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BOOK REVIEW

Ende der China-Illusion. Wie wir mit Pekings Machtauspruch umgehen müssen

Janka Oertel

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Andreas FULDA
University of Nottingham, United Kingdom
Andreas.Fulda@nottingham.ac.uk

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This German-language popular academic book entitled “End of the China illusion. How we must deal with Beijing’s power ambitions” comes at a pivotal time (please note that all following translations from German to English are my own). Written by Janka Oertel, Director of the Asia programme and a senior policy fellow at the European Council on Foreign Relations, this book is certain to contribute to an increasingly lively public debate in Germany about how to best engage with autocracies. In the academic discourse, John Lough’s *Germany’s Russia Problem* or Hamilton and Ohlberg’s *Hidden Hand: Exposing How the Chinese Communist Party is Reshaping the World* have previously shed light on the various challenges emanating from Putin’s Russia and Xi’s China. In her book, Oertel aims to dispel common misconceptions, which she calls the “China illusion”. Besides the Chinese Communist Party, Oertel believes western entrepreneurs, politicians, and experts also contributed to what she calls the “myth of modern China”.

Starting from an overview of the multiple failures of Maoism, the author traces the highly instrumental approach of the Chinese party-state towards economic reforms during the subsequent period of reform and opening up. Oertel argues that China’s rapid growth happened *despite* rather than *because* of the Chinese Communist Party (CCP). She also provides a comprehensive critique of the re-ideologisation of China under Xi Jinping and its effects on China’s economy and society, such as the suppression of Chinese private enterprises, the draconian zero Covid policies, and the related silencing of public dissent.

Oertel develops many sensible arguments for a more realistic German and European approach to CCP-led China. More specifically she makes the case for a transatlantic approach to China and a more coordinated European China policy. She also warns against underestimating China’s military ambitions, both regionally and globally. In light of China’s dual-use support for Russia, Oertel calls for a wider debate about red lines that must not be crossed. When it comes to global climate change, she explains why more competition rather than a naive believe in partnership could help accelerate climate-change mitigation. Oertel furthermore makes the case for greater conditionality in Germany’s dialogue and cooperation with China.

This book will provide a reality check for all those who still harbour any illusions about Xi’s ambition to turn China into the next superpower. It also marks a clear break from many popular academic books of the past, which have either hyped the Chinese market, whitewashed the Chinese political regime, or done both. In this sense Oertel’s book should be seen as an important and highly welcome contribution to Germany’s ongoing China debate.

Despite its many strengths, Oertel’s well-written book also exhibits some conceptual shortcomings which unfortunately limit its explanatory power. Oertel appears to follow what could be called a “perception paradigm” in western China studies, which holds that an expert’s objective is to develop knowledge and understanding of current Chinese affairs. In turn, western China policy can be informed by such China expertise. When Oertel analyses challenges in our relationship with China, she makes various compelling observations about the Chinese side.

Franceschini and Loubere have convincingly argued that China as a “country and its people are intimately enmeshed in the global capitalist system” and that we should do more to investigate what could be termed “global China”. When assessing the *impact* of “global China” we therefore need to analyse the various political, economic, and social *interfaces* between China and other countries. My own research suggests that a clear picture is not possible without a substantial appraisal of the German side. While I agree with Oertel that western perceptions of China matter, so do political and practical experiences in our various *interactions* with China. In order to gain the relevant subject-matter expertise, theory and practice need to be combined.

Oertel’s preface offers a promising start with regard to bridging the gap between academia and foreign policy-making. Here she states that, “In German foreign policy research, it has long been good practice to maintain a certain distance from politics, in fact from current affairs in general. Even in the field of policy-related research in the Berlin think tanks, it was customary, with a few exceptions, to refrain from assessing the performance of decision-makers and to concentrate on either the broad lines or the smallest details” (p. 11). Oertel then goes on to note that, “The division of labour in foreign policy meant that journalists were to ask the probing questions, while human rights activists, climate activists and other activists were to lend the necessary social weight. Academia, however, was supposed to radiate a certain neutrality and level-headedness” (ibid.). She explains that, “On the high horse or sheltered in the ivory tower, the view is also better, and so it was quite comfortable there for years” (ibid.). In light of a possible “crash in the China policy”, Oertel suggests that, “A little activism is probably the least that can be expected from the research landscape” (p. 12). By taking a more critical view of China under Xi’s leadership, Oertel appears to believe we can also improve our China policy. This is in line with her self-definition as a “China watcher” (p. 13).

Unfortunately, Oertel’s book only partially lives up to the promise of her engaging preface. If the “China illusion” is indeed the result of both CCP propaganda and a strawman in western elite discourse about China, would it not be prudent to investigate why and how German politicians, industrialists, and experts have been able to distort the public debate about China for decades? When Oertel states that, “Dealing with China is always a debate between us - about our moral aspirations, economic desires, and political realities” (p. 18), she appears to be aware of western complicity. Even so, throughout her book she dodges difficult questions regarding the *causes*, *culprits*, and *consequences* of the “China illusion”. How did the collective illusion come about on the German side? Who are the main actors responsible for it? In what specific ways did the China illusion cause material losses? Much remains unclear here.

Oertel offers a rather simplistic explanation for *causes* of the “China illusion”. She argues that Germany benefited disproportionately from its commercial relationship with China without losing many jobs, unlike the US. During her visits to China, Chancellor Merkel (2005-2021) repeatedly emphasised human rights. In sum, “everyone could feel like a winner” (p. 20). According to Oertel, “For decades it seemed to be true, this *win-win* that the Chinese leadership always talked about” (ibid.).

Her omission here is that Germany's mercantilist China policy has always been fiercely contested, for instance by opposition politicians, policy analysts, SME representatives, journalists, and civil society practitioners. There is thus a need for Oertel to explain why critics were not heard. What is the role of Germany's strategic culture in this? Do historical reasons justify Germany's passive stance and refusal to project geopolitical power? How enduring has the influence of Egon Bahr's "Change through rapprochement" (*Wandel durch Annäherung*) been on German attitudes toward autocracies like Russia and China?

Such underlying sources of German foreign-policy culture are not illuminated in Oertel's book. A case in point is Germany's foreign-policy paradigm "Change through trade" (*Wandel durch Handel*). For decades, this three-word slogan justified one-sided foreign trade promotion. The merits and demerits of *Wandel durch Handel*, however, are never directly addressed. Oertel only indirectly criticises its underlying assumptions – that China would eventually undergo democratic change – in the first chapter. She asserts that, "It was part of our own narrative about the spectacular success, about the fundamental superiority of our system, about the indisputable values of the Enlightenment, which only needed a little more fertile soil to outgrow even the Communist Party" (p. 48–49). I consider this to be a problematic argument, since many domestic critics—for example the journalists Jörg Lau and Kai Strittmatter—have early on raised doubts about the efficacy of western trade with China in bringing about democratisation.

Oertel's framing of this question is also problematic for another reason: by extending responsibility to *everyone, no one* in particular must bear the responsibility for this now disproved foreign-policy paradigm. As a result, leading German politicians are let off the hook. The book addresses Germany's long-serving Chancellor Angela Merkel three times and only in passing. Merkel's twice-serving Foreign Minister Frank-Walter Steinmeier (2005-2009; 2013-2017) is mentioned not even once. Since Steinmeier's failed *Neo-Ostpolitik* of "Rapprochement through interweaving" (*Annäherung durch Verflechtung*) was also one of the guiding principles for Germany's relationship with autocratic China, this is surprising.

Only rarely does Oertel deviate from her hands-off approach to senior German politicians. An exception is her rather mild critique of Chancellor Scholz for employing a strawman fallacy (p. 111). She takes issue with Scholz for warning against those who "speak of de-globalisation or preach about decoupling" (ibid.) without revealing whom he refers to. This is a rare instance of going head to head with a senior politician responsible for Germany's China policy. It is possible that Oertel's reluctance to directly criticise German decision-makers has a tactical component. The blow of her critique is cushioned so that those indirectly criticised have the opportunity to shift their positions without losing face. While such tactical moderation can be considered politically sensible, I would argue that it also affects the clarity and consistency of her overall argument.

When it comes to the question of *culprits*, Oertel thus continues to conform to what she described in her preface as an unwritten norm in German foreign-policy research: that policy analysts should "re-

frain from assessing the performance of decision-makers” (p. 11). When Oertel takes issue with common misconceptions of China, the questions of *authorship* and *accountability* do not play a key role. The way she frames Chapter 1 is a case in point. Here she argues that, “In Germany in particular, the narrative of the Communist Party has long been convincing” (p. 34). With reference to China’s rapid development, “The Communist Party ... seemed to be right for a long time, was celebrated as pragmatic and rational” (ibid.). In the following she makes clear that this view was particularly pronounced among “CEOs of large corporations” (ibid.).

Who these CEOs are and how they came to dominate German China policy is not explained. I find it perplexing that the role of the Asia-Pacific Committee of German Business (APA) is not mentioned in her book at all. Yet in fact, since its inception in 1993 and for many decades, APA has played an outsized role in setting the priorities of German China policy.

This does not mean that Oertel is unaware of the importance of the voice of German business. In Chapter 3 she discusses different perceptions of reality in the trilateral relationship between the US, China, and Germany. Here she juxtaposes the view from Washington with the perception from Beijing. To explain the German viewpoint she refers to Jörg Wuttke, the long-time President of the European Chamber of Commerce in China and Chief Representative of BASF China. Oertel writes that, “The German conviction continues to be that China needs Europe just as much as Europe needs China - especially in view of the confrontational relationship with the USA” (p. 117).

While this is an accurate description of an influential opinion-former in Germany’s domestic China debate, referring to Wuttke’s point of view as “the German conviction” is also an impossible generalisation. In my view, a better approach would have been to critically assess the quasi-symbiotic relationship between German politicians and industrialists and to describe how Germany’s corporatist political economy has shaped foreign-policy formulation towards autocracies such as Russia and China. This would mean addressing tough questions about who really holds power in German China policy.

The limits of Oertel’s “perception paradigm” became most obvious when it comes to the *consequences* of the “China illusion”. Oertel’s argument is that China poses a serious challenge to Germany and the European Union. Here, she should have analysed to what extent autocratic China is *already* having a negative material impact on German politics, economics, and society. This would require a longitudinal approach which examines the downsides of Germany’s growing entanglement with autocratic China since the early 2000s.

I was particularly struck by the way she discussed existing dependencies on solar panels made in China in the fifth chapter (p. 206). Here she does not mention that once, at the turn of the century, Germany was a world leader in the solar industry. Oertel also does not discuss the decline of the German solar industry since 2012, which was in large part due to the export of heavily state-subsidised Chinese solar panels. It could have made an excellent case study to explain why free global trade with China is an illusion. The decline of Germany’s solar industry can be considered an early warning sign, as a harbinger of things to come.

In the introduction Oertel also briefly mentions that both Deutsche Telekom and Deutsche Bahn continue to rely on Huawei technology (p. 27), without explaining in greater detail why this is still the case despite many years of controversial public debates about the Chinese IT provider. Surprisingly, Oertel does not discuss other more recent shock events such as the surprise takeover of Germany's Fourth Industrial Revolution poster child Kuka. Nor does she analyse how the country's entanglement with autocratic China has limited Germany's strategic capacity to act in diverse policy subfields ranging from development co-operation to science collaboration.

When reading Oertel's book I was reminded of an observation by Frank Furedi, who recently argued that, "The polarised response to how a crisis is presented in the 21st century is very different from previous times, where, as in the 1970s, the question at stake was whom to blame for the crisis. There was a clear consensus about the reality of a major economic crisis; the issue was who was responsible for all the damage it inflicted on people's lives" (Furedi 2023). I contend that those who do not ask probing questions about accountability are also unlikely to investigate the related question of policy failure.

And even if we were to stick to the "perception paradigm", it is not enough to treat "common misconceptions" separately from the question of authorship. China-related opinion-editorials full of strawmen continue to be published in German media on an almost daily basis. Why does the China lobby remain so influential in Germany? Why are op-eds of status quo defenders rarely fact-checked? What does this say about German media as the fourth estate?

While I am sympathetic to Oertel's critique of the Chinese Communist Party and consider many of her recommendations for a more assertive western China policy to be valid, I also think that her analysis is incomplete. It is not enough only to criticise autocratic China. Germany's entanglement with autocratic China must be unsparingly examined, too. But as Oertel explains so well in the preface of her book, this would necessitate a more adversarial relationship between academia and the foreign-policy-making community. For this to happen we will need to stop treating International Relations as a mostly theoretical exercise. As early as 2016, Maximilian Terhalle meticulously described the "theory-practice disconnect" in the field of German International Relations. We would also need a much wider debate about corporate influence on the realms of both German politics and academia.

Without a thorough reappraisal of both the conceptual-paradigmatic and political-practical failures of Germany's unconditional China engagement in recent decades, we run the risk of delaying the paradigm shift. In this sense Oertel's book falls below *Hidden Hand* by Clive Hamilton and Mareike Ohlberg. It reminded me more of Norbert Röttgen's *Nie Wieder Hilflos! Ein Manifest in Zeiten des Krieges*, which offers critical reflections following Russia's full invasion of Ukraine in February 2023. But as Oertel has announced her intention to run for a seat in the European Parliament for the Green Party, perhaps her book can be seen also as a kind of political manifesto?

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