



The end of naivety. How can Europe's position be strengthened in the systemic rivalry with China?

Tomasz Morozowski

On March 16th 2023 in Poznan the Institute for Western Affairs and Konrad-Adenauer-Stiftung have organized an international conference on the topic of "The end of naivety. How can Europe's position be strengthened in the systemic rivalry with China?". The idea of the conference has been to provide a platform for discussions about the future policy of the EU and its Member States towards China, taking into account the opportunities for cooperation but also on the risks arising from Beijing's policies in various areas.

The aim of the conference was to reflect on changes in European policy towards China in the context of intensifying systemic rivalry. The perception of China has been changing across the European Union – the publication of Germany's first 'China strategy' was expected to mark a turning point and a departure from Berlin's hitherto primarily economic interest-driven attitude in its relations with China. In Poland and other countries in the Central and Eastern Europe, the conditions for development of relations with the PRC worsened mainly due

to Beijing's 'pro-Russian neutrality' with regard to the war in Ukraine. Also at the EU level, one can note actions aimed at building resilience against risks arising from China's increasingly assertive and expansive policy.

It has therefore become necessary to discuss prospects for the future policy of the EU and its Member States towards China, taking into account key elements: economic dependence, supply chains and access to raw materials, China's non-market practices and aspirations for technological leadership, digital standards, cybersecurity,

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systemic differences regarding human rights, risks arising from China's sharp power activities in Europe as well as sub-state level of the relations.

The premise of the conference organizers was to provide a platform for such discussions. Therefore the representatives of the Polish and German Foreign Ministries as well as international experts have been invited in order to compare German and Polish perspectives on opportunities for cooperation with China but also on the risks arising from Chinese policies in various areas, placing these considerations also in the broader European context.

The conference has been opened by Justyna Schulz – director of the Institute for Western Affairs; and David Gregosz – director of Konrad-Adenauer-Stiftung office Poland; who have welcomed all the participants and guests and stressed the importance of the event for Polish-German cooperation at the European Union level, referring to China as a challenge that will define the future.

PANEL 1. POLITICS AND ECONOMY

The list of speakers of the first panel, moderated by Justyna Schulz, included: Michał Skrzek – Head of the division China and Mongolia, Asia and Pacific Department of the Polish Ministry

of Foreign Affairs; Martin Thümmel – Director for East Asia, Southeast Asia and Pacific at the German Federal Foreign Office; and Kjeld van Wieringen – analyst from the European Parliamentary Research Service.

Both Michał Skrzek and Martin Thümmel have presented the national Polish and German perspectives on relations with China, sharing many points in assessing the current situation and diagnosing the necessary course of action. They have defined their policies towards China as firmly grounded in the EU's multifaceted approach: cooperation, competition and systemic rivalry; with the aspect of systemic rivalry increasing in recent years. Reciprocity and level-playing field in economic cooperation with the PRC have been identified as priorities for both countries and for the EU, which was also confirmed by Kjeld van Wieringen as one of the main conclusions of his recent study "[EU-China 2030: European expert consultation on future relations with China](#)". Michał Skrzek and Martin Thümmel underlined the Polish-German cooperation and European coherence and unity as key elements in strengthening EU's position vis-à-vis China. Another important stream of discussion concerned the role of the global



South and the necessity for Europe to develop relations with like-minded partners from Asia, Africa and South America.

As outlined by Michał Skrzek, Poland is engaged in pragmatic dialogue with China with extended structure of intergovernmental relations, but at the same time the ambiguous position of Beijing towards Russian aggression in Ukraine negatively impacts the relations. With regards to the Central and Eastern Europe – China cooperation format he stated its rather diminishing role and lack of measurable effects, but also pointed to its possible use as an additional channel of dialogue with China, that Poland is verifying regularly.

Martin Thümmel has emphasized the significance of reducing critical and security relevant dependencies (e. g. in solar industry) and the need for a clear-eyed look on security implications of cooperation with China (e.g. illegitimate influence in European societies). At the same time he stressed the need to maintain people-to-people and academic exchange with China and to uphold cooperation on global challenges of climate policy, peace and security.

Kjeld van Wieringen has expanded Polish-German considerations by presenting the bird-eye view

of European expert community position vis-à-vis China. He has described the EU's trade toolbox including among others: foreign direct investment screening, international procurement instrument, anti-coercion instrument, corporate due diligence regulations, chips act and critical raw materials act. He also presented risks and possible solutions in the areas of Chinese financed infrastructure projects and media in Europe and technology cooperation with the example of 5G. As Kjeld van Wieringen concluded, the way forward in EU-China relations hangs to large extent on China's policy making trajectory in the next years, also towards Ukraine and Taiwan.

The open discussion part of the 1st panel covered issues of: comparison of Chinese and European narratives, Chinese dominance in rare earths production and refining, importance of EU's Global Gateway initiative, human rights in context of German feminist foreign policy, future of the Comprehensive Agreement on Investment and Poland's role in the China-CEE platform.



PANEL 2. TECHNOLOGY, DIGITALIZATION, SHARP POWER AND SUB-STATE LEVEL

The list of speakers of the second panel, moderated by Piotr Andrzejewski from the Institute for Western Affairs, included: John Lee – Director of East West Futures Consulting, Berlin; Valentin Weber – cyber research fellow, German Council On Foreign Relations in Berlin; Joanna Ciesielska-Klikowska – assistant professor at the Department of Asian Studies at the University of Lodz; and Tomasz Morozowski – analyst at the Institute for Western Affairs.

John Lee elaborated on China's role in technology supply chains with focus on semiconductors. He has analysed the possibilities of friendshoring and diversifying from China on several levels, identifying the biggest chances in less complex manufacturing, where U.S.-led group of partners has more potential. Due to China's advantages built over many years in more complex manufacturing and electronic supply chains, including strategic technologies such as critical mineral processing, it will be in his opinion very difficult to circumvent it for the U.S. and its partners in the global scale in coming years. John Lee has put this analysis in the broader context of U.S. strategic rivalry with China and the American technological

containment of the PRC.

He also pointed to Chinese –Russian relations in the field of technology and to a different role played by states of the global South.

Valentin Weber has focused on technologies that create personally identifiable data, crucial for cybersecurity, where China's dominance constitutes its "latent sharp power". Examples included: 5G and telecommunication, social media platforms (TikTok), smart cities and CCTV cameras. He pointed to the problem of less detailed European solutions in comparison to American when it comes to data safety with TikTok, as well as to the need of urgent review and reduction of Chinese-produced CCTV cameras installed in public facilities in Europe.

Joanna Ciesielska-Klikowska has analysed the sub-state level of EU-China relations, pointing to a steady growing number of partnerships between regions and cities. According to research that she presented, more than 80% of regions and more than 50% of cities in Europe are engaged in cooperation with China. She has also described the main types of partnerships, including economic, education and academic cooperation, culture and tourism; and highlighted many benefits coming from these partnerships,



e.g. reaching out to local communities and establishing alternative communication channels. As she concluded, more strategic vision and recognition of the role of regional actors is necessary in EU's policy towards China.

The themes of the statement by Tomasz Morozowski included Chinese growing engagement in promotion of its model of multilateral cooperation and the "battle of narratives" between the EU and PRC. As Chinese actions are mostly directed at the global South, he has emphasized the importance of this part of the world, especially in the context of different perspectives of most of its states on current global situation including war in the Ukraine, compared to the European view. Tomasz Morozowski has analysed how China is able to transfer its multilateral initiatives such as the BRI, China-CEE platform, Global Development/Security/Civilization Initiatives into the level of traditional organizations such as the United Nations. One example showed how intensively the Chinese development ideas resonate within the UN 2030 Agenda for development. He has also elaborated on possible ways for the EU to respond and create an attractive counter-narrative, e.g. by expanding partnerships with like-minded countries in the Indo-Pacific, establishing

free trade agreements between EU and Mercosur or ASEAN and expanding EU's Global Gateway initiative.

Discussion in the 2nd panel touched upon topics such as: transfer of knowledge and universal values both ways between EU and China on the subnational level, Taiwan's role in semiconductors supply chains and possible Europe-U.S. cooperation, Chinese-Russian cooperation in the field of technology, postcolonial narrative used by China towards the global South countries and possible EU's counter-argumentation, role of the common European market.

CONCLUSIONS

One of the main conclusions of the conference discussions was a common assessment of the changing perception of China in the EU towards more realism and of the broad consensus among EU Member States on China-policy, including introduction of offensive and defensive policy tools. The participants have also agreed on the key importance of Polish-German cooperation and European coherence and unity in strengthening EU's position vis-à-vis China. Reciprocity and level-playing field in economic cooperation with the PRC have been consensually



identified as priorities for both Poland and Germany, as well as for the EU as a whole. More focus is expected to be put on issues of reducing critical and security relevant dependencies, building resilience in the field of data-sensitive technologies, raising awareness of the potential of subnational cooperation with China.

At the same time the awareness of constraints and limitations in EU's strategy towards China was noticeable in the debates, relating mainly to China's established dominance in strategic technologies and Taiwan's crucial role in semiconductors supply chains, unlikely to change in the coming years. Also the broader context of American-Chinese strategic rivalry has been identified as crucial for relevance and efficiency of Europe's future policy making. Another important conclusion concerned the global South, perceived as the terrain where geopolitics of technology will play out over the coming decades. All the speakers have underscored the necessity for the EU to develop relations with like-minded partners all over the world as a way to diversify political and economic policy. The general expectation coming out of the conference debates was that the European policy

making on China in the coming years will gravitate further towards realism and systemic rivalry through internal resilience building and external coalition formation.

The video-recording of the conference is available online:

Panel 1: <https://www.youtube.com/watch?v=Mm5VbaycKGA&t=1s>

Panel 2: <https://www.youtube.com/watch?v=T5nnHguxwIY>

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