

by Friedbert Pflüger and Gerhard Hinterhäuser



left:
Dr. Friedbert Pflüger, Head of the European Cluster for Climate, Energy and Resource Security (EUCERS) at (CASSIS), University of Bonn, and Managing Partner of Bingmann Pflüger International GmbH, Berlin

right:
Dr. Gerhard Hinterhäuser, Partner for Asia at Bingmann Pflüger International GmbH, Berlin

US-American President Joe Biden is driving a realignment of the security landscape in the Indo-Pacific to counter increasing Chinese ambitions to be the dominant regional power. While the EU's involvement in the political and security arenas of the Indo-Pacific will remain limited, the continent can play a critical role in promoting green transition on a global scale, which is one of the preeminent challenges our societies are facing today.

The Indo-Pacific – Flashpoint of Tensions

Since Joe Biden became President of the United States nearly a year ago, there has been a marked shift away from trade and investment as the key defining elements of the relationship with China, to a strategy focused on security issues and centring on the Indo-Pacific as compared to the Asia-Pacific region in general. This reflects the growing tensions in the area brought about by China's increasing ambition to be the dominant power in the region, while at the same time striving to limit the influence of the United States. China's claims to nearly the totality of the South China Sea and the relentless militarisation of the area through the build-up of army bases on

reclaimed land around atolls whose ownership is in question; the building of a maritime network through the control of harbours from Darwin in Australia, Gwadar in Pakistan and Hambantota in Sri Lanka; and China's refusal to abide by the ruling of the Arbitration Court in The Hague of August 2016 limiting its claims in the South China Sea have all contributed to this development. Lately, the increased attention given to Taiwan by Western nations and the intense activities by the Chinese air force around the island have raised tensions significantly. China sees Taiwan as a breakaway province and has declared that it will pursue unity by force, if necessary. Are the United States and China destined for war, as discussed by Graham Allison in his ground-breaking book of the same title, and will Taiwan be the case for war?

Milestones of the new US strategy have been the renegotiation of the Quadrilateral Security Dialogue (Quad) initiated in 2007 by then Japanese Prime Minister Shinzo Abe. In a joint statement in March 2021, Quad members described a shared vision for a free and open Indo-Pacific and a rules-based maritime order in the East and South China Seas needed to counter the Chinese challenge to the regional status quo. This was followed by the announcement of

AUKUS in September, a new pact between Australia, the UK and the US, i.e., three anglophone members of the Five Eyes Intelligence Oversight and Review Council and two of the Quad. AUKUS brings Britain more closely into the Indo-Pacific, and it endows Australia with nuclear-powered submarines.

The Transatlantic Relationship: Diminished Trust among the Allies

With Joe Biden as President of the United States and his 'America is back' policy, there was hope in Europe that transatlantic relations, which had suffered severe setbacks under President Trump's 'America First' approach, would improve again. To some extent this is indeed the case. Joe Biden makes an explicit effort at cooperating with his allies, particular in areas where broad agreement exists, such as climate change, global health, cybersecurity, or democracy and human rights. The new administration has made some concessions to Europe, such as easing opposition to the Nord Stream 2 pipeline, and has adopted a softer tone in its interactions. However, in substance its policies remain very much unchanged. When the US abruptly withdrew from Afghanistan in July, it did not see the need to inform its European allies beforehand.

The deep polarisation of American society today raises serious concerns in Europe that the basic equation of the transatlantic relationship may have fundamentally changed, and that the United States, in time, may revert to the unilateralism pursued by Donald Trump. This fear is compounded by a Congress that interferes in foreign policy, adding uncertainty to the policy environment. Today, Europe is prepared to define interests that do not necessarily coincide with those of the United States and is willing to set itself up to be able to pursue them independently. Perhaps the most vocal proponent of this approach is French President Emmanuel Macron, who is advocating European strategic autonomy and the establishment of European armed forces.

China Policy – A Major Divide between The US and Europe

It is the policy on China where a major divide between the US and Europe occurs. Both sides agree in their assessment of the nature of the current regime and the challenge it represents. In its latest Strategic Outlook on China of March 2019, Europe for the first time labelled China not only a partner and competitor but also a strategic rival – belatedly some may say, but still: the common view now is that China's autocratic regime opposes democracy and universal human rights, pursues unfair competition through mercantilist policies including large-scale technology theft, propagates selective multilateralism and employs coercive measures against weaker nations if they have interests conflicting with those of China.

The difference lies in the respective approach to dealing with China. US policy is confrontational. Its aim is containment and it does not exclude the use of military force, if necessary. Thus, President Biden recently declared that the US will protect Taiwan should it be attacked or invaded by China. Europe, on the other hand, favours engagement and cooperation in order to resolve its differences with China, reflecting huge economic interests, and also dependencies. The longstanding policy of German Chancellor Angela Merkel exemplifies this approach, notwithstanding research by institutions such as the German Federation of Industries showing the merits of a far more robust approach.



Europe – Relegated to the Second Row

Whether by design or not, and whether Europe likes it or not, the new focus of US policy on the Indo-Pacific region relegates Europe to a seat in the second row with respect to what is perhaps the defining geostrategic battleground of our times. Ironically, this comes right at the moment when Europe is ready to increase its presence in global security matters or, in the words of High Commissioner Josep Borrell, it recognises the need 'to learn the language of power'. Yes, as a major trading block Europe has a strong interest in free navigation and open sea lanes in the South China Sea. And it may dispatch warships to the region in support of US policy. However, it has no stake as a regional player such as Japan, Australia or India and it will struggle to make its voice heard.

The surprise announcement of AUKUS coupled with the cancellation of a contract for France to deliver submarines to Australia makes this point very clear. Not only has it resulted in the loss of a USD 66 billion arms deal for France. It also was an enormous humiliation. The only member of the EU that can claim to be a resident player in the Indo-Pacific based on its network of four military bases and the control of several islands, France was intent on creating a partnership with Australia that would add an important pillar for the projection of its power in the region. Now this plan has gone up in smoke. Joe Biden is driving a realignment of the political and security landscape in the Indo-Pacific that is of utmost strategic importance to the United States, and that leaves very little space for continental Europe, even though it shares common interests.

What Role in the Indo-Pacific?

What then is Europe's role in this new and more complex arrangement of pieces on the geostrategic chessboard?

On September 16, the same day as the AUKUS initiative was announced, the EU presented its new Indo-Pacific Strategy. Although it emphasises inclusiveness and cooperation in its approach to the region instead of confrontation, the EU also states that it will pursue a multi-faceted engagement with

China: it will encourage her to play its role in a peaceful and thriving Indo-Pacific region, while at the same time continuing to protect its essential interests and promote its values, and it will push back where fundamental disagreements exist, such as on human rights. The strategy defines seven priority areas for EU action: sustainable and inclusive prosperity, green transition, ocean governance, digital governance and partnerships, connectivity, security and defence, and human security.

It is in the economic, financial and technological areas where the strategy of the EU will unfold to maximum effect. That plays to its strengths in two ways: firstly, cooperation, engagement and inclusiveness, which form the basis of this strategy, are fundamental values of a Union that were created to overcome power politics through the harmonisation of policies and the establishment of a rules-based system. Secondly, it is a continuation of the EU's longstanding strategy to promote trade and economic cooperation as a way to generate peace and prosperity, and ultimately to also find acceptance for its value systems amongst other societies.

An area of particular interest is green transition. Achieving the targets of the Paris Agreement and implementing the resolutions of the Glasgow Climate Change Conference will, in the somewhat dramatic words of Blackrock CEO Larry Fink, require virtually every segment of industry to be reinvented, bringing about a revolution in everything we produce and everything we consume. It is going to require a large amount of investment, a large amount of ingenuity and a large amount of innovation. A task of this size can only be achieved on a global scale and it is here where the Indo-Pacific strategy of the EU can be linked with its China strategy. Institutions such as the EU must play a critical role in helping to ensure that capital is invested in climate technologies both in developed as well as in developing nations.

Its involvement in the political and security arenas of the Indo-Pacific will remain limited. However, the EU can play a critical role in promoting the green transition on a global scale, which is one of the preeminent challenges our societies are facing today. Of course, this in turn has security implications that must not be underestimated.

Groping From One Crisis to the Next. After the Merkel Era, Politics Should Finally Start With Strategic Thinking

James D. Bindenagel and Andreas Heinemann-Grüder



left:
Prof. James D. Bindenagel, Ambassador (ret.)
Senior Professor, Center for Advanced Security, Strategic
and Integration Studies (CASSIS), University of Bonn

right:
Prof. Dr. Andreas Heinemann-Grüder, Senior Researcher
at the Bonn International Centre for Conflict Studies (BICC),
Bonn

When a house is on fire, firefighters don't have time for lectures about the blazes of the future. Politicians, too, who are supposed to look ahead strategically, wearily wave off the idea since they're already overwhelmed by ongoing problems. The fact that German politics is not capable of strategy has long been lamented. In the coalition agreement, the governing parties have at least pledged to present a security strategy within a year. The EU needs strategic sovereignty. But, once in power, past governing parties have always found arguments to continue with the status quo.

Let's imagine that Russia wages war again in Ukraine. What would we have to do today? Just imagine that Marine Le Pen wins in France and prepares to leave the EU. What would we have to do? Imagine that Islamists conquered Mali, Burkina Faso, Cameroon, Chad, Niger, and Nigeria – Afghanistan in the Sahel. Would there be further talk of “stabilization”? And, imagine that the US intervened militarily against China's land grab of Taiwan or that Russian hackers crippled Germany's power plants. How could such scenarios be prevented, and what if the events occurred?

In the past, all governing parties, once in power, have always found arguments to continue the status quo. The departmental principle in Germany would prevent the Chancellor's Office from intervening, they say. The state secretaries would meet anyway. After all, we have the Federal Security Council. The Foreign Ministry has an office that deals with crisis prevention, stabilization, post-conflict rehabilitation, and humanitarian aid.

But what then stands in the way of strategic capability? Justification runs from departmental egotism, the culture of fear and control in the ministries, the loyalty of the governing parties in the Bundestag to party policies, and deputies' fear that their parties will no longer nominate them for the Bundestag. In addition, there is the anticipatory opportunism of state-supported think tanks. On the other hand, conflict research is conceivably removed from actual developments, i.e., it is mostly irrelevant for the anticipation of crisis developments. Why bend our heads when we are for peace? The Corona pandemic is emblematic. Only when politicians can no longer deny a crisis do they give up the privilege that shields them from learning early intervention.

The new federal government, too, is likely as long as strategic action is not seen as independent of day-to-day crisis management, to walk into every crisis unprepared, reaffirm its decisions, call for dialogue and convene donor conferences. Ministries will never “strategize” on their own. Only through qualified debates in the Bundestag the horizon of perception can be directed toward longer-term trends.

Public political disenchantment and institutional distrust can only be reduced if the Bundestag no longer waves through the mandating of foreign missions every minute. The Merkel era must bring an end to delegative leadership, a hands-off approach that demobilizes the public. Crisis learning can only occur if it is independent and is allowed to question the basic assumptions of its own actions. Strategic foresight is different from crisis and expectation management. Countries like Finland, the Netherlands, Canada, or South Korea and the newly installed EU Commissioner for Strategic Foresight do it differently. Germany could adopt a strategic foresight approach comparable to the Council of Economic Experts. An experts’ council will work if the Bundestag takes its role in political debate seriously, mandating and holding the federal government accountable for informed communication with the public, and is qualified to do so.

The Bundestag should mandate a Council for Strategic Foresight for debates that would bridge diverging coalition interests and promote coherent German government policies in order to perform its constitutional tasks. Such debates would identify interests and strategy options. As a result, policymakers can use foresight to highlight threats to their own values and interests and inform the public about potential risks. Moreover, this political leadership can illustrate which long-term interests guide political action.

Members of the Bundestag are empowered to exercise government oversight and thus strengthen citizens’ confidence in the functioning of democratic institutions. Oversight based on factual debates is the central task of the opposition parties in the new legislature. With regular expert hearings, deputies could also familiarize themselves with the views of allies and neighbors.

Some countries have been practicing strategic foresight for years. For example, the Global Trends Report in the US identifies long-term trends once each legislative session and derives scenarios for the next ten to 15 years. In the United Kingdom, there is a foresight process with parallel studies and concrete recommendations for action. The Netherlands and Austria also have institutionalized foresight.

Policymaking forecasts are usually based on extrapolations of the present, analogies to the past, or alarmism. Experts are not infrequently off the mark or merely monitor events. Futuristic scenarios are usually vague, essayistic, or misleading. Nevertheless, a Strategic Foresight Council could still make a difference. Megatrends, threats, risks, critical uncertainties, and national priorities would have to be identified. What is the likelihood of events occurring? What do we need to do today? Foresight should not leave everything vague with “maybe, maybe not,” but like the weather forecast, it should influence our decision-making behavior in the present.

Foresight can illustrate which interests guide political action and make it more effective. Experts would provide continuous analyses of global trends and challenges and discuss them publicly. Members of parliament could familiarize themselves with the views of allies and neighbors at regular hearings in the Bundestag. Policymakers could use scenarios to highlight where threats to their own values and interests lurk, inform the public about potential risks, and prepare for them. Those who do not draw consequences for foresight and their own strategic options from Afghanistan, the EU’s blockade of action, the violent conflicts in the Middle East, and the widespread collapse of statehood in sub-Saharan Africa will only be moralizing onlookers.

This article was originally published in German on December 10, 2021, in Der Tagesspiegel (NR. 24 743 / Friday, December 10, 2021):
“Von Stabilisierung faseln reicht nicht: Deutschland braucht eine Strategie für Weltkrisen”



COMMENTS AND PERSPECTIVES

Special Focus Day
“The Rise of Eastern Modernity?
European Responses to China’s
New Global Role”

UNDER THE PATRONAGE OF DR. NORBERT RÖTTGEN MDB

Keynote on the ISFB Special Focus Day September 30, 2021

A (Super)-Power in the Making. Will Europe Stand Its Ground?

by Norbert Röttgen



*Dr. Norbert Röttgen
MdB, Member of the
German Bundestag,
CDU, and Chairman of
the Committee on
Foreign Affairs, Berlin*

In the following I want to reflect on the topic and subsequent question “A (super-) power in the making (meaning China). And will Europe stand its ground?” in facing, dealing and contesting this power or even superpower.

So, what is China? In my view, China is already a great power and indeed a superpower in the making. China has the power to fundamentally change and dominate the international order, which is also an order in the making. And most importantly, China is determined to no longer accept what it calls the Pax Americana and considers to be the paradigm of the post-war international order. At the time China was not in a position to meaningfully influence and shape this order. Its leadership is convinced that by now China has increased its power so immensely that it has created legitimacy to influence and remodel the international order according to its own wishes and terms.

We are currently in an interim phase of the development of the international order, as the big historic circle after the Second World War has come to an end. The Cold War order is over with all the elements that

constituted this order. But a new international order has yet to form. We are in a particularly important and defining interim period. This period is defined by the competition, and even rivalry, about the architecture of and power distribution within a new international order. China is convinced that it has the right to and is absolutely determined to be a major player, even a dominant player, within a new international order.

Where does Europe stand in this competition? Europe is certainly a trade power, a world trade power, but geopolitically not yet the relevant actor we aspire to be. Thus, the crucial question for us is whether or not Europe, as part of a Western alliance, can stand its ground in relation to China. This very much depends on whether we manage to transform ourselves, the European project, from a successful, historically unique, internal project into a foreign policy player. This question determines European relevance or irrelevance. We have to transform ourselves from internal to external project and also forge an external identity as an acting power on the global stage, which we have not yet achieved.

I want to briefly describe the, in my view, most important elements, which constitute the global power and influence of China, which has risen in recent decades and particularly years.

One element of Chinese power is its economy. While the US is still the world's largest economy, China is on track of surpassing the US economically, which could happen as early as 2028. With its 1.4 billion people China has a huge internal market and its economic policy in recent months and years is more and more focused on developing the internal market also as a tool to become more independent from supply chains and global economic developments.

Technologically, China has made huge advances and is home to some of the fastest-growing tech companies in the world. In telecommunications and the 5G roll-out, Huawei is one of the world's leading players. The country is equally advanced in e-commerce. At the same time, China remains dependent on other technologies. This is especially obvious, when it comes to semiconductors, primarily manufactured in Taiwan, the USA and Japan. China is lagging behind about eight, up to ten years. Furthermore, there has remained an important interest in and dependency on industrial technologies, which Germany in particular is able to construct, provide and export. So, as for now, there is a mutually beneficial relationship. There is not only a German dependency from China but

there is a mutual interest in exchanging different technologies, capacities, and products. This is the status quo, but as China becomes more self-reliant, the window for German influence on China is closing.

As part of the Belt and Road Initiative, China has made huge infrastructure investments all over the world, which have led many countries into dependencies – a situation China is not afraid to politically exploit. Even more so, China deliberately creates dependencies by trapping foreign governments in huge debts and then uses their inability to clear those debts to call for political favours.

In doing so, China has managed to strategically staff bottle-neck positions in international institutions. The WHO is one example, which has become public during the pandemic. As a consequence, these institutions no longer only fulfil their purpose to oversee and enforce rules for the general benefit of the international community, but there is significant Chinese influence within these institutions in order to pursue Chinese interests from inside the United Nations (UN) and other international institutions. China pursues a strategy to use and exploit global institutions for national interests, which is accompanied by a certain kind of naivety and acceptance on the side of other countries and the international community as a whole.



Norbert Röttgen
during the ISFB 2019

China also rapidly advances its military capabilities. Especially its conventional forces, but also its nuclear arsenal. This is partly why the INF treaty has failed to be renewed. In this field competition not only exists between the USA and Russia, but also with China, as both powers recognize and assess the rise of China's nuclear arsenal. China uses its military capabilities particularly in the Indo-Pacific and South China Sea, where it creates facts in contested territories, by deploying warships and creating islands, which are then used as military bases. Again, the increase of military power is used by China to expand its political power and global reach. We have to see, not to complain but to soberly assess, that China is a country, perhaps the only country, which is pursuing a long-term strategy regarding its international role, its economy, its technology, and the military basis for its international influence.

To sum up, what has become evident is that China has gained a lot of power in different areas, to globally influence relations. It has the will and determination to challenge and change the international order. China does not share the principles of the post-war order, which aspired to be a rule-based order, but intends to replace international law with a general acceptance of Chinese interests. This is crucial and the contested element in our relationship. It is why Europe cannot stand by and consider China's rise a matter of power competition with the US only. China has the potential and the will to affect not only our interests, but the very way we live based on personal freedoms, democracy and the rule of law. It wants to replace those values with the principle of power and the rule of the strongest. This is a fundamentally different understanding of how international relations should be characterised and defined.

My final aspect relates to the question how should we, how should Europe respond to China's rise in these different areas? I think there are three main realms in which we need to define our interests and assess our capabilities in dealing with China.

The first realm is trade. As I have already mentioned Europe is a trade power and is using this power as a significant element of European reach on the global stage. However, so far, we have not achieved reciprocity even in our trade relationship with China. China demands to have full access to the European and the German market, but does not accept equal access to the Chinese market for European investors. China tries to protect the Chinese market from external competition. Meanwhile our economic leverage is decreasing and the window of opportunity to influence China in the trade realm is closing. Being painfully aware of the existing mutual dependencies, China is determined to become more self-sufficient and less dependent on our technological know-how. It is strengthening its internal market and has introduced the concept of two circle economies. In doing so, China wants to create an internal independent and self-sufficient market and at the same time be part of the global economy. It wants to export goods without being dependent on foreign countries.

The second realm where we have to deal with China is the regional theatre, the Indo-Pacific. We need to develop an understanding of what we realistically can and cannot achieve in the region. Trying to achieve military relevance in the Indo-Pacific would, in my view, be an overstretch of European naval capabilities. I cannot envision European power to be a relevant military factor, maritime factor in the Indo-Pacific in the foreseeable future. We are facing instability and security challenges in our own neighbourhoods in the east and south of the European Union. Taking care of conflicts in our neighbourhood will further develop to be a European responsibility. The United States have decided to shift their focus, as we have witnessed during the withdrawal from Afghanistan and with respect to other decisions the US has taken. There is no doubt that US foreign policy now concentrates on the Indo-Pacific and the challenge posed by China, illustrated by the recently formed security alliance between the US, Australia, and the UK (AUKUS). It is forming new alliances and strengthening cooperation in the region. It is the United States, not Europe, which powers within the region consider a relevant provider of security. We therefore have to be realistic: The Indo-Pacific will not be a dominant theatre for European action, because we do not have the relevant capabilities at the moment and will not in the near future.

At the same time, this does of course not mean that we should not be engaged in the region. My argument only related to the military aspect of Europe's regional engagement in the Indo-Pacific. We have to be engaged in the Indo-Pacific and should link our activities in the region to the economic and normative power we have. South Asia and Southeast Asia are in a desperate search for investment from outside of China, in order to balance China and decrease their dependencies. As of now, regional actors do not want to pick sides, as they are dependent both on US protection as well as on China's economy. Hence, European political and economic engagement, aiming at the enhancement of our trade relations is most welcome and desired by nearly all South- and Southeast countries.

The third realm, where we have to be present and consistent, is the realm of values. Standing up for our values is probably the most important element of Europe's response to China, as they are linked to our identity and provide our actions with meaning and direction. The same holds true for China. It explicitly rejects the so-called liberal values and is certain that its own values are superior and better fit to compete with the challenges of the 21st century. On this ground, China accepts and forces the normative competition between China and the Western world. We do not want conflict with China, but when it comes to our values, including human rights, democracy and the rule of law, which we consider to be universal, we have to be strong and bold. We will not earn the respect of China, if we seem ready to compromise on what constitutes our own identity. China certainly does not even consider compromising its identity and we will be frowned on, and not be respected by China, if we do not stand up for our values and identity.



These values and the interests that flow from them will be in danger, if we do not resist China's attempts to challenge and change the principles of the international order in favour of Chinese interests.

Standing up to China is thus a matter of interest, but it is more than that. The rules-based international order is at stake and with it our way of life. Are we ready to defend our convictions and our way of life, which has to be underlined by an international order that recognizes and defends human rights and the rule of law? Having the will to do so, to stand up for what is our notion of freedom and values, is a starting point. The conflict we are facing with China is systemic in nature. It is, at its core, about norms and institutions. But we will not be successful without maintaining technological leadership and thereby economic weight. This is where the conflict will be decided. And therefore, in my view, the most crucial element of a successful Western response to China is technology.

Putting it differently: Because there is a conflict between Chinese norms and Western liberal values, our first response should be a liberal and hence Western response to the Chinese challenge. And since the area where this conflict is going to be decided will be the area of technological and economic leadership, the West should pool its technological know-how and offer liberal technological alternatives to Chinese developments. Against this backdrop, the creation of the EU-US technology and trade council was and is a major strategic attempt to forge technological and trade unity and to pursue a joint technological and economic strategy. The objective of Western strength is not to use it against China, but to cooperate with China from a position of power and based on values that work for the common good. Since this is so crucial, we cannot allow a Western China policy to be taken hostage as part of secondary conflicts amongst Western powers. The technological and trade council should not be postponed, but it should be enhanced and quickly filled with real substance. Succeeding in the realm of technology is crucial and in my view the most important element of a Western strategy vis-à-vis China. Thank you very much.

For a Stable Relationship between the USA and China

by *Maysoun Zein Al Din*



Dr. Maysoun Zein Al Din, Executive Director, Academy of International Affairs NRW, Bonn

The world's transition to a new bipolarity between the USA and China is fully underway. This global transformation leads to fears fuelled by China's new self-confident appearance on the world stage and its strategy of strength. Its wolf warrior diplomacy further stokes this fear, prompting unease especially among its neighbours.

This is used by the USA to its own advantage. The USA is creating additional alliances in the Indo-Pacific region and aims by this to counteract China's expansion drive and its growing dominance in the world. The USA plans for these alliances to be central political and military instruments in the Asia-Pacific area. Their effect on China is extremely unsettling. As well as the existing intelligence cooperation Five Eyes and the Quad, now AUKUS has recently been launched.

These Alliances Are Not Unproblematic

The alliance partners are economically closely integrated with China. Further, there are already established strategic associations that provide the countries of the two rival camps with opportunities for cooperation. Here we may note the following associations: the BRICS states (Brazil, Russia, India, China and South Africa), the Shanghai Cooperation Organisation (China, Russia, India and Pakistan) – the largest free trade agreement ever signed – the Regional Compre-

hensive Economic Partnership (RCEP) between the ASEAN+3 states, including South Korea, Japan and China. Given these facts, thinking in terms of military and ideological alliances as in the Cold War is incomprehensible.

Many of the states being courted cannot afford a breach with China and their perceptions of the Indo-Pacific concept of the USA are in part very distant from each other. Vietnam, which is hard-pressed by China, welcomes the concept. South Korea, on the other hand, wants to use closer relations to China in order to create a counterweight to the military presence of the USA and to its powerful neighbour Japan. Indonesia, seat of the Association of Southeast Asian Nations (ASEAN), and Singapore attempt to remain neutral. The Philippines changes its stance depending on its interests at each moment. India wants to make itself more independent of Beijing economically, but does not want to turn entirely towards the USA, since China is India's most important trading partner. This dilemma affects many countries in the region: they want to continue to work with China and at the same time maintain their strategic relations with the USA. Even Australia, which has sent a clear signal to Beijing by joining AUKUS, as an exporter of raw goods has in recent years profited strongly economically from Chinese industrial growth, which also brings political dependencies with it.



But most significant are the interconnections of the two great powers themselves: China and the USA are each the biggest trading partner of the other. According to the Office of the United States Trade Representative, US goods and services trade with China totalled an estimated \$615.2 billion in 2020. According to the Department of Commerce, US exports of goods and services to China supported an estimated 758,000 jobs in 2019.

China is the largest foreign creditor of the USA, where Chinese investments are also increasing rapidly.

The USA and China are interconnected economically, but also on many other levels. Above all, they are the powers with the greatest influence on international relations. Indeed, the world depends on peaceful and stable relations between them.

Global governance today will not succeed through the two powers demonstrating to the world their highly developed superiority complexes by means of questionable alliances and provocative military manoeuvres, but by China and the USA both learning “to respect each country for what it is, and not what they would like it to be”. That was how the former Australian foreign minister Gareth Evans put it in his recent article: “What Asia wants from the Biden administration.” For that, they need to allow the space that is needed to reduce the tensions in the situation: a US policy that permits no equal competitors and denies China a strategic sphere will increase the tensions. A reduction in the strategic pressure on China will significantly improve relations between the two great powers and would be a historic opportunity for the world to undergo this transformation peacefully. A precondition for this is that the USA understand that China sees East Asia as its own sphere and reacts with resentment to the US military presence along the Chi-

nese coasts. This is connected above all to China’s history and a centuries-old experience of external military threats along her east coast. The USA, on the other hand, has the geographical advantage of two oceans as buffer zones.

China, for its part, must accept the USA as a Pacific power that, for more than a century, but especially since the end of the Vietnam War in 1975, has contributed to stability in the region with its military presence and alliance policy. The economic development this has made possible has benefited all states in East Asia. That is one reason why the countries in East Asia do not want to forego the US presence in the region.

If the USA intensifies confrontation, Beijing will pursue its defence. China is convinced that the USA wants to slow its rise, geopolitically encircle it and politically undermine it.

But China’s economic and technological power will not be limited by military means. Given this fact, ideological rapprochement with Washington must be thought through with the greatest precision. The European Union, especially, should make clear the significance of its neutrality for the event of an emergency. If the USA wishes to react with confrontation to the challenges from China, the EU must answer the question whether it can be in its interest to adopt Washington’s goals in the Indo-Pacific as its own.

Important challenges of world politics will only be managed successfully through joint action by China and the USA. They will not always act in concert, but must always work in the same direction in order to find solutions to the most urgent global issues: climate change and energy security, the world economic order, the struggle against piracy and against terrorism, global rules for the internet and the struggle against cybercrime, pandemics, North Korea, Afghanistan, the Iran nuclear agreement, the Middle East. These and other global problems can only be solved by Washington and Beijing working together and not against each other.

For that reason, it is indispensable that the two powers should deal with each other pragmatically. In the perspective of world politics, their bilateral relationship is the most important of all. If they do not succeed in curbing their rivalry, there will be fatal consequences for the world.

How Global Public Investment Could Steer the World towards Collaboration

by Jonathan Glennie



Jonathan Glennie,
Principal Associate,
Joep Lange Institute,
Amsterdam

Tensions between the US and Russia are in the news, but it is a different and increasingly fragile global relationship that has become the backdrop against which almost all geopolitics is already taking place. The tensions between the West, which has become used to being globally dominant (especially since the fall of the Soviet Union), and China, soon to be the largest economy in the world, are defining the first half of the 21st century.

There are many global challenges as we look ahead to the next few decades. Inequality. Global health. Migration. Climate change. Biodiversity. And it is impossible to know how the world and its leaders will react to them. It is perfectly possible that competition and acrimony escalate leading to a breakdown in an already weakened international order and a gradual collapse into violent conflict. Analysts point to a number of incidents in recent months and years that indicate that path as a fairly likely one.

There is depressing evidence from history that major powers find it very hard to see their power gradually be reduced without putting up a fight (Graham Allison, *Destined for War: Can America and China Escape Thucydides's Trap*, 2017), and there certainly seem to be powerful voices in Western politics and thinktank-

ery that prefer the shrill hyping of the faults of the other side – the first step to conflict is demonisation, as Sophie Haspeslagh has argued (*“Proscribing Peace”*, 2021).

But it is far from the only possibility. It is just as possible that these crises will lead to forms of cooperation across the globe that, to many of us at least, are quite obviously now required in order to save it. As the world has become ever smaller over the last few hundred years, policies and programmes that were once for towns and cities, became bigger and started to cover nations and even groups of nations and whole continents. Is it naïve to believe the human race capable of strengthening its incipient global governance, rather than letting it collapse? And what steps would be required to move us towards more trust and cooperation at a global scale rather than less, including between the major powers?

Building on decades of analysis, responding to the major shifts in power and wealth, and capitalising on recent moments of crisis, the proposal for a new form of Global Public Investment has emerged as a coherent proposal for the evolution – some would say transformation – of international public finance for common global objectives.

Further integrating international public finance could be a part of enhancing global security for two main reasons. First, the additional public money, more effectively spent on common (and urgent) global objectives will play a part in reducing critical moments that could lead to conflict. International cooperation happens more when things are going well. It is still hard to make progress even when economies are booming, but it is sure harder when they are in freefall. Resolving some of the global challenges we face, through the better use of increased amounts of international public money could support a more optimistic vibe in global negotiations.

And second, because the process of building a new financial architecture and then managing it could lead to new forms of cooperation, countervailing the pressures to fragment and focus inwards. Currently, for instance, attempts to bring international lenders to the same table in recipient countries are failing – with Western donors sometimes trying to coordinate their work, but very seldom involving Chinese counterparts, who tend to be on a quite separate track.

The Resurgence of Public Finance

It is clear that finance alone is not going to solve the world's ills, whether they be the global public goods of a safe climate, healthy biodiversity, global health, reduced inequality or, indeed, global security and freedom from conflict. There are myriad policies – both national and international – that are required to move us towards the better world we all want. And within the world of finance, international public finance is itself just one relatively small subset, often drowned out by the much larger quantities of private capital swishing around the world, and the relatively vastly larger amounts of domestic public finance – amounts that continue to gradually increase in most countries in the world.

But size is not everything. There has been a bad habit in the world of development finance of clumping all sources of finance together and saying, “Look, money” – as if all money serves roughly the same purpose. It does not. In fact, it so obviously does not that no-one would make such a simple category error at the national level. Public money for health or education quite clearly achieves different objectives to private money – and the fact that there is far less public money available at the national level for, say, infrastructure development, doesn't make it less valuable. Quite the opposite. Scarce resources are almost by definition more valuable, to be cherished and, ideally, expanded.



So it is at the international level. Scarce international public finance must be respected for the unique resource that it is. Looking at the challenges the world faces, encapsulated in the Sustainable Development Goals, and demonstrated in nearly every news bulletin, we need much more of this money, better spent, to catalyse and complement all the other ways we need to work together to change our world.

But international public money needs to be governed differently. We cannot go on with the post-colonial structures set up in the 1940s, 1950s and 1960s of the last century. The world has moved on. They are not fit for purpose – both illegitimate and ineffective. Nor can we accept the present division of international public spending along geopolitical lines.

The institutions of global public finance are currently part of the problem. They can be divided into at least two broad segments: the traditional instruments, based in the West and largely in thrall to the instincts and interests of North America and Europe, and the growing group of Southern institutions, with China nearly always at the centre, building an alternative power base. Rather than growing together to respond to world problems, we might see these efforts growing further apart, as international money once again becomes a proxy for major power games between world powers, just as during the Cold War. In that era the major losers were the weaker countries of the South – from Latin America, to Africa, to Asia – which were simply pawns in a global game.

Just look at the West's response to China's Belt and Road Initiative. The initiative is quite transparently both a vehicle to invest in development in neighbouring countries (and countries much further afield) and a means for China to project its own power and interests – one would be naïve to expect anything different. The same has been true of most "development aid" from the West for the past half century. But rather than building on China's work and collaborating, the US and Europe have responded by building their own versions to compete with it.

But there is another way. Countries will always use the money and power they have to bolster their positions – it would be naïve to deny this. But global institutions can be built to mitigate this tendency.

Global Public Investment

Global Public Investment moves us beyond a system where we pay for these things via limited, fragmented and often bilateral (even private) assistance to a system based upon sustained co-responsibility. Rich and poor countries would work together via intermittent, high-level priority-setting meetings and more regular technical follow up. All countries would contribute on a fractional, fair and ongoing or committed basis, with all having a say in how those monies were allocated. Some of the monies would be allocated to local investments with a wider (global) public return, others would flow into regional and multilateral initiatives. By bringing more countries to the table as contributors and decision-makers alike, GPI would not only raise more money, it would ensure that those funds went to where they could make the most difference.

Global Public Investment builds upon some of the most important lessons we have learned about international financing in recent decades and takes inspiration from ground-breaking international institutions such as the Global Fund and Gavi. These lessons are encapsulated in the four pillars which define how Global Public Investment operates:

1. **Universal Contributions.** Global Public Investment moves us beyond the current international order of "donor" and "recipient" countries. Global Public Investment means all countries contributing, according to their ability, and all countries receiving according to their needs.
2. **Ongoing Commitments.** Global Public Investment moves us away from the assumption that countries "graduate" after achieving a relatively low level of income per capita and thereafter should receive no further concessional international finance. It is more akin to a global micro-tax for essential items. Global Public Investment means an ongoing commitment to investing in public returns.
3. **Co-Responsibility.** Global Public Investment moves us away from entrenched and unjust power relations. It means a more democratic and accountable approach to the way that international public finance is governed.



4. Co-Creation. Global Public Investment moves us beyond a fixed and ready-made financing process into a more organic and dynamic process where rich and poor countries co-design, consult and co-produce impactful solutions relevant to their needs locally as well as globally.

These four pillars offer a blueprint for international public finance in the 21st century.¹

A Groundswell from the South

COVID-19 appears to have changed the analyses of many countries of the Global South who want to avoid ever being in the position of weakness in which they currently find themselves. The calls for structural transformation of global public finance are growing, and ideas that would until recently have been considered unrealistic are now gaining momentum. China, the US and Europe inevitably wield the power either to help or to hinder this growing demand for change. It is up to them – their governments and publics – to consider that working together to support global public goods and common objectives globally is the best bet for them as major power. If they do so, the world could avoid conflict in the 21st century and continue to coalesce as one humanity.

Aid governance is stuck in the 20th century, with a handful of countries taking the major decisions and contributions fluctuating depending on “donor” circumstances. In the 2020s, a time of flux, there is a moment of opportunity to reorder the way the world manages development cooperation. An improved system of GPI would require more democratic decision-making about the size, purpose and accountability of contributions, moving away from a donor-recipient mentality and towards more horizontal partnerships with all countries and other stakeholders (including civil society) sat at the decision-making table. There is no easy answer to the problem of global governance – power is power – but GPI could push new types of partnership which will be the difference between an era of global progress and one in which we are unable to curtail the constant jostling of nation states for supremacy, to the detriment of marginalised communities and our planet as a whole.

To capitalise on the growing momentum and support for GPI from government agencies, multilateral organisations, and civil society organisations, international political will now need to be built at the highest levels of government. Political leaders need to agree upon a comprehensive list of feasible steps towards implementing GPI as well as to consider how the principles of GPI can already be used to address existing problems, particularly the need to secure sufficient vaccines globally to tackle COVID-19.

¹ See the Expert Working Group in GPI's Progress Report for more on this (<https://globalpublicinvestment.org/resources/#consultation-row>) as well as Jonathan Glennie (2021), *The Future of Aid: Global Public Investment*.

NATO's China Conundrum

by Helena Legarda



Helena Legarda,
Lead Analyst,
Mercator Institute for
China Studies, Berlin

The Atlantic Alliance is setting its sights on China, but a common policy shared by all NATO members will likely remain elusive. What's more, Beijing will do its utmost to prevent it.

In a show of transatlantic unity, NATO leaders have for the first time declared that China's ambitions and behaviour present "systemic challenges to the rules-based international order" and to the security of the alliance. The summit communique, released on 14 June 2021, expressed concerns about China's military modernisation, its threats to the Alliance's values, and Sino-Russian military cooperation, among other issues. Coming just a day after the G7 summit, the difference in tone was stark, with NATO taking a much stronger stance on China.

NATO's concerns about China's growing power projection capabilities and geopolitical reach is not entirely new. This year's communique builds on the 2019 leaders' summit and on the work of the NATO 2030 Reflection Group led by former German defence minister, Thomas de Maizière, and US diplomat A. Wess Mitchell, appointed by NATO Secretary General Jens Stoltenberg.

The inclusion of China does not constitute a move away from NATO's traditional focus on Russia, as demonstrated by the fact that Russia still took up much more space in this year's communique (it was mentioned 63 times, while China was name-checked only ten times). But the communique is proof of a new consensus among allies that they can no longer afford to ignore China's global ambitions and activities.

As Secretary General Stoltenberg pointed out in the past, "this is not about moving NATO into the Pacific, but about responding to the fact that China is coming closer to us." China's growing assertiveness and international influence is felt most keenly in its own region, especially in the South China Sea and Taiwan. But Beijing's global expansion is also turning China into an increasingly visible security actor in Europe and its neighbourhood, giving rise to a number of threats and challenges to Europe and the Alliance much closer to home.

China's Global Ambitions

Since President Xi Jinping came to power in 2012, China has adopted a substantially more assertive foreign policy and geopolitical approach. Foreign policy begins at home, and China is no different in this regard. The change in approach reflects both the Chinese Communist Party's (CCP's) confidence and ambitions, as well as its fears and insecurities.

At its core, China's global push forms part of the struggle for "the great rejuvenation of the Chinese nation," a concept introduced by Xi in 2012, whose goal is to restore China to its former status as a global power by 2049, when the country will celebrate the 100th anniversary of the foundation of the People's Republic of China. Militarily, this demands that the People's Liberation Army (PLA) becomes a world-class military that can "fight and win" wars by that time. And geopolitically, Beijing has set its sights on leading the reform of the current global order along the lines of its preferred approaches to global governance, human rights, and economic competition, among other issues.

Ultimately, China would like to be in a position to shape the 21st century like the West did in the 20th century. To do so, Beijing must simultaneously increase its global influence and reduce – and eventually replace – the footprint and power of the European Union and the United States.

The timing of this policy and strategy shift is a reflection of the party's belief that China is in a "period of strategic opportunity" to take a more central role in the international arena. After two decades of economic growth and military modernisation, Beijing feels sufficiently confident in its own strengths and capabilities. Furthermore, it regards the international environment as unlikely to pose any significant challenges to China's ambitions, with the West (and the US in particular) in decline and distracted by their own internal issues. The party leadership, sees "time and momentum" as being in China's favour, as the "East rises and the West is in decline."

At the same time, however, China's new international posture must also be understood as a reflection of the CCP's threat perceptions. The CCP's worldview is marked by a feeling of being under siege, surrounded by Western countries and their allies who are intent on containing China and subverting the CCP's hold on power. In today's increasingly globalised world, and given the growing international backlash against China's ambitions, a defensive stance is no longer deemed enough to preserve regime stability and survival. China must instead go on the offensive and use its economic, political, and military power to expand its sphere of influence and pre-empt any external challenges to the party's rule or the country's stability.



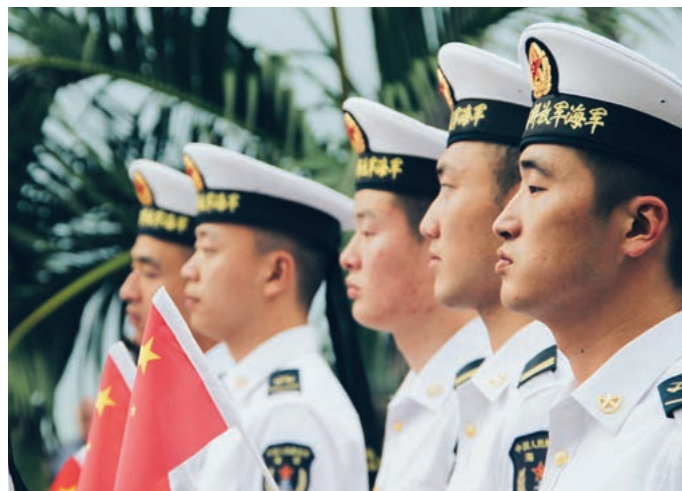
Given China's ambitions and its perception of this window of opportunity, it should come as no surprise that Beijing is dedicating growing resources to going global and competing with the US, Europe, and their allies. As Xi himself put it in 2018: "China is in the best development period since modern times, while the world is undergoing the most profound and unprecedented changes in a century, and these two aspects are intertwined and interact."

Impact on Europe and NATO

Although China poses no direct military threat to the Alliance today, Beijing's push to go global and "move closer to the global centre stage" has clear implications for NATO and for Europe. First and foremost is the fact that China's assertiveness and its ambition to lead the reform of the global governance system and spread its approach to international law poses a direct challenge to liberal democracies and to the rules-based international order that is key to the Alliance's security. This concern is behind the United States' and some European member states' decisions to increase their presence in the Indo-Pacific and deploy naval vessels to the South China Sea, for example.

Closer to home, China's process of military modernisation, supported by its national strategy of civil-military fusion, is providing the PLA with increasingly advanced capabilities that will allow it to project power increasingly further away from China's shores and closer to the NATO area of operations. Today, China not only has the world's largest navy, but it is also rapidly expanding its missile stockpiles, unconstrained by international agreements. The recent revelations that two new missile silo fields are being built in the country's northwest are evidence of this fact. Some of China's new missiles will be able to reach NATO allies, including in Europe. And coupled with the ongoing erosion of the existing arms control architecture, this can undermine the security of the Alliance and may even lead to a new arms race.

But China is not only focused on its conventional military capabilities. Beijing is also investing heavily in developing and deploying advanced technologies with military applications, as a way to leapfrog the



United States' and NATO's currently superior military capabilities. China uses various licit and illicit methods both to promote domestic innovation and to access foreign technology and know-how in order to support its military modernisation and innovation goals. And the impact of these efforts is already being felt in Europe. First, these new technologies, such as AI, cyber infrastructure and software or autonomous systems, among others, will enable China to use new forms of attacks in the cyber, space, or hybrid domains, all of which are key to NATO's security. A recent example of this includes the alleged Chinese involvement in the cyber-attacks against Microsoft servers worldwide in 2021, which were attributed to China's Ministry of State Security (MSS)-affiliated hackers. In connection with these allegations, the US Department of Justice also charged four other MSS hackers for targeting foreign governments and companies around the world in search of intellectual property and confidential information.

And second, using methods that range from cyber espionage and research collaborations to investments in European companies and imports of technology, China has obtained access to a wide range of technologies that have allowed it to either catch up with or surpass European military capabilities in a number of fields. For the Alliance, these developments have commercial and economic implications, but also military ones, as they could weaken NATO's defence industrial and technological edge and undermine the future fighting capabilities of the Alliance.

Another area of concern is the PLA's growing presence in the wider European neighbourhood, signalling that the Chinese navy is working to become a blue-water force that is able to operate in NATO's backyard as easily as it can closer to China's shores. With the opening of its first overseas military base in Djibouti in 2017, the PLA already maintains a permanent military presence close to Europe. And military cooperation between China and Russia is raising concerns that Beijing may contribute to amplifying the threat that Russia poses to Europe. Joint Sino-Russian exercises in the Mediterranean and the Baltic Seas, in 2015 and 2017 respectively, were a clear signal of the potential for further collaboration in this space. Sino-Russian alignment and coordination may also extend to other issues of relevance to the Alliance, from hybrid warfare and disinformation to arms control issues or their presence in the Arctic.

China is also working to expand its geopolitical influence in Europe and its neighbourhood, from the Middle East and North Africa to the Balkans and Black Sea region. Using investments and lending – often channelled through Belt and Road Initiative (BRI) infrastructure projects – and pushing a narrative of responsible “no-strings-attached” involvement as an alternative to the EU's or the US' hidden agenda, Beijing is becoming an increasingly relevant actor on NATO's Southern and Eastern flanks. China's growing influence, especially when considered alongside Russia's involvement in the region, can lead to instability that will affect the collective security of the Alliance. Chinese companies' investments in and acquisitions of critical infrastructure across Europe will also challenge NATO's ability to ensure secure communications and interoperability among allies, damaging the Alliance's resilience.

And finally, Beijing sees NATO as a US-dominated outfit that Washington may use to maintain its global dominance and to contain China's rise and prevent its return to its rightful place as a global power. Therefore, China often tries to influence allies' positions through disinformation, diplomatic pressure, and economic coercion in order to weaken transatlantic unity. This trend is most clearly seen in Europe, in particular in NATO member states in Central and Eastern Europe, where China already has a relatively high degree of influence thanks to its economic footprint and established political ties.

What Next for NATO

After a year of reflection in 2020, NATO will now focus on developing a new Strategic Concept – the first in over a decade – to be endorsed at the 2022 leaders' summit, which will be held in Madrid. In spite of the sense of renewed transatlantic cooperation since US President Joe Biden took office, the next few months are likely to test NATO's unity, as members work to formulate the future security tasks of the Alliance. Reaching a true working consensus on the nature of the challenges posed by China and how to go about them is likely to be a slow and painful process.

The inclusion of China in the 2021 NATO summit communique reflects a newfound consensus about the challenges that China's ambitions and global expansion pose, not just for the rules-based international order, but also for the Alliance more directly. This consensus among NATO allies is, however, less solid than it may first seem. The US, Europe, and other allies may have managed to find a common language to discuss their shared view of China as a systemic challenge, but agreement on further steps will be hard to come by. Allies are united in their concern over China's international behaviour and ambitions, but they disagree over what exactly should be done about it, and even about whether it should be NATO's role to do so. This is the case across the Atlantic, but also within Europe. Not all European NATO members see China as a pressing security threat. And even among those that do, some are reluctant to discuss this issue within the NATO framework and to appear as if they are taking sides with the US, potentially jeopardising economic and commercial ties with Beijing.

In a clear example of this, French President Emmanuel Macron told the press just minutes after the joint communique was released that “NATO is a military organisation, the issue of our relationship with China isn’t just a military issue. NATO is an organisation that concerns the North Atlantic, China has little to do with the North Atlantic.” He also called for allies to avoid distracting NATO from some of its more pressing challenges and for the Alliance not to “bias” our relationship with China.

Another point of friction is the Alliance’s relative focus on Russia versus China. In some European countries, especially in Central and Eastern Europe, Russia is still seen as the primary security threat. Recent decisions by the Biden administration not to impose sanctions on Nord Stream 2 and to meet with Russian President Vladimir Putin right after the NATO summit will have made many in the region nervous that Washington may abandon its strategic focus on Russia for a new prioritisation of the Indo-Pacific and China. Then German Chancellor Angela Merkel brought up this issue after the summit, noting that “Russia, above all, is the major challenge” for NATO.

While recognising the challenges that China poses, she also warned against the risk of overreaction. And in the meantime, Beijing will do everything in its power to prevent a more solid transatlantic consensus from forming. China’s preferred way forward would be for Europe to continue cooperating with China, acting as a counterbalance to the United States. As Xi Jinping mentioned in a call with then Chancellor Merkel on 7 April, China hopes that “the EU will make the correct judgment independently and truly achieve strategic autonomy.”

This article was originally published by IP Quarterly on 1 September 2021.



Have We Reached Peak China?

Beijing's Growing Influence on the Global Stage Masks an Overlooked Insecurity

by Maximilian Mayer and Emilian Kavalski



left:
 Prof. Dr. Maximilian Mayer, Junior-Professor for International Relations and Global Politics of Technology, Institute for Political Science and Sociology (IPWS) and Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

right:
 Prof. Dr. Emilian Kavalski, NAWA Chair Professor of Complex Systems, Centre for International Studies and Development, Faculty of International and Political Studies, Jagiellonian University, Krakow

Chinese President Xi Jinping would like the world to think he has good reason to be confident about the state of international affairs. But look a little closer, and China, it seems, is far more fragile than it would like to project.

Much ink has been spilled about the shockwaves created by the controversial AUKUS defense pact between Australia, the United Kingdom and the United States, and what it means for France and the transatlantic alliance. Much less has been written about what it means for China. And yet, Beijing's response to the deal, which aims at hemming it in, and the reactions of other countries in the region speak volumes about China's position internationally.

Indeed, it is very possible that we will come to see this period not only as the moment US President Joe Biden finally realized the "Asia pivot" in American foreign policy, but as the one in which China reached, at least momentarily, peak influence on the global stage. One thing is clear, Beijing's influence is currently in decline. To take one prominent example, China's signature infrastructure project, the Belt and Road Initiative (BRI), has been underperforming for some time. Infrastructure investments stretching from Ethiopia to Germany and Iceland to the South Pacific have created an optimistic diplomatic narrative, but

momentum is slowing and the positive atmosphere surrounding its initial phase has abated.

With the BRI, China's overseas investments got tied up in complex local negotiations and shifting geopolitical coalitions. A political reckoning has set in – especially in Central and Eastern Europe. The fanfare surrounding a thriving "17+1" bloc has died down. And Chinese leadership now finds itself involved in ugly bilateral quarrels with the Czech Republic and, most recently, Lithuania – now seen as the anti-China vanguard.

All across Europe, China is being left in a precarious position. The British government is about to exclude China General Nuclear from the construction of a £20 billion nuclear power station on the Suffolk coast. And the EU – which has strived to stay out of the Sino-American geopolitical struggle – recently launched the Global Gateway scheme to rival the BRI. Beijing's Europe watchers also worry that the outcome of the recent German election could inevitably recalibrate Berlin's strategic calculus on trade with China.

There's also something deeper that is troubling Chinese diplomacy: Its foreign relations suffer from a lack of trust. Having abandoned the veneer of non-

interference in other states' international affairs, China now applies direct pressure on countries to change their policy positions when they do not agree with Beijing's stance.

Norway, South Korea, Lithuania and Australia have all been subjected to economic coercion, making it difficult to reconcile Beijing's rhetoric of "common destiny" and "harmony" with its hard-nosed foreign policy and hyper-nationalism at home.

Another culprit here are China's self-proclaimed "wolf warrior diplomats," whose bellicose interventions have damaged the image of the Chinese state. Globally, perceptions of China are trending downward, a challenge for Beijing that has been aggravated by revelations that it actively pressured officials at the World Bank to fudge its economic ranking.

Beijing's response to AUKUS was yet another demonstration that the country does not possess a very versatile diplomatic toolbox. Apparently, Chinese policy-makers, media and scholars threatened "brainless" Australia that it would become a target for its nuclear weapons if Canberra went ahead with acquiring American nuclear submarines.

But what AUKUS really revealed was that Beijing has no followers in the region willing to support its threats and complaints. Russia reacted quite differently to the Anglophone defense pact. And with expressions of support for the alliance from India, Japan, Singapore and the Philippines, no country in China's neighborhood, aside from Malaysia, appears to back its alarmist reaction.

This is a stark reminder that Chinese military ambitions are not backed by soft power and regional legitimacy. So aside from nuclear threats and economic coercion, it appears to have few viable options at hand to counter the creation of AUKUS and the flourishing Quad alliance between the US, India, Japan and Australia. The country's chances of becoming a member of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) are also slim.

Most recently, the impact of the carbon energy crunch and skyrocketing prices also revealed how fragile Chinese energy security really is. Energy autarky is not even a remote dream, as the country has no choice but to rely on global energy markets to keep the lights on and the factories running. In recent weeks, Beijing even had to lift its ban on Australian coal imports and is preparing to import huge amounts of liquefied natural gas from the US.

There's an important takeaway from all of this: The narrative that the world is facing a new Cold War between China and the West needs a reality check.

A Cold War needs two powerful protagonists able to act on the global stage. And while China may be growing into an economic, military and technological giant, the "hegemon in the making" is much more vulnerable and isolated than it likes to pretend.

This article was originally published by POLITICO, 21 October 2021.



Prof. Dr. Maximilian Mayer at the ISFB 2019

COMMENTS AND PERSPECTIVES

Strategic Foresight Workshop



Assessing Strategic Consequences for Europe, the US and Germany The ISFB 2021 Foresight Workshop “Strategic China”

by Maximilian Schraner and Victoria Toriser



left:
Maximilian Schraner, PhD-Student and Research Assistant, Center for Advanced Security, Strategic and Integration Studies (CASSIS), University of Bonn

right:
Victoria Toriser, Consultant for Strategic Foresight and Strategic Management, REPUCO Management Consultancy

The International Security Forum Bonn 2021 concluded with the “Strategic Foresight Workshop”, providing students, young practitioners and experts with professional insights into the methods of strategic foresight, scenario and strategy development. Participants applied these skills to outline and analyse the evolution of China's strategic interests over the next five years and their implementation in a multi-dimensional European, US and German perspective.

Aims and Importance of Strategic Foresight

Strategic foresight and futurology discover, invent, test, and evaluate possible, probable, and desirable futures. Strategic foresight experts try to depict what can or could be in the future (“The Possible Future”), what future is likely to occur (“The Probable Future”), and what future there might be.

Strategic foresight is a tool for preparing future-related decisions. Decision-makers in the public and private sector need information about the past and the present as well as about the future, because only then they can act responsibly. Improved theoretical

approaches, in-depth factual knowledge and the greater power of modern data processing make it possible to predict the effects of strong social, demographic, or technological trends in the future, within certain limits, better than in the past. Nevertheless, in the long run only alternative futures can be outlined, the future cannot be determined as a single strain of events.

Not showing one future in detail, strategic foresight is highlighting alternative development possibilities; it provides decision guidelines. This leads to the conclusion that the future is fundamentally diverse and open. It is not a matter of a clearly predeterminable, inevitable development. Foresight tries to “invent” alternative futures for actors (i.e. institutions, organisations, countries) and to find ways for them to achieve their preferred image of the future. In foresight, complex dynamic systems and processes are captured in their structure-determined elements to develop knowledge for action and orientation. In contrast to trend research, foresight deals with possible, desirable, and probable future developments and design options as well as their preconditions in the past and present.

The aim of any foresight project is to enable decision-makers to find effective and accurate strategies to reach a desired future or to successfully deal with crises once they occur. The overriding objective of strategic foresight is to derive implications for strategic planning through systematic early identification of new technologies, new trends and risks, emerging players, actors, aggressors and changing social phenomena, to reduce uncertainties and ignorance about future developments of the company or state and the environment, such as to be able to better assess risks and opportunities resulting from strategic decisions.

Aims of Strategic Foresight:

- Identify relevant trends to reduce uncertainty. States, institutions, and private actors like companies seek answers to the question of what will influence them in the coming years.
- Preparation of strategic decisions by identifying challenges, opportunities and risks, which enable the derivation of recommendations for action and the initiation of specific projects.
- Supporting innovation processes by providing information that helps in the development of new products and strategies.
- Developing future and optimising existing areas of action; in the business case, in particular looking for growth markets and new fields of application.
- Raising the institution's awareness of future issues.
- Development of a broad knowledge base, solving the problem of how to transform information into action-oriented knowledge.

Strategic foresight can be pursued in many ways. One way is called scenario planning. Such a scenario management process consists of the phases of scenario development and scenario transfer and is usually followed by strategy development and evaluation. Scenario development starts with the analysis of the design field. The goal of this step is to identify key factors that significantly describe the future development possibilities of the scenario field (**environmental analysis**). The next step is the actual foresight. In this step, projections of several alternative development possibilities are described for each identified key factor (**elicitation of key factors**). These future projections are usually not quantitative forecasts, but qualitative descriptions that can be used to clarify developments (**derivation of future projections**). This is followed by scenario building. As a rule, four

to five plausible scenarios are developed. The fifth scenario is usually a so-called black swan scenario (**scenario development**). These scenarios are then analysed, interpreted and described in a presentable form. This step is followed by scenario transfer. First, the future knowledge contained in the scenarios must be made accessible to an organisation or the respective target group (**consequence analysis**). Various communication channels are available for this purpose. The following phases comprise the traditional application field of the scenarios, strategy development, such as the evaluation of the developed and existing strategies before the most robust strategy is chosen to be implemented and policies derived and communicated (**strategy development and evaluation**).

Fig. 1:
Scenario and strategy development process using the scenario technique



Software

To support the phases and methods of strategic foresight technologically, software tools have been developed in the last years. Specialised providers of scenario projects use simulation software to identify and analyse complex relationships between a multitude of factors and possible developments. The Foresight Strategy Cockpit (FSC) is a web-based tool that allows companies and (non-)governmental organisations to manage a holistic foresight process ranging from trend analysis and risk analysis to scenario and strategy development. Situational analysis can be created based on real-time data and monitored easily. The FSC empowers users to employ over forty established methods and frameworks from futures studies to develop a systematic and professional approach to tackle future scenarios.

To develop the scenarios and strategies, workshop participants used FSC, a web-based tool that allows companies and organisations to manage a holistic foresight process ranging from trend analysis and risk analysis to scenario and strategy development.

The Workshop: China 2025

In the context of the International Security Forum Bonn 2021 and global geopolitical trends, the Strategic Foresight Workshop's topic was, as intellectually absorbing as politically timely and important, the rise of China. To give the participants a manageable and precise scope for their analysis and foresight work, the object of investigation was specified as China's development as a strategic power in the next five years. The first step always is an environmental analysis to develop a system picture (or scenario field) of the object of investigation defined in terms of theme, context and time. Then, scenarios can be developed that reflect different futures for the object of investigation. The aim of the workshop was to develop five alternative environmental scenarios as well as strategies to react to the possible futures from three different perspectives (EU, USA, Germany).

Environmental Analysis and Elicitation of Key Factors

The first task was to identify themes/fields of influence – including state actors, technological developments, etc. – that will affect the development of China in the given timeframe. Next, the participants had to define the factors that influence each of these themes/fields of influence. An influencing factor is a measurable or describable entity whose manifestation can change over time. Examples are China's economic policy interests, China's security policy interests and goals, technology development, European Union's policies, etc.

Key Questions/Requirement for the Scenarios:

- What are the frameworks for China's development in the geopolitical and -economic environment that we can (not influence, but) anticipate?
- What could be the shape of this future framework over the next five years?
- Which conditions could influence China as a strategic player in the next five years?
- Which futures could Germany, Europe and the USA be confronted with?
- Which are relevant factors that could still develop in the future and at the same time influence the future under consideration?

Environmental Scenarios...

- are intended to paint a picture of China's development as a strategic power.
- represent possible future environmental states.
- are based on external, non-controllable environmental factors.
- are developed qualitatively and not quantitatively.
- represent possible environmental entities and developments.

Fig. 2:

Scenariofield: Spheres and factors of influence that shape China's development as a strategic power in the next five years (Horizon Scanning)

Geopolitical Challenges	Power-Strategic Interests	China-Internal Developments	General (non-Chinese) Domestic Developments	International Multilateral Cooperation	EU Developments	Geopolitical Spaces and Domains	Technological Megatrends	Norms and Ideology
Climate Change	Russia's Strategic Interests	Development of the Political System	Stability of the Economies	Creation of New Alliance Formats	Strategic Interests of the EU	Space (for Cooperation or Conflict)	Artificial Intelligence	Understanding of Freedom & Human Rights
Global Health (Pandemics)	US' Strategic Interests	Belt and Road Initiative (BRI)	Stability of Liberal Democracies	Cohesion of NATO	EU as a Normative Power	Arctic	Crypto/Digital Markets	Sovereignty vs. Interventionism
International Terrorism	China's Strategic Interests	Chinese Economic Development	Significant Changes of Government	Development of and Influences on the UN	Economic and Financial System (Euro)	Cyber Space	Weaponry and Dual Use	Capitalism vs. Sustainability
Resource Scarcity	Global Companies	Demography	International Leadership Role of the USA	(New) International Financial Organizations	Political Development of the EU	Chinese Neighborhoods	Energy Supply	Public Diplomacy
Global Connectivity (Trade Routes, etc.)		Internal Coherence in China		Regional Organizations	CFSP/CSDP	Africa	5G/6G	Surveillance and Control
Industrial Espionage					Social Cohesion in Europe	Influence(s) in the Global South		Disinformation and Social Influence
						Western Balkans		

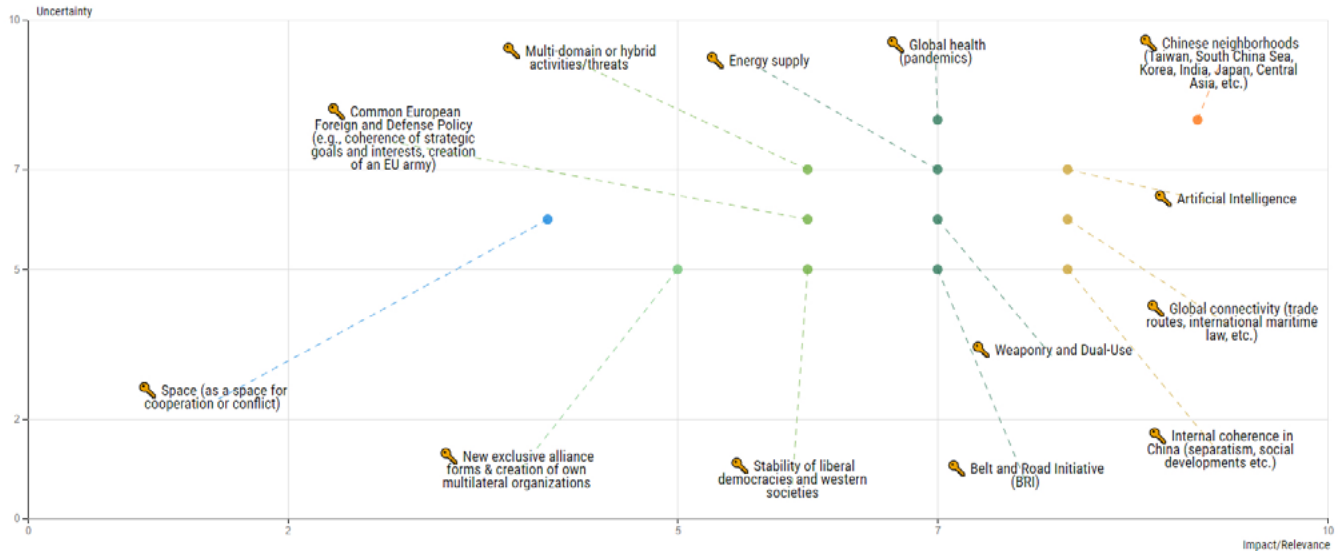
Using intuitive methods to brainstorm ideas, the workshop participants were asked first to list as many factors as possible and then evaluate them based on their level of relevance and uncertainty (uncertainty analysis). The most relevant and interconnected factors were deemed key factors and, therefore, selected for further processing (Selection of key factors).

Key Questions of Uncertain Analysis:

- Relevance: Which of the elicited factors do have a strong influence on China as a strategic actor in the next five years?
- Uncertainty: Is the factor's development predictable or is the factor uncertain and could develop in different directions that need to be considered by the scenario team for further scenario development?

Fig. 3:

The factors of influence are visualised in a portfolio matrix. The factors are evaluated based on relevance and uncertainty to other factors. Key factors are marked with a key symbol (Screenshot from Foresight Strategy Cockpit (Uncertainty Analysis))



Identified Key Factors:

- Cross-domain or hybrid activities/threats
- Global health (pandemics)
- Global connectivity (trade routes, international maritime law, etc.)
- Internal coherence of China (separatism, social developments, etc.)
- Belt and Road Initiative (BRI)
- Stability of liberal democracies and western societies
- New exclusive alliances and creation of separate multilateral organisations
- Common European foreign and defense policy (e.g. coherence of strategic goals and interests, creation of an EU army)
- Space (as an arena of cooperation or conflict)
- Chinese neighborhoods (Taiwan, South China Sea, Korea, India, Japan, Central Asia, etc.)
- Energy supply
- Artificial Intelligence
- Defense technology and dual-use

Derivation of Future Projections and Scenario Development

Explorative scenarios are constructed based on the key factors and how they are likely to develop in the future. Once the key factors have been defined, possible future states are systematically identified and described for each of the individual factors. Therefore, the individual scenario groups' next quest was to identify up to five possible projections for each of the key factors. A future projection is one of several possible situations of a factor at a defined point in time in the future. Future projections should be as distinct as possible.

After several future projections were determined for the key factors, scenarios could then be condensed from them. The groups were tasked with creating four scenarios along the axes of degree of confrontation between global powers and China's inner coherence. A fifth group developed a highly improbable but equally impactful black swan scenario.

To Construct Coherent and Convincing Scenarios, the Groups Developed Their Outlooks by Answering Following Questions:

- What might a scenario look like with these respective two key factors?
- Which expression/projection of each key factor fits into this scenario?
- Is the combination of projections chosen coherently and without contradictions?
- What additional developments could take place in this scenario?
- Which title is given to this scenario?
- What would the occurrence of this scenario mean for the EU, the US and Germany?
- What would be the consequences?
- What opportunities and risks would result from the occurrence of this scenario?
- Is this scenario desirable or to be avoided?
- How likely is such a scenario?

Fig. 4:

Five alternative scenarios have been developed by the workshop participants: four scenarios along the axes of degree of confrontation between global powers and China's inner coherence and a highly improbable but equally impactful black swan scenario (Alternative Scenario Development)



Beyond that, one scenario had to be highlighted as the most probable one, which will guide the subsequent strategy development. The workshop participants identified the following parameters as guiding for the trend-scenario:

- Conflicts will increasingly shift to cyberspace
- Space will become increasingly more important
- Hybrid and multi-domain action are on the rise
- The line between military and non-military action is becoming increasingly blurred
- Confrontation and stable China
- Issue-based balance of cooperation and confrontation in the global sphere
- Relative decline of the West
- Relative rise of China
- China will not be unstable in the coming years
- Robust Chinese approach to the outside world: cooperation where possible, confrontation where necessary
- Emergence of individual power centres

In this light, “**Big Gravity China – The Panda’s hidden claws**” (p. 64) was chosen to be the trend scenario. The scenario anticipates a stable inner coherence of China and a rise in global confrontation.

Strategy Development and Evaluation

After having created five alternative scenarios and derived the trend scenario, the next task was to think of effective strategies for addressing the alternative scenarios, focusing on the most probable trend scenario.

The strategies need to be sufficiently complex and drawn from a multitude of strategic options. Hence, the workshop participants had to analyse the fields of action (e.g. security and defense policy, diplomacy) for Europe, the US and Germany in regard to China's development in the next five years and identify strategic options within those fields of action (e.g. for Germany military armament on its own, specific capability development with regard to future threats, etc.). Subsequently, they developed strategies by choosing differing sets of strategic options while keeping in mind that the objective was to find a strategy that potentially suits all scenarios, but especially the scenario that is most likely to occur (trend scenario).

Each strategy group developed the most robust strategy possible to address all scenarios for the respective actor's perspective assigned to the group. The final step for the workshop participants was to evaluate the strategy of each group together to identify how robust each strategy is and therefore has the potential to be effective in case either of the scenarios materialises. Usually, this would be followed by the deduction of recommendations for action for both operative and political decision-makers. By choosing and implementing a strategy, new focus points for future action are set and policies are derived.

The goal is to develop a robust strategy that can withstand all scenarios. To this end, the following steps are taken in the individual strategy groups:

- Elicit fields of action and options for action
- List fields of action (separately) for all three players



Findings of the Workshop

Based on the thorough and invigorating collaborative work in the workshop's plenum and the particular working groups, the participants conceived and discussed the following four scenarios for China's global future in the next five years. "Big Gravity China – The Panda's hidden claws" was identified as the trend scenario.

Scenario 1: Chinese Implosion

As a consequence of a huge economic blow in the investment market and rupturing fault lines of democratic movements, separatism, and rural-urban differences, China's political cohesion deteriorates. Lacking output legitimization, Xi Jinping is confronted with publicly expressed criticism from the inside of his own party and his infinite presidency comes into question. Opposition movements, not resulting in separation and state fragility but in severe polarisation of social and political spheres, are hampering the streamlined, strategic ability to act on a global stage. Confronted with these interior problems, Beijing retracts noticeably from the world stage.

Unsurprisingly, the Chinese economic shock disrupts markets around the globe and a worldwide financial crisis is inevitable. Due to the lack of perceived reckless unilateral, isolated moves, multilateral cooperation to face the crisis can play out and gains legitimacy by its successes. Especially in the context of global supply chains hard hit by the Chinese downturn, world-wide cooperation, e.g., in the multilateral control of naval routes, prevails. These precedents pave the way for global, multilateral efforts in the fight against climate change and the governing of space. Even occurring cyber operations and attacks by unmanned vehicles on sea routes, presumably executed by rogue Chinese actors, cannot threaten the resilience of the new multilateral paradigm.

This very rational, realistic, interest-driven culture of cooperation does, however, not mean the solution of all challenges for Western democracies. In the US or the European Union, a measurable margin of radical populist public remains and governments of these types are still elected, albeit an over-all trend cannot be detected. Thus, a normative, value-driven European CFSP remains in its infancy. An alliance of

democracies, initiated by Washington, shows itself unable to attract a huge following. Even states now 'disconnected' from an imploding BRI are looking for more tactic, purposeful, non-normative ways to cooperate.

Scenario 2: Big Gravity China – The Panda's Hidden Claws

China's politics are guided by the premises of calm stability, and continuous growth. A strong Chinese Communist Party (CCP) aims at total surveillance of the social sphere to maintain China's internal stability by using censorship and filtering as well as resolute public pro-Chinese diplomacy abroad. Based on the success in maintaining this strong internal coherence and the resulting international strength in soft power, China pursues a non-aggressive but robust policy to broaden its spheres of influence.

In a global reshuffling after the Covid-19 pandemic, China tries to fill gaps and make use of vacua. In a reflection of its own self-interests, China is seeking and supporting multilateral cooperation in the securing of sea routes in order to protect its own trade and supply chains. This interest-driven, functional foreign policy is a consequence of China's growing and pursued nationalist internal agenda. The People's Republic generates an attractive counter-model to the liberal constitutional state for many people in democratic industrialised countries as well as in developing and emerging countries, beyond the BRI. China is perceived as being superior to liberal societies in its internal capacity to act, leading to losses of trust by Western citizens in their own institutions. China's soft power influences, polarises, and undermines internal processes in traditional Western core states.

In spite of the mutual understanding of cooperation in necessary fields of action, the organic expansion of Chinese influence, through a present soft power and growing hard power, induces the creation of a "Pacific NATO" under US leadership and with active Japanese military collaboration to contain China's aspirations. In contrast, Europe continues to show itself capable of only limited action and remains unable to implement a potent CFSP. In their disunity, the European states lag in defining their relation to Beijing.



Still very much interest-driven, China is trying to walk a fine line between pursuing its own strategic aims as well as avoiding costly conflicts. With the founding of the Chinese Space Force, the People's Republic takes a potent step into the new political sphere of action, space. China's increasing technological dominance – especially in the areas of AI and digitalisation – ever increases Beijing's global economic influence and shapes modes of hard power as well. Unhindered technological progress boosts its military capabilities, e.g., in the development of autonomous and unmanned weapons systems. Chinese leaders are achieving their goal of catching-up with the military power of the retreating hegemon, the US.

Scenario 3: Dragon up in the Air – Hybrid Chaos

The social, political and territorial integrity of China deteriorates remarkably. The CCP and the PLA become fragmented and Xi loses his absolute authority. Due to Beijing's growing lack of legitimacy and control, democratic and separatist movements gain momentum. Multiple conflicting centres of power undermine Beijing's sovereignty to act inside and outside of its borders, making small-scale armed confrontations likely and debasing China's economic capabilities.

Despite erratic hybrid and cyber activities by the remaining Chinese apparatus, most countries in the world perceive neither threat by nor attraction to the PRC anymore and begin to openly recognise Taiwan's full independence. The island plays a major role in the United States' acquisition of near total control of sea routes in the Pacific theatre. Small-scale attacks, carried out by unmanned vehicles especially, on Washington's or allied vessels become frequent, but, due to Chinese fragmentation, attribution becomes a difficult to impossible task.

The Belt and Road Initiative slowly dissolves, albeit some actors still maintain close relations to Beijing and the Chinese centre continues to invest in old and new friends abroad, such as Pakistan or the Taliban, to preserve some influence and secure limited independent supply lines. Partially to confront these efforts, partially due to yet another unipolar moment, the US establishes a 'Pacific NATO' and states of the Chinese neighborhood, above all Taiwan, join the new military alliance. Relations between the two transpiring blocs become increasingly securitised and attacks below the brink of war accumulate.

As the US is on the way to reach a social consensus in the face of clear confrontation, Europe achieves some sort of unity after populist governments take control in all of the Union's major member states. In contrast to past intimacies and connecting points to the Chinese regime, the new collective of populists forms a racist-infused 'Anti-China-Coalition'. However, because of an economic sidelining of the European continent and still outplaying social frictions in the member states, the CFSP and its ability to act remain insufficient.

In the defense and military realm, especially the (perceived) pressure on the regime in Beijing intensifies unlimited activities and evolving mechanisms of militarisation. China shows itself highly active and aggressive by constant hybrid and cyber activities. Remaining friends on the global stage are getting equipped with technologies far beyond the guiding lines of international humanitarian law. Not surprisingly, Beijing is blamed for non-attributable cyber attacks, incidents in outer space like the destruction of a satellite or even outbreaks of emerging infectious diseases, and equal or trans-domain retaliations are en route, leading to hybrid chaos.

Scenario 4: Everybody Hates China – Global Suspicion

China's inner cohesion remains strong and lays the basis for an even more intense claim to global influence. Xi Jinping's position is not questioned. Without losing output legitimacy, the regime continues to expand mechanisms of (technological) social control over China's citizens, threatening and dispersing every sort of opposition. Smart cities with AI-linked forms of governance are emerging.

Xi's regime converts the interior cohesion into a global claim for power. The BRI is ever intensified and Beijing exploits flanks left open by other actors more aggressively – albeit in our timeframe only by socio-economic means. Debt crises in dependent, e.g. African, states are becoming an epidemic of their own. Besides the strategic economic outreach by the BRI, China intensifies its political ambitions, too. First MOU's shine their light on the way to a military alliance like a "Warsaw Pact 2.0".

Russia and China are finding themselves in a form of 'frenemy'. Moscow is wary of Chinese power and influence and the threat to lose its global role and keeps a distance. Vice versa, Russia's strategic importance for Beijing rises notably, because the Northeast Passage becomes navigable year-round. Due to this consequence of climate change, Russia's fear of being sidelined by the self-proclaimed Arctic littoral state China ever increases.



Western societies experience a social reintegration by the perceived outer threat of a risen and ever more rising China. Transatlantic relations reach a new level of unanimity in confronting Beijing globally. Especially in the Global South and the Asian theatre, world politics remind of bipolarity in the 20th century.

Nevertheless, the coherence of the West develops not without its fractures. Some European states still maintain close relations to Beijing and are highly influenced politically. Hence, objectives to further consolidate European common security and foreign policy stay out of reach. Central and Western European states make increased use of article 20/44 TEU. Global politics, especially in the field of security, are evolving into a sphere of constant hybrid conflict, indistinguishable between states of war and peace. Yet another pandemic surfaces and global narratives and propaganda question its origin, leading to some sort of global suspicion. This condition is not contained by cyber incidents, rising in number and in severance. A two-day long blackout in a Chinese Mega-Smart-City leads Beijing to blame Moscow without being able to provide evidence. Space becomes thus highly militarised, no matter of liability for the instance. 'Global suspicion' leads to unprecedented use and proliferation of technologies – from AI to unmanned vehicles – as military means.

Black Swan Scenario: Phorcys and the Fight For Water

Based on yet another emerging biological threat, "Phorcys and the fight for water" constitutes our black swan scenario.

November 1, 2022: In much faster than expected melting permafrost soils, pole caps and glacier regions, scientists find that the heat-resistant Phorcys bacterium released in the process is gradually contaminating the global water cycle. Phorcys results in humans in a painful intestinal disease and seems to be highly fatal. Accordingly, drinking water supplies are becoming increasingly unusable. Animals and plants, however, seem to be immune to the bacterium, which is why its impact on agriculture is negligible for the time being. In the medium term only, an antibacterial agent promises a way out of the catastrophe.

The discovery of Phorcys leads to global panic, bringing world trade to a partial standstill. Not just, but especially China uses disinformation on a large scale to 1) avoid panic within its own population and 2) to undermine international cooperation ("sharing is not caring"). Due to the lack of drinking water, protectionism and aims for autarchy are on the rise worldwide.

China is severely impacted by Phorcys, as it has to supply more than one-fifth of the world's population. As a result, the government is increasingly isolating the country – another reason why China's internal coherence remains largely untouched by foreign influences. The CCP's power is not being challenged. Hence, China is able to expand its sphere of influence externally and as an "almost-Arctic state" is striving to expand its influence at the Poles. Beijing wants to secure access to the water reserves still left bound up in the ice of the Arctic and Antarctic glaciers, openly challenging the territorial claims of other states.

The BRI is completed but hardly used because of increasing protectionism. Despite a global technological standstill, China, however, makes considerable progress in the use of AI and is globally on the edge of innovation and application, because it collects and processes the largest amount of data in the digital age, without moral or ethical boundaries. Much in the interest of authoritarian regimes around the globe, China is becoming an exporter of AI.

The West portrays a very different picture: The sense of insecurity spurred by the toxic bacterium is undermining the societal integrity and political stability of liberal democracies. Hence, the US and its European partners are gradually losing their ability to act decisively in the interior and the exterior. Due to this deficiency, distribution struggles around the drinking water crisis cannot be avoided. The great strength of the West – its institutionalised alliance system – is crumbling.

In the search for antimicrobial agents, the focus increasingly shifts to outer space, because scientists speculate about small quantities of substances on celestial objects. These presumptions and China's advantage due to a recently successful mission to the moon make outer space a highly militarised conflict area. Weapon systems are becoming less dependent on humans as manpower is needed to secure drinking water resources in more law-enforcement-like scenarios.

Strategies

To effectively act while considering the trend scenario's outlook – without ignoring the whole scenario field – robust strategies were generated in the workshop for and from the perspectives of the European Union, the United States, and Germany. Each of them was aimed at covering an ideally high number of future projections.

“A European Union with a Compass”

The European Union's strategy is aimed to sustain and intensify self-reliant capabilities and to creatively deal with the challenges of the near future. Self-reliance in this case is by no means defined by autarchy and isolation, but a realistic view on the world around and the concentration on the EU's own strengths. To build resilience, central political decision making should be consolidated by strengthening the European Parliament, formulating consequent and resolute policies towards disturbing actors inside the Union and introducing the majority principle in the CFSP. An honest reflection and evaluation of health policies in the pandemic can be the beacon of an ever-learning European Union.

In the light of megatrends in technology and climate change, the EU should concentrate on its own means and competences by even further introducing ethical regulation and standards in the fields of Big Data and AI and pursue and implement the ambitious plans of the 'Green Deal', which would also strengthen the Union's external image as a role model. The defense realm, however, cannot be ignored. Taken paths like PESCO should be followed and intensified. The questions of asylum and migration have to be addressed to maintain inner stability and resilience to the outside. A two-sided approach of resolute border control in a structured and capable way at the same time as introducing an open visa-system and humane policies to deal with asylum seekers will help the Europeans to overcome this more than ten-year-long overarching challenge. To reduce dependencies, a main goal of the European Union in the changing world of the next five years has to be the diversification of its energy supply and investing in technological manufacturing capacities.

This matches the realistic, but core-value-driven approach to foreign policy. Own interests and security should be at the forefront of decision making without aggressively undermining existing arrangements. On the one hand China must neither be just friend nor foe, on the other hand the transatlantic partnership must remain a cornerstone of European security without following Washington unconditionally. In the same manner, the relationship to the United Kingdom must stay driven by interest and not by emotion to sustain the EU's freedom to act. This new transparent strategic baseline of foreign policy can also be applied to further regions, especially Africa and the Western Balkans. The EU should itself engage in a counterpart to the Belt and Road Initiative by taking partners seriously in transparently communicating terms and conditions of cooperation. Hence, erratic and easily misused financial and military support should be replaced by lighthouse projects fostering sustainable good governance. On the global scope, derived from its own nature, the Union should promote long-term multilateral institutions proactively.

“USA – Will Be Back”

The goal of the United States' strategy is, very much in contrast to self-sufficiency and isolation, a global step towards maintaining influence, wealth and security. Strategically crucial for that is to invest heavily in digital sovereignty in the coming years. The USA should focus on its own hardware production and decoupling of the technological infrastructure to gain independence in this ever more important sphere. On the same path lies the resolute protection of the global fiscal status quo. Maintaining the US Dollar as the world's reserve currency is cornerstone to its global influence. Economic policies should be viewed even more from a strategic geopolitical perspective in terms of strategic exports and effective sanctioning. The global outreach does not neglect the military field. Expansion, in terms of quality and quantity, of military bases abroad remains the hard-power backbone of the US's force and authority. This goes hand in hand with broader foreign policy. New alliances can consolidate the pivot to Asia, China's manpower and ideational influence in international organisations must be met with strong Western investments.



Thus, while concentrating on the Indo-Pacific, the rest of the world may not be ignored. Washington should encourage its strong corporate community to counter Chinese investments, e.g., in Africa, and be highly conscious of developments and foreign interferences in Latin America. In order to revive America's leading role, soft power constitutes a highly effective instrument. Washington should foster its rich and diverse cultural industry and safeguard it from Chinese intrusion. But in light of present and coming global challenges, heavy-handed, mostly unilateral leadership cannot be the only tactic to reach success. In these fields, a sustainable strategy for the US has to include levels of unanimous cooperation. Climate change, resource scarcity, and disarmament should be seen as ubiquitous topics making zero sum approaches unfeasible and, especially, solution-driven engagement with China and other parties indispensable.

From “Made in Germany” to “Germany Makes It!”

The proposed German strategy sets out to develop a new image of Germany domestically and abroad. Berlin should aim to become a “democratic innovator”. Germans can gather around the campfire of a country with a strong democratic tradition and responsibility for being a sound partner internationally. Especially the emphasis on a socially reasonable digitalisation driven by a self-responsible cross-sectional ministry would help to pursue these goals.

This new domestic consensus would also be expressed and promoted by the European Union. Germany should support Brussels in being confident to expedite a robust defensible democratic counter-model to Chinese soft power and influence. To credibly promote this claim, Germany pushes for a permanent EU-seat in the UN Security Council. On a variety of policy fields, the EU can take a step forward to enhance and ensure its independence. Brussels must position itself as an international pioneer in a climate alliance and at the same time commit to a self-sufficient and diverse energy supply. A resilient and open visa and asylum policy must finally have major priority. Germany, with its new internal coherence, can

act as an initiator for a CFSP revival to explicitly counter the Chinese challenge. Cornerstone to this approach has to be a coherently devised and committed relation to NATO.

A strong stance on China cannot be achieved by ignorance. Subsequent German governments should foster a new academic China competence with scholarships, exchanges, sound guidelines, and support without leaving out Taiwan. This, e.g., can help to ultimately take more purposeful and decisive action against Chinese industrial espionage.

Notwithstanding the buildup of its China competence, Germany should not become too fixated on Beijing as a competitor. To diversify its economy and trade, major investments have to be made on the African continent. Simultaneously engaging in a credible reappraisal of Germany's colonial past and pursuing a transparent, value-driven but reciprocal development policy opens up new economic and political opportunities. Partnering with African countries and peoples beyond the economic sphere would curtail at the same time Chinese geopolitical ambitions.

Conclusion and Outlook

This workshop demonstrated that China as a strategic power may act in alternative scenarios that range from a domestically weak China in a confrontative global order to a strong China emerging as a superpower in a cooperative global environment. As was evident from the two-day workshop, China's future is interdependent with a multitude of different factors from cross-domain aspects to the stability of liberal democracies and western societies. By devising alternative scenarios, the workshop participants assumed a scenario of China as a stable actor in a world of global communication, realpolitik, and non-hostile relations as the most desirable future. Conversely, China's disintegration and a self-isolating, polarised West would form a worst-case scenario.

Taking a look at China's Grand Strategy and its targets for 2025, 2035 and 2049, China has set two milestones until 2049. Starting in 2025, the goal is industrial development. The time of cheap and low-quality products of Chinese industry should soon be over. In the second wave, China wants to position itself in the midfield of the leading industrial nations. This includes a mission to become more energy and resource efficient, to be more sustainable, but also to incorporate more innovative technologies into production. By 2049, the overall aim for China is to be the world's leading industrial nation. By then, it wants to be a global leader in thus defined industrial sectors.

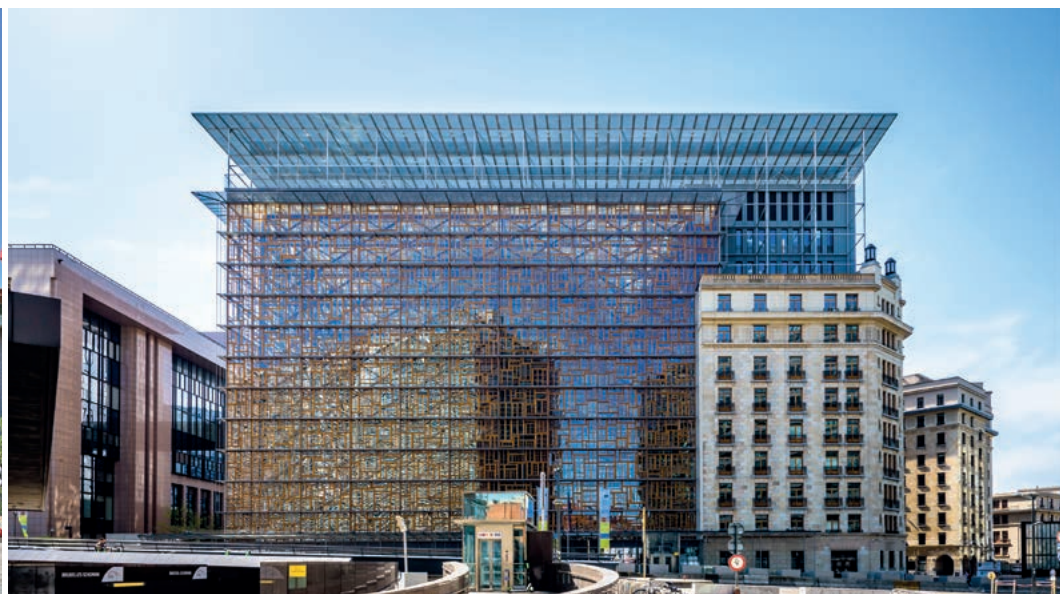


Examining China's grand strategy and its long term goals underline the probability of the trend scenario derived during the workshop scenario 2: "Big Gravity China – The Panda's hidden claws". In the next five years China will try to reach its goals set in the five-year plan in order to pave its way to assert its long-term interests in the following years. This is also why it is so important to not just take a short-term view, but also consider mid- and long-term futures.

What does this mean for the rest of the world? This strong commitment from the Chinese government shows a desire to really change China's image. The massive investments, pilot cities, the "One Belt, One Road" initiative and many other investments are paving the way for China's industrial supremacy.

The US has already identified this as an existential threat to its leadership. But we have also seen Europe struggle in recent years to create a common strategy. This will lead to more intense international competition in innovation, but will also have a strong impact on the developing security and defense environment.

Therefore, it is important for Europe to ensure comprehensive security, situational awareness, and a coherent European strategy. To do so, the Union and European member states already initiated a broad range of initiatives, most prominent the European Strategic Compass to focus on a more strategically capable Europe facing an unpredictable future. However, this can only be achieved and perpetuated if all relevant ministries, stakeholders, experts, and even the public are involved in the process at one point or another. To promote comprehensive security and the whole-of-society approach, it is important to bring different stakeholders together and create an interdisciplinary environment. Thereby, a more holistic picture of multiple possible futures can be created and innovative, effective strategies developed. Workshops like this are an effective tool to establish a comprehensive strategic culture and enhance situational awareness. CASSIS, together with its partners, will follow this path and continue the initiative of yearly Strategic Foresight Workshops in order to enhance and solidify the mindset and methods of Strategic Foresight among a diverse and bright group of future leaders.



PARTNERS

Special Partner:



Partners:



IMPRINT

Contact

Center for Advanced Security, Strategic
and Integration Studies (CASSIS)
University of Bonn
Römerstraße 164
53117 Bonn, Germany

Prof. Dr. Volker Kronenberg
Director

Prof. Dr. Wolfram Hilz
Director

Prof. Dr. Ulrich Schlie
Director

Dr. Enrico Fels
Managing Director

Phone: +49 (0) 228/73 62995
Mail: cassis@uni-bonn.de

<https://www.cassis.uni-bonn.de>
<https://www.facebook.com/CASSISBonn/>
https://twitter.com/CASSIS_Bonn

Editing

Emilia Bruder
Dr. Enrico Fels
Johanna Möhring
Marc Nettelbeck
Philip Nock
Prof. Dr. Ulrich Schlie
Maximilian Schraner
Marcel Turlach
Fenja Wiluda

Design

designlevel 2
www.designlevel2.de

Image Rights:

Cover, page 75, 76: [istockphoto.com/AerialPerspective](https://www.istockphoto.com/AerialPerspective) Works
p. 3, 23, 38, 53: © Volker Lannert
p. 4, 8, 10, 13, 21, 24, 27, 30: © Günther Ortmann
p. 19: © [istockphoto.com/AerialPerspective](https://www.istockphoto.com/AerialPerspective) Works
p. 22: © [istockphoto.com/ismagilov](https://www.istockphoto.com/ismagilov)
p. 25: © Frank Nürnberger
p. 29: © [shutterstock.com/tostphoto](https://www.shutterstock.com/tostphoto)
p. 31: left © Friedbert Pflüger, right © Gerhard Hinterhäuser
p. 32: © [istockphoto.com/StockByM](https://www.istockphoto.com/StockByM)
p. 34: left © James D. Bindenagel, right © Andreas Heinemann-Grüder
p. 36: © [istockphoto.com/sinonimas](https://www.istockphoto.com/sinonimas)
p. 37: © Norbert Röttgen
p. 40: © [istockphoto.com/BrianAJackson](https://www.istockphoto.com/BrianAJackson)
p. 41: © Maysoun Zein Al Din
p. 42: © [istockphoto.com/narvikk](https://www.istockphoto.com/narvikk)
p. 43: © Jonathan Glennie
p. 44: © [istockphoto.com/VolodymyrKalyniuk](https://www.istockphoto.com/VolodymyrKalyniuk)
p. 46: © [istockphoto.com/OlivierLeMoal](https://www.istockphoto.com/OlivierLeMoal)
p. 47: © Helena Legarda
p. 48: © [istockphoto.com/XavierLejeune](https://www.istockphoto.com/XavierLejeune)
p. 49: © [shutterstock.com/MingKanni](https://www.shutterstock.com/MingKanni)
p. 51: © [shutterstock.com/DropofLight](https://www.shutterstock.com/DropofLight)
p. 52: left © Maximilian Mayer, right © Emilian Kavalski
p. 54: © stock.adobe.com/carlofornitano66
p. 55: left © Maximilian Schraner, right © Victoria Toriser
p. 63: © [shutterstock.com/helloRuby](https://www.shutterstock.com/helloRuby)
p. 65: © [istockphoto.com/MirkoKuzmanovic](https://www.istockphoto.com/MirkoKuzmanovic)
p. 66: © [shutterstock.com/plavi011](https://www.shutterstock.com/plavi011)
p. 69: © [shutterstock.com/DropofLight](https://www.shutterstock.com/DropofLight)
p. 70: © [shutterstock.com/WangkunJia](https://www.shutterstock.com/WangkunJia)
p. 70/71: © [shutterstock.com/testing](https://www.shutterstock.com/testing)
p. 71: © [shutterstock.com/olrat](https://www.shutterstock.com/olrat)

Copyright

The copyright (2022) lies with the Center for Advanced Security, Strategic and Integration Studies. Any form of reproduction outside the boundaries of the copyright is prohibited.

Disclaimer

Due to the ongoing Covid-19 pandemic, the International Security Forum Bonn 2021 took place mostly online or hybrid. Some photographs used in this report were taken during previous forums.

Printing

Druckerei Eberwein OHG

Updated Edition

03|2022





Center for Advanced Security,
Strategic and Integration Studies (CASSIS)
University of Bonn
Römerstraße 164
53117 Bonn, Germany

cassis.uni-bonn.de