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Shaping Tomorrow's International Order: Germany's Policy Guidelines for the Indo-Pacific

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German Chancellor Angela Merkel taking seat to lead the weekly cabinet meeting at the Chancellery in Berlin, Germany. In early September 2020, Germany joined the Association of Southeast Asian Nations (ASEAN), Australia, France, India, Japan and the United States, in publicly laying out an Indo-Pacific vision. Photo: Michael Sohn, AFP.

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EXECUTIVE SUMMARY

- The Indo-Pacific that Germany envisions is neither unipolar nor bipolar. Instead, multilateralism is the key principle in and thread throughout its Indo-Pacific policy guidelines and each policy area, from climate cooperation to security.
- The guidelines underline the importance of reliable strategic partnerships and dialogue. They do not signal that Germany will undertake significant military deployments to the region or ‘get tough on China’.
- While implicitly repudiating much of China’s behaviour regarding the international rules-based order, the guidelines do not directly criticise, or shut the door on China.
- Germany’s guidelines are good news for Southeast Asia and ASEAN. They foreshadow increasing cooperation and support by both Germany and the EU for ASEAN’s multilateral (security) architecture.

INTRODUCTION

In early September 2020, the German government published its “Policy Guidelines for the Indo-Pacific”.¹ With it, Germany joined the Association of Southeast Asian Nations (ASEAN), Australia, France, India, Japan and the United States, in publicly laying out an Indo-Pacific vision. Even more recently, the Netherlands came out with its own version while an Indo-Pacific commission has made suggestions as a precursor to a strategy in the UK. At this stage, it is only a matter of time before the EU too will publish a policy paper on the Indo-Pacific.

In Germany’s case, the effort marks a shift in its policy towards the Indo-Pacific, reflecting a new focus on a hence underappreciated region and a recognition that “[i]t is already foreseeable today that, more than anywhere else, the shape of tomorrow’s international order will be decided in the Indo-Pacific”. It also reflects a reaction to external pressures and an implicit reassessment of Germany’s relations with China, its third largest trading partner. At the same time, once the decision to go ahead with the guidelines was made, Germans could hardly have proceeded with more caution – or diplomatic finesse: Those looking principally for a robust, military-focussed contribution to an American-led Free and Open Indo-Pacific vision will be disappointed, while those, who take a nuanced look, factoring in Germany’s domestic and international situation have much to be hopeful about.

AN EVOLVING APPROACH TO A LONG-NEGLECTED REGION

As opposed to other regions in the world, Germany has long fared without a coherent regional approach to Asia. Instead, much of its approach to the region was dominated by its relationship with the People’s Republic of China (PRC). Germany has been reluctant to push back against Chinese assertiveness and has often been seen to prioritise trade relations with the PRC over normative or security concerns. Cognisant of changing priorities and power shifts in the international system however, the German government started to adjust this stance several years ago.

In May 2017, a new Directorate-General for Asia and the Pacific was created in the German Foreign Ministry.² Its sub-directorates address large parts of Asia, with a dedicated China department and others focussing on organisations and countries of East, South and Southeast Asia, including ASEAN. The move intended to improve the coherence of Germany’s Asia approach, and already put the Indian and the Pacific Ocean regions under one more narrowly defined roof. In addition, the restructuring came on the heels of a 2015 Indian Ocean Conference in which then-Federal Foreign Minister Frank-Walter Steinmeier invited representatives from the region to discuss its growing importance. At the conference opening, Steinmeier left no doubt that it was “high time that Germany and Europe paid more attention to the era of the Indian Ocean”.³ Three years later, then as President of the Federal Republic of Germany, he stated while visiting the region that considering trade flows, Germany has a growing interest in a safe and open Indian Ocean.⁴

The publication of the guidelines in 2020 is a concretisation of these efforts and provide a first comprehensive, whole-of-government approach. The guidelines signal German intent to take the region seriously and are entirely novel in terms of the focus and attention paid to the region. In addition to the region’s economic and political importance, the guidelines are also an expression of the sense Germany now has that it can no longer rely exclusively on the United States to provide public goods and to defend the rules-based international order on which

Germany so heavily depends upon. It further reflects Germany's appreciation of the need to re-balance its China approach. In that regard, it is in line with the 2019 EU Commission's publication "EU-China – A strategic outlook", in which China was labelled a "strategic partner", a "competitor", as well as a "systemic rival", and contended that "there is a growing appreciation in Europe that the balance of challenges and opportunities presented by China has shifted."⁵

At the same time, Germany's guidelines, as the government is keen on stressing, do not target any one particular nation, but are for anyone who supports a rules-based, multilateral order. Reaching out to partners, new and old, implies a recognition that Germany needs diversification away from one single country. China accounts by far for the largest share of Germany's trading relations with Asia, including crucial parts of Germany's supply chains. The Covid-19 pandemic has highlighted this unhealthy situation and made clear that diversified supply chains are much more reliable in a crisis.⁶

While the prevalence of multilateralism in German foreign policy is by no means new – it is in fact a foundational principle – the guidelines signal a shift and a realisation that Germany has to shoulder more responsibility internationally, and that its security interests lie beyond Europe. Its vital interests of peace and security, a rules-based order, open sea lines of communication (SLOCs), free trade, and multi- instead of uni- or bipolarity require active involvement on its part to be properly upheld. Despite the fact that the military aspect of this involvement is small, its inclusion in the document, and even more so the domestic reactions to it, is remarkable. Equally as deep-seated as multilateralism is in German foreign policy is a strong reluctance to use military means to achieve foreign policy goals.

For historic reasons, Germany sees itself as a civilian power and maintains both a strict legal framework on the use of force and a significant general public scepticism towards the use of its armed forces. Even though there are precedents for German participation in multilaterally organised operations to defend open and free SLOCs (for example the EU's anti-piracy ATALANTA mission), the domestic response is often reserved. Both former Federal Minister of Defence Peter Struck and former Federal President Horst Köhler had to face a backlash when they suggested, respectively, that German forces be used to defend Germany's interests in far flung regions such as Afghanistan, or that Germany must consider using its military to defend open SLOCs.⁷ Arguably, a maritime mission with a more abstract possibility of kinetic exchange is still easier to sell than boots on the ground in a warzone, but even Köhler's remarks elicited heated reactions only ten years ago. Incidentally, showcasing this deep scepticism today, a recent discussion over merely having soldiers help out in understaffed and strained public health offices within Germany during the pandemic sparked controversy, and in extreme cases opposition and fears of "militarisation".⁸

The mild public reactions to the military parts of the guidelines thus far suggest that a cautious and limited inclusion of armed forces in multilateral foreign policy efforts and increasing German responsibility are slowly becoming more widely accepted. To be sure though, military aspects will remain limited. Regardless, accepting international responsibility and strategic interests beyond Europe, and a sober assessment that Germany has to safeguard its interests are a welcome change. Current Minister of Defence, Annegret Kramp-Karrenbauer, has been vocal in sharing this message at home and abroad for over a year now and the guidelines are a logical extension of that.⁹ More recently, in November 2020, she engaged in virtual diplomacy

in the region, speaking for example in a joint event with Singapore's defence minister where she elaborated on the guidelines and on increasing German involvement in the region.¹⁰

DIVERSIFICATION, COOPERATION AND PARTNERSHIPS

The German paper on the Indo-Pacific is by far the longest and most comprehensive of all the Indo-Pacific policy papers thus far. This reflects the whole-of-government approach as well the diversity of the paper and the many policy issues within. First of all, however, it is noticeable that it is called guidelines (*Leitlinien*) and not, as some commentators continue to call it, *strategy*. A strategy, the argument goes, on the one hand elicits too much of a militaristic connotation and on the other, does not reflect the modesty of the approach in the eyes of German officials. As officials are happy to concede, it is a first for Germany to publish such comprehensive policy guidelines for the region, and secondly, were Germany to put forward a robust military position, it would not have the necessary hardware available to back it up. Hence, the guidelines are modest in tone, have few military components, do not target countries directly, but are an invitation for diverse regional partnerships with anyone who favours a multilateral rules-based order.

Without spelling it out, the guidelines mark a repudiation of aggressive behaviours displayed by China in particular, and with that, continues the notion of China as a "systemic rival". At no point however, do the guidelines close the door on Chinese cooperation and partnerships, thus achieving a skilful diplomatic nuance that in recent times has been sorely missed in great power politics. More likely than not, cooperation with China will only become more important, not only in obvious global challenges such as climate change but also in post-pandemic economic recovery and potentially in operationalising a global push for comprehensive vaccination.

Under the overarching banner of multilateralism and cooperation, the main policy areas of the document include climate change; peace, security and stability; human rights and the rule of law; rules-based free trade; digital transformation; as well as culture, education and science. The broad mix can be read as a standing invitation to all actors in the region of starting, deepening or diversifying partnerships with Germany. In more sensitive areas, such as security and defence diplomacy, it is worth pointing out that the guidelines are in some aspects somewhat 'after the fact' and do not provide new, ground-breaking proposals.

The guidelines speak for instance of forms of German maritime presence in the region, when in fact the decision to send a frigate to the region had already been made prior to the guidelines and was only put on hold due to the Covid-19 pandemic.¹¹ German officers have also already been onboard French ships present in the region. It also mentions the government's intention to further the network of liaison officers and military attachés, referring for instance to Singapore's Information Fusion Centre (IFC) to which a German officer had already been seconded before the guidelines' publication. Nevertheless, there is of course much room for increasing efforts, including more participation in training exercises or conceivably even in French or British operations in the area, not only with personnel but hardware, too. There is a clear appetite for increased defence diplomacy and for safeguarding the rules-based order in general and, as is pointed out, the UN Convention on the Law of the Sea in particular.

In each of the policy areas, Germany mentions both concrete actions as well as a variety of initiatives that it will support or continue to support. On climate change and environmental

protection, where the guidelines look to further partnerships with many countries of the Indo-Pacific and make a point of singling out China as a “key player”¹², Germany for instance pledges 2.25 billion Euros to the Green Climate Fund.¹³ To strengthen human rights and the rule of law, Berlin will set up a Regional German Information Centre in Singapore in support of fact-based information and resilience against disinformation. In order to strengthen rules-based, fair and sustainable free trade, it plans on building a network of free and comprehensive trade agreements, continuing in the spirit of the trade agreement between the EU and Singapore and the EU and Vietnam. Germany also reiterates its commitment to support the EU in its attempt to conclude a comprehensive investment agreement with China. In the entire Indo-Pacific region, the Federal Government wants to support German companies and business, including support for more cooperation in vocational training and facilitation of students’, specialists’ and skilled workers’ abilities to come to Germany for education, training or work. Germany also pledges to continue its support for academic exchange and to expand funding measures for joint research projects with regional partners with shared values.

SUPPORTING ASEAN-LED MULTILATERALISM

Throughout the guidelines, Germany takes a non-binary view of great power competition and sees neither uni- nor bipolarity as a desirable outcome for the region. Its approach is decidedly multilateral, reflecting its own preferences and support for the existing multilateral architecture led by ASEAN. The German paper resonates well with ASEAN’s own outlook on the Indo-Pacific and all of Southeast Asia can reasonably expect opportunities for mutually beneficial cooperation. In addition to economic benefits, Germany provides a boost to ASEAN and its core principles such as ASEAN centrality and its intra- and extra-regional dialogue structures. In fact, in November 2019, Germany acceded to the 1976 Treaty of Amity and Cooperation in Southeast Asia and with that reaffirmed its belief in ASEAN’s core principles of regional cooperation, multilateralism, and the desire to settle conflicts peacefully and on the basis of common rules. The guidelines follow this logic. In terms of great power competition, ASEAN’s preference of ‘not choosing sides’ is reflected by the rather nuanced approach Germany has chosen with regards to committing to the rules-based order and in a way joining the ‘Indo-Pacific narrative’, but clearly keeping a door open for China. This too, is supportive of ASEAN’s approach. Less subtle, but clearly spelt out is that “[n]o country should [...] be forced to choose between two sides or fall into the state of unilateral dependency”, echoing ASEAN’s and all Southeast Asian countries’ preference.

Furthermore, Germany is already the largest bilateral donor to ASEAN within the EU and as a leading EU country, Germany’s support foreshadows greater EU support, too. Indeed, one of the stated goals of German support for an upgrade of EU-ASEAN relationship to a strategic partnership has already been achieved.¹⁴ For ASEAN, the guidelines clearly indicate continued and growing support from Germany and the EU, also going beyond financial support. Germany, the EU and ASEAN are in a sense joined in their efforts to put the interest of all before the interest of one.

- ¹ The Federal Foreign Office, Policy guidelines for the Indo-Pacific, <https://www.auswaertiges-amt.de/blob/2380514/f9784f7e3b3fa1bd7c5446d274a4169e/200901-indo-pazifik-leitlinien--1--data.pdf> (accessed 5 December 2020).
- ² The Federal Foreign Office, Directorates-General, <https://www.auswaertiges-amt.de/en/aamt/auswdienst/abteilungen> (accessed 5 December 2020).
- ³ The Federal Foreign Office, Speech by Foreign Minister Frank-Walter Steinmeier at the opening of the Indian Ocean Conference at the Federal Foreign Office, 9 June 2015, <https://www.auswaertiges-amt.de/en/newsroom/news/150609-indianoceankonferenz/272306>.
- ⁴ Bagchi, I. (2018): Must bring India-EU trade pact rapidly to conclusion, *The Times of India*, 22 March 2018, <https://timesofindia.indiatimes.com/business/india-business/must-bring-india-eu-trade-pact-rapidly-to-conclusion/articleshow/63406025.cms> (accessed 5 December 2020).
- ⁵ The European Commission, Joint Communication To The European Parliament, The European Council And The Council, EU-China – A Strategic Outlook, 12 March 2019, <https://ec.europa.eu/commission/sites/beta-political/files/communication-eu-china-a-strategic-outlook.pdf> (accessed 5 December 2020).
- ⁶ See also: Kliem, F. (2020): Why German industry is looking past China to the rest of Asia, *Nikkei Asian Review*, 1 December 2020, <https://asia.nikkei.com/Opinion/Why-German-industry-is-looking-past-China-to-the-rest-of-Asia?> (accessed 5 December 2020).
- ⁷ Fischer, S; Medick, V.; Weiland, S. (2010): Umstrittene Bundeswehr-Äußerungen. Köhler geht in Deckung, *Der Spiegel*, 27 May 2010, <https://www.spiegel.de/politik/deutschland/umstrittene-bundeswehr-aeusserungen-koehler-geht-in-deckung-a-697144.html> (accessed 5 December 2020). Köhler, as part of his quote cited in the article, said: [...]we are on our way to understand that a country of our size [...] and export-dependence [...] has to know that [...] in certain emergencies military operations are necessary to safeguard our interests, such as open trade routes or avoiding regional instabilities [...]. (Source in German, quote is author's translation). For Minister of Federal Defence Peter Struck's comments see: Eckert, D. (2002): Die Sicherheit Deutschlands wird auch am Hindukusch verteidigt, *Heise Online*, 13 December 2002, <https://www.heise.de/tp/features/Die-Sicherheit-Deutschlands-wird-auch-am-Hindukusch-verteidigt-3427679.html> (accessed 5 December 2020).
- ⁸ Mayntz, G. (2020): Abgelehnte Corona-Hilfe macht Ministerin fassungslos, *Rheinische Post*, 1 October 2020, https://rp-online.de/politik/deutschland/kramp-karrenbauer-fassungslos-ueber-abgelehnte-hilfe-bei-corona-bekaempfung_aid-53692829 (accessed 5 December 2020).
- ⁹ See for example: The Federal Ministry of Defence, Speech by Federal Minister of Defence at the Bundeswehr University Munich, 7 November 2019, <https://www.bmvg.de/de/aktuelles/speech-federal-minister-of-defence-security-policy-147072> (accessed 5 December 2020).
- ¹⁰ Konrad Adenauer Stiftung, KAS Ministerial Forum: The Indo-Pacific: Geostrategic Challenges and Opportunities for Germany and Singapore, 13 November 2020, <https://www.kas.de/en/web/politikdialog-asien/veranstaltungen/detail/-/content/kas-rsis-ministerial-forum> (accessed 5 December 2020).
- ¹¹ Gain, N.: Germany Anticipates Growing Role in Indo-Pacific Region, *Naval News*, 4 September 2020, <https://www.navalnews.com/naval-news/2020/09/germany-anticipates-growing-role-in-indo-pacific-region/> (accessed 5 December 2020).
- ¹² The Federal Foreign Office, Policy guidelines for the Indo-Pacific, p.30, <https://www.auswaertiges-amt.de/blob/2380514/f9784f7e3b3fa1bd7c5446d274a4169e/200901-indo-pazifik-leitlinien--1--data.pdf>.
- ¹³ The Green Climate Fund, set up by the United Nations in 2010 supporting the goal of keeping average global temperature rise well below 2 degrees C. <https://www.greenclimate.fund>.
- ¹⁴ European Union External Action Service, EU-ASEAN Strategic Partnership, 1 December 2020, https://eeas.europa.eu/headquarters/headquarters-homepage/89626/eu-asean-strategic-partnership_en (accessed 5 December 2020).

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