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# Germany's Indo-Pacific Strategy: Can Berlin Contribute?

By Frederick Kliem

### **SYNOPSIS**

The release of an Indo-Pacific strategy paper signals a gradual shift in German foreign policy towards more international responsibility, and it comes at a curious time – but caveats must be added.

#### **COMMENTARY**

GERMANY RECENTLY joined a very exclusive club of only a handful of states with an official <u>Indo-Pacific strategy</u> (IPS), albeit euphemistically called <u>Leitlinien</u> (guidelines) in German. The paper symbolised a sea change in traditional German foreign policy amidst a growing realisation that Berlin can no longer rely on the United States alone to provide global public goods.

While many in the governing party, CDU, had long called for more global responsibility, including military deployments, the junior coalition partner has now come around, too. The document is a potential herald of a more robust line towards China's global heft, albeit with some caveats.

## **Germany's Holistic Approach**

Germany is the least capable and relevant power to have produced an Indo-Pacific strategy. Yet, Berlin's 68-page document is the most comprehensive and detailed of all governments that have pronounced on the concept. This is emblematic of Germany's holistic approach to international relations, a complex policy mix of developmental assistance, diplomacy and multilateralism, and military deployments, in that order.

Additionally, Berlin is mindful of European sensitivities regarding German power and

always careful to embed its foreign and security policy within the European Union framework.

Nonetheless, the German Indo-Pacific strategy unambiguously promises greater responsibility and engagement in Asia, including intensified military cooperation and deployments, increased defence diplomacy and participation in regional multilateralism, specifically ASEAN-led forums.

And it is an astonishing, albeit somewhat camouflaged condemnation of increasing Chinese assertiveness through frequent (46 times!) references to the so-called rules-based order and openly questioning Beijing's commitment to the status quo.

At the same time, the paper also indirectly criticises the forceful US approach, recognising that increasing strategic great power competition is not in Germany's interest. Instead of unambiguously backing the transatlantic ally, Berlin identifies a need for greater diversification of partnerships in the region.

# **Germany's New Normative Resolve**

As a manufacturing and trading nation, Germany's interests are obvious. China is the largest trading partner in goods, Asia the largest non-EU export region, and Germany's economy depends on reliable supply chains and open sea lanes.

This encouraged state-backed Chinese commentators to <u>argue</u> that the German Indo-Pacific strategy had business rather than strategic security in mind, and Berlin may only pay lip-service to US-led efforts to check Chinese ambitions.

This observation is only partly correct. Unlike France, the traditional German approach to China and Russia was always one of reaping optimal economic benefits while remaining quiet on sensitive issues. This brought economic rewards but invited criticism.

But things are different now. Chinese commentators may underestimate the remarkable transformation of German foreign policy currently under way as well as Germany's new normative resolve.

## **Looking Beyond Europe**

Germany is now prepared to acknowledge that it has strategic national interests beyond Europe, and Berlin seems prepared to pursue those more robustly than ever before. Indeed, it was only COVID-19 that prevented the deployment of a German frigate to the Indo-Pacific this year.

Also Foreign Minister Heiko Maas overtly rebuffed his Chinese counterpart's advances on a recent Berlin visit, affirming that Germany is unwilling to accept current Chinese assertiveness.

It is also clear that certain elements of Chinese and also Russian statecraft are of serious concern in Berlin for normative, not business reasons. For example, Germany is currently engaging in a diplomatic spat with Russia, openly accusing them of

poisoning the opposition politician Alexei Navalny, who has since been transported to Germany for treatment.

A test case for this normative resolve will be the pending German decision to cancel the Russian-German gas pipeline *Nord Stream-2* over the Navalny incident. China should pay attention to the outcome of this.

## From Rhetoric to Action?

While all this points to a generally more assertive and self-confident Germany in the future, caveats must be added.

A meaningful strategy must include three essential components: ends, means, and resources. While ends and means are fairly well described in the German Indo-Pacific strategy, resources are lacking – material and ideological.

First, the gap between <u>Berlin's security rhetoric and action</u> is huge. The ailments of the German military are <u>well documented</u>. Serious underfinancing and poor political management have left the *Bundeswehr* with a serious capability gap, and, as the same Chinese commentator correctly explains, overconfidence in normative soft power has crippled power projection capability.

Furthermore, there is a deep gap between a generally anti-militaristic, sceptical German public and the aspirations of more forward-leaning foreign policy elites. Thus far, Berlin has failed to explain to the taxpayer why the country has security interests in far-flung regions.

Lastly, Berlin's Indo-Pacific strategy relies partly on multilateralism, greater tradeinterdependence and participation in ASEAN-led forums. While more free trade agreements (FTAs) are possible, increased German and/or EU representation at ASEAN-led forums is unlikely at this point.

## **Can Germany Contribute?**

Hence, how much Germany will be able to contribute *de facto* on the ground remains an open question. Either way, Berlin's contribution alone can only be a drop in the ocean, at best. This is why greater European cooperation is important. But an EU solution requires genuine consensus on China, and EU processes for military cooperation are complex and limited.

While the German Indo-Pacific strategy may well lead the way for an eventual joint EU Indo-Pacific strategy, for the time being, intramural minilateralism may be the best way forward. French and British Indo-Pacific interests largely align with Germany's and in confluence the "Big E-3" have the capacity to be more forceful in the region.

Granted, there is Brexit and a difficult Macron-Merkel relationship. But the post-1945 Franco-German relationship has demonstrated an enduring partnership, as was the case with the recent EU COVID-19 stimulus package. Current British Indo-Pacific engagement shows that despite substantial assets, foreign and security policy is less effective in absence of a well-defined strategy.

The clear and detailed German Indo-Pacific is a great start, albeit a toothless one for now. But it streamlines a whole-of-government effort to contribute to Indo-Pacific stability, and it can be a blueprint for a cooperative European approach – minilateral at first and EU-wide later.

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