

Mixed signals: Can Germany escape growing Chinese influence?

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Ben Johnson -The war in Ukraine and the resulting energy crisis in Europe have illustrated the future dangers of Germany's increasing dependence on Chinese markets. Earlier this week, the German government prevented the sale of a [semiconductor](#) company to a Chinese-owned firm, signaling a firmer stance on Chinese relations. Conversely, German Chancellor Olaf Scholz allowed Cosco, a major Chinese shipping company, to buy a 25% stake in Germany's largest and most important port, against the advice of many of his ministers and both intelligence chiefs.

The way that a geopolitical entity like Germany orients itself toward the rest of the world can be understood as its [geopolitical code](#). These codes are subject to change and are shaped by several factors, including perceptions of current allies and enemies. In this case, Germany appears uncertain about its relationship with Beijing. Many German citizens and companies depend wholly or partly on Chinese businesses, China being Germany's largest trading partner. The danger of relying too much on one country, illustrated through Europe's energy crisis—resulting from overdependence on Russian gas—has caused German policymakers to grow wary of their relationship with China. Germany's decision to block the sale of a semiconductor company appeared to signal a change in its geopolitical code, an attempt at defending against any future threat. However, Chancellor Scholz's decision to allow Cosco's purchase reveals an internally conflicted government. When changing one's geopolitical code, justification must be provided domestically and internationally. Scholz's mixed signals have made it difficult for both the German government and Germany's allies to interpret Germany's geopolitical code.

At a time when Europe is in some ways framing a united geopolitical front, economic pressure, growing extremism, and dissonance within governments cast doubt on whether that will be possible.

China's attempts to control factories and ports are a way to develop its geopolitical code by building networks. [Networks](#) refer to a collection of nodes that each perform different functions but contribute to the greater whole, increasing its number of nodes and the system's overall strength. As China expands its economic reach, moves like this may weaken German industry and cause greater reliance on China. If Germany will learn from the current energy crisis and reduce its dependence on China is uncertain.