

Introduction

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Objectives

A more holistic view is required for the analysis of China's footprint in eurostrategic spaces. The current volume takes up this challenge as main objective with a focus on balanced analysis. Besides analysing the encounter between the European Union and the People's Republic of China in the geostrategic arena, the authors of this volume also examine strategic areas like digital space, Low Earth Orbit space and Outer Space. This multi-faceted approach is based on a comprehensive security concept combining military hard power factors with economic, socio-cultural and financial ones. Accordingly, the contributions are dealing with various spheres of influence, signalling China's advance in strategic spaces of the European Union. A separate annex provides a situational inventory of the PLA's military capabilities and is supposed to complete the overall picture.

In 2019, the Institute for Peace Support and Conflict Management (IFK) published the volume *"Chinas Grand Strategy im Wandel"* (Eng.: China's Grand Strategy in Transition), which remains limited to a German-speaking readership and is thematically focused on the assumption of a grand strategy with emphasis on policy changes of the last two decades. The present volume **"China's Footprint in Strategic Spaces of the European Union"** mainly takes stock of the present-day situation and also poses questions regarding the future.

The Institute for Peace Support and Conflict Management draws on extensive experience as academic advisory body in the realm of Austrian security policy. The institute's researching staff is supposed to adhere to the rules of balanced analysis. Against this background, the conclusions in the various contributions of this volume are based on individual assessments of the authors. The editors do not take responsibility for the authors' divergent points of view.

Last but not least, the commitment and mission of the Institute for Peace Support and Conflict Management are geared towards reducing avoidable confrontation and tension, in the original sense of peace support and conflict management.

Special features

Two special features distinguish this publication: First, the holistic approach by considering several non-traditional strategic spaces like digital currencies or the LEO space. Second, the presentation of some Chinese strategic narratives shaping and dominating the current People's Republic foreign policy.

The discussion of Chinese narratives – presented in the first part of the present volume – refers to the definition of strategic narratives according to Miskimmon, O'Loughlin and Roselle (2014):

Strategic narratives are a means for political actors to construct a shared meaning of international politics, and to shape the perceptions, beliefs and behaviour of domestic and international actors. Specifically, by tracing the formation, project and reception of strategic narratives, we can explain how states seek to shape the international order, pursue policy outcomes, and enhance policy and political legitimacy.¹

The exploration of current Chinese narratives is well-suited to serve the objective of improving the level of European knowledge and understanding when interacting with Beijing in various spaces. Strategic narratives are also future-oriented² and hence constitute valuable indicators for risk analysis and the development of competing or partnering strategies. At the same time,

¹ A. Miskimmon, B. O'Loughlin and L. Roselle (2014), *Forging the World: Strategic Narratives and International Relations*, Royal Holloway, University of London, 1; for additional defining details, see also: "Conceptually, narratives offer a particular structure through which shared sense is achieved, representing a past, present and future, an obstacle and a desired end point. States use narratives strategically, though they face various constraints in their capacities to do so." Ibid., 2, https://www.academia.edu/2783582/Forging_the_World_Strategic_Narratives_and_International_Relations.

² Ibid., 4, "A strategic narrative may refer to the past and/or present, but as a strategic device its utility is connected to shaping politics in the future."

narratives may provide a sort of navigation frame in regard to the predictability of political actions of “the other party.”

The second part of the publication is dedicated to the geographical space and examines China’s presence in selected countries and regions. Six researchers provide analysis in regard to China’s footprint in selected countries and regions, covering a wide geographical range from Serbia to Afghanistan.

The third part of this volume puts the European Union in the foreground. EU-China relations are screened for their limiting factors as well as for options of cooperation. When looking at Brussels’ regional strategic ambitions as declared in the EU Global Strategy, the distinction is made between a “broader” and a “narrow” orbit of the European Union. In the final summary, some major messages are listed, which result from the individual contributions.

China in EU strategy documents

Not only has China’s economic presence in strategic spaces of the EU seen remarkable momentum over the past few years, China’s performance in the international arena has also changed. The new assertiveness of the political elites – civilian and military – of the People’s Republic is much discussed. Why was the previous foreign policy paradigm “to keep a low profile” of those years before the Xi Jinping era replaced by the appearance of a resolute and offensive great power attitude? The answer is simple and has little to do with the person or leadership style of Xi Jinping: The strategy of keeping a low profile has become obsolete. Quite on the contrary, it would lack a certain rationality if China’s recent metamorphosis into a global power were accompanied by a static political performance strategy. Meanwhile, the macro-economic parameters of the People’s Republic allow a new performance style. Often enough massive international critique and sanctions are pre-calculated by Beijing as collateral damage that can be absorbed.

How did and does Brussels cope with China as a new competitive major power? What are the contours of the European strategic response to this challenge? In order to examine these questions on an introductory note, it seems appropriate to chronicle the development of the current China

strategy of the European Union. As starting point serves the EU-China 2020 Strategic Agenda, a bilateral comprehensive agreement, signed in 2013. At that time, the Belt & Road Initiative had just started, the Asian Infrastructure Investment Bank (AIIB) was not yet founded, and the Xi Jinping era was at its very beginning. The agreed bilateral cooperation was built on two basic commitments: The PR China reaffirmed its support for EU integration, vice versa the European Union did not object to global trends towards “multipolarity.”³ Further, bilateral regular dialogue meetings (annual High-Level Strategic Dialogue, annual High Level Economic and Trade Dialogue, bi-annual People-to-People Dialogue, several sectoral dialogues) and a general upgrade in practical cooperation were agreed. Overall, it can be said that the agenda gives the strong impression of “fair weather” diplomacy. However, the EU-China Agenda for Cooperation, signed bilaterally in 2013, also proved to meet the challenges of an “all-weather” cooperation agreement.

It goes without saying that the EU Global Strategy (EUGS) is the crucial European strategy document of the last decade. However, China is barely mentioned in the EUGS of June 28, 2016. In the section “A Connected Asia,” the relationship with China is only fleetingly addressed in a short text passage.⁴ This may be due to the fact that almost at the same time, on June 22, 2016, a separate China strategy was adopted by the High

³ Point I – “Peace and Security” - of the *EU-China 2020 Strategic Agenda for Cooperation* reads as follows: “The world’s trends towards multipolarity and economic globalization are deepening. [...] As important actors in a multipolar world, the EU and China commit to enhancing dialogue and coordination at bilateral, regional and global levels, to meet regional and global challenges together, and work to make the international order and system more just and equitable.” EEAS 2013, http://eeas.europa.eu/archives/docs/china/docs/eu-china_2020_strategic_agenda_en.pdf.

⁴ European Union, “A Connected Asia,” *Shared Vision, Common Action: A Stronger Europe - A Global Strategy for the European Union’s Foreign And Security Policy*, 37, “The EU will engage China based on respect for rule of law, both domestically and internationally. We will pursue a coherent approach to China’s connectivity drives westwards by maximizing the potential of the EU-China Connectivity Platform, and the ASEM and EU-ASEAN frameworks. The EU will also deepen trade and investment with China, seeking a level playing field, appropriate intellectual property rights protection, greater cooperation on high-end technology, and dialogue on economic reform, human rights and climate action.” https://eeas.europa.eu/archives/docs/top_stories/pdf/eugs_review_web.pdf.

Representative of the Union for Foreign Affairs and Security Policy and the European Commission in a Joint Communication, entitled “Elements for a new EU strategy on China.” In the EU Strategy on China of June 2016, Brussels is already adopting a more demanding tone by stressing the elements of reciprocal benefit, fair competition and normative principles of EU engagement.⁵ The additional proposal to push for the timely completion of negotiations as well as for the opening-up of new markets mirrors the dissatisfaction Brussels was experiencing at that time.⁶

The perceived deficits on the European side in regard to reciprocity and progress in negotiations caused a rethink in Brussels, triggering a comprehensive re-orientation towards Beijing (*EU-China – A strategic Outlook*, March 12, 2019)⁷. The document was published as an update, but in practical terms, this update marks a strategic milestone. The declaration that the China strategy of 2016 is still valid does by no means diminish the importance of the cesura:

The 2016 Strategy on China remains the cornerstone of EU engagement, providing the basis for delivering a further EU policy shift towards a more realistic, assertive, and multi-faceted approach. This will ensure that relations with this strategic partner are set on a fair, balanced and mutually beneficial course.⁸

The “multi-faceted approach” – as cited above – crystallized in March 2019 to the effect that a clear-cut differentiation is made between cooperation, competition and rivalry. For each of the three relationship settings, corresponding topics for bilateral negotiation with Beijing were named in different policy areas. Against this background, questions in regard to

⁵ European Commission, *Joint Communication to the European Parliament and the Council, Elements for a new EU strategy on China*, June 22, 2016, 2, https://eeas.europa.eu/archives/docs/china/docs/joint_communication_to_the_european_parliament_and_the_council_-_elements_for_a_new_eu_strategy_on_china.pdf.

⁶ Ibid.

⁷ European Commission, *Joint Communication to the EP, the European Council and the Council, EU-China, A strategic outlook*, March 12, 2019, <https://ec.europa.eu/info/sites/default/files/communication-eu-china-a-strategic-outlook.pdf>.

⁸ Ibid., 1.

normative rivalry, competition for new markets and options for cooperation are examined in Part III of this volume.

The rapid advance of the PR China into various geostrategic spaces is also reflected in the EU Global Strategy activity report 2019. Under the headline *Global governance and cooperative regional orders*, the urgent necessity for European unity is invoked to “reap the opportunities of cooperation while managing the challenges posed by China’s rise as an economic and technological superpower and a systemic competitor.”⁹ Further, the EEAS report refers to the EU connectivity strategy, underlining that “great infrastructure projects should be about creating fair economic opportunities, not about geopolitics.” In reference to the EU-China summit of April 2019, the envisaged identification of common EU-Asia railway corridors is addressed.¹⁰ The Asia section of the EUGS activity report highlights diversification and deepening of diplomatic and economic cooperation with various Asian countries. In remarkably few words, the “update” of the China-Strategy in March 2019 is mentioned.¹¹

More than two years have passed since March 2019 and the turbulent dynamics of the current times ask for a more precisely elaborated European strategy. To date, EU member states in collaboration with EU bodies are working on a “Strategic Compass” designed to further refine the EU Global Strategy 2016. The final document for the Strategic Compass of the European Union is supposed to be published by March 2022.

In preparation of the final Strategic Compass document, a number of workshops and conferences were held. However, when it comes to issues where one could expect the mentioning of China, the texts remain very general. For example: An event report of March 2021 – published by the EU

⁹ EEAS (2019), *The European Union’s Global Strategy - Three Years on, looking forward*, 15, https://eeas.europa.eu/sites/default/files/eu_global_strategy_2019.pdf.

¹⁰ Ibid., 48, “At the 2019 EU-China summit we agreed to identify common EU-Asia railways corridors, and we are working on local development in transit countries.”

¹¹ Ibid., 19, “We have reached political and trade agreements with Japan, Vietnam and Singapore, we are pursuing comprehensive negotiations with several other partners, we have developed an ambitious connectivity strategy linking Europe and Asia, **we have updated our comprehensive strategic partnership with China**, and we have deepened our relationship with Central Asia.”

Institute for Security Studies (EUISS) – concludes that in the domains of Outer Space and Cyberspace “challenges and risks are fuelled by the development of new tools, capabilities and strategies by the EU’s main competitors.”¹² The main competitors are not named.

It remains to be seen whether the forthcoming Strategic Compass refers to the EU-China Strategic Agenda of 2013 or avoids any reference to bilateral agreements with Beijing. In regard to the partnership dimension of the Strategic Compass the engagement with China is expected to remain issues-based, following the EU’s interests. In this context, there is a need to give more substance to the definition of European interests.

Since the EU Strategic Compass is supposed to align politico-strategic guidance for EU security and defence, the document will have to give a clear answer as to how China’s advance into strategic spaces of the European Union is perceived. A cautious attitude towards Washington’s new security paradigm of “China as Threat No. 1” does not relieve Brussels of the complex task of evaluating China’s presence in strategic spaces as challenge, security risk, potential threat, or in the best of all cases as opportunity.

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¹² EUISS, event report March 2021, Contested global commons: a multidimensional issue for the Strategic Compass, 1, <https://www.iss.europa.eu/sites/default/files/EUISSFiles/FR-EUISS%20-%20Contested%20Global%20Commons%20%28Report%29.pdf>.