

## Researching the Dragon - The EU Needs to Build up its Independent China Expertise

[Roland Freudenstein](#)

The People's Republic of China, under the leadership of the Chinese Communist Party (CCP), is an unprecedented challenge to the European Union and to liberal democracy. The COVID-19 pandemic has dramatically underscored this fact. China is now in an open rivalry with the West, not only about which political and economic system has better responded to the pandemic, but also about which system will dominate the 21<sup>st</sup> century.

- In the EU, our knowledge about China is painfully insufficient. Expertise on China within the Union has further diminished with Brexit.
- The little China expertise we have is increasingly dependent on Chinese funding, and its guiding narratives are therefore shaped by the Chinese Communist Party (CCP) and its front organisations.
- The EU should therefore create a budget line to finance China-related research and language training in the EU, within the 2021-2027 MFF budget for "External Instruments".

### Background

The CCP now has more than [90 million members](#) and its preeminent rulership is based on the country's constitution. The party seems to be stronger than ever before, which can be explained by the confidence boost related to the apparently successful management of the COVID-19 crisis, but at the cost of authoritarian control measures to fight the

pandemic.

Xi Jinping is using these circumstances to strengthen his grip on political power within the CCP, but also at global level. While an increasing number of European countries are struggling with economic recession due to the necessary lockdowns resulting from the high number of infections in European member states, China managed to keep economic growth at a moderate level, [while the percentage of exports increased by 21%](#) due to increased productivity in China. In addition, the global demand for Chinese goods in times of crisis increased Beijing's economic influence on external markets.

While the focus of the CCP remained the establishment of new economic relationships with the European Union under the new [EU-China Comprehensive Agreement on Investment \(CAI\)](#), diplomatic cooperation efforts have shifted dramatically. The international criticism of China's authoritarian behaviour regarding [the new security law in Hong Kong](#), as well as the critical positions which the United States and the EU have taken on human rights violations and the [persecution of the Uighur Muslim minority](#) in the province of Xinjiang, but also military expansion in the South China Sea and threats against Taiwan, have been declared sensitive topics by the Chinese government. This is also shown by the completely disproportionate reactions to the sanctions of EU foreign ministers regarding the situation in Xinjiang. China defined these acts as interference in their national sovereignty and violations of international law. In addition, Beijing said it

will also [sanction EU entities](#), including Germany's Mercator Institute for China Studies (MERICS) and a Danish democracy support NGO.

China and the West are now in a full-blown systemic rivalry. This does not exclude cooperation on issues such as climate policy, or economic interaction. But the framework in which these take place is one of confrontation. On this backdrop, the CCP has chosen to do its utmost in order to drive a wedge between the EU and the US, using economic incentives, elite capture, pressure of all sorts and also a control of narratives about China and relations with China. It is this attempt to control narratives which is the main focus of this In Brief.

### **China expertise in the EU**

In recent times, China has gained – and is still expanding – massive influence on the way it is perceived in Europe, and on the way EU-China relations are discussed. As an example, an average of only [0.1 % of EU member states citizens](#) have any – even rudimentary – knowledge of Mandarin as a foreign language. Brexit poses an additional problem: Many of Europe's best China experts and research institutes focusing on China are based in the United Kingdom, and at least 0.52 % of UK citizens have – at some point and to some extent - learned Mandarin as a foreign language. It is estimated that with Brexit, the EU's research capacity on China will be reduced by 50 %. According to [a research paper by Chatham House](#), the UK has one of the strongest academic connections to China among European countries.

The European Union clearly lacks valuable expertise on China. Measured by the size of the challenge that China's rise poses to the EU, the number of Chinese speakers, sinology chairs at European universities, and experts and think tanks focusing partly or entirely on China, is inadequate and needs to be increased, and the positions within these institutes should be filled with non-partisan experts. Except for a few think tanks, there is scant research that focuses on the Chinese strategic position vis-à-vis the EU. The fact that in China itself, huge amounts of funds are being invested in increasing the intelligence and knowledge base about the EU, is a huge risk which needs to be addressed with effective counter-measures. Knowledge about Chi-

na is especially rare in countries being most directly confronted with Chinese influence operations among the Eastern/Southeastern member states of the EU, the Western Balkans and the EU's Eastern neighbourhood: the 17+1 countries (among which Lithuania is threatening to leave the format, [expanding the economic relationship to Taiwan](#)).

### **The CCP's influence strategy**

China, under the leadership of the CCP, is using its financial, economic, and political weight in order to increase its influence (sharp power) across the world. This aims to limit [freedom of expression, spread confusion, and distort the political environment](#). The CCP thinks that the promotion and export of political thoughts and ideology are a crucial tool in the competition between democratic and authoritarian state structures. A China-friendly Europe is a useful strategic opportunity for the CCP to present itself as the pioneer of multilateralism and push the rejuvenation of the Chinese Dream, while simultaneously isolating the United States. Thus, academic institutions abroad have an essential and indispensable role in the creation of systemic trust and the eradication of critical voices within the respective target countries. To undermine and diminish these hostile narratives about the Chinese state, [the CCP has been massively increasing its capacities at European universities](#). One reason explaining this might be the academic past of the ideological mastermind in the political bureau, [Wang Huning, a former university professor at Fudan University who is responsible for the strategy of enforcing the party's ideology abroad](#). He knows of the importance of independent research for Europeans, and acts as close advisor to President Xi.

In this effort, the party focuses mainly on political elites (elite capture), media, and civil society, especially [think tanks](#), universities, and schools. This is important for the Chinese government as it has a neutralising effect on critics and increases the chance of building up alliances and integrating new allies in their foreign policy. As the Finnish Institute of International Affairs (FIIA) argues in their [working paper](#): “the four cornerstones of Western democracy – state restraint, pluralism, free media and economic openness – provide openings for hostile external actors to interfere in democratic society through a host of covert, non-military means calibrated to un-

dermine their internal cohesion and accelerate political polarisation.”

In the European case, this is done via Chinese funding for research cooperation and exchange mechanisms, funding of China studies with a particular emphasis on Brussels-based institutions, promotion of China lobbyists (including sinology chairs at many European universities), and also through the mobilisation of Chinese student organisations to exert pressure on European universities, shown by the excellent study by [MERICS](#). One of many recent examples for such dependencies is the cooperation [agreement](#) between Berlin’s prestigious Freie Universität and the Confucius Institute, where a Chinese-financed professorship is subject to Chinese law (which punishes ‘troublemaking’, etc.). Another warning sign is the China Executive Leadership Program (CELP) at the University of Cambridge. [The CELP programme is co-organised by the Cambridge China Development Trust; participants were selected by the Organisation Department of the CCP.](#)

Another example is the Czech-Chinese research centre at [Charles University in Prague](#). Annual conferences on China were funded by the Chinese embassy, and the speakers indicated a China-friendly narrative. In addition, lecturers were given payments for teaching courses on the Belt and Road Initiative (BRI). Although it is not yet perceived as a problematic influence by their national governments, universities in Central and Eastern Europe are endangered by financial constraints and therefore dependent on future funding perspectives. Ivana Karásková, lead coordinator of the projects ChinfluENCE and CHOICE at Charles University, [points to the importance of funding independent research on China as it would ensure the presence of a strong, independent, Europe-wide academic voice.](#)

The Chinese institutions (often de facto front organisations) that are instrumental in this broad-based effort range from the Ministry of Education to the Chinese Academy of Social Sciences (CASS), to other state think tanks (such as the China Institute of Contemporary International Relations (CICIR), the China Center for Contemporary World Studies (CCCWS), etc.), the Confucius Institutes, the United Front Work Department of the CCP, and others. All

of these organisations are closely linked to, or clearly under the political control of, the CCP. Chinese embassies and consulates under guidance from the party often directly try to influence the activities of Western universities, as in the case of the announcement of [dropping the cultural week of the University in Salamanca in 2018 in retaliation for a speech by the Taiwanese ambassador](#).

This is all problematic and should not be tolerated, given the influence these institutes have on the academic integrity and universal freedom of speech and thought within European universities and research facilities. Marijke van der Wende, University of Utrecht, urges that [even prior to COVID-19, member states were asking the EU to negotiate a better level playing field for scientific cooperation with China](#). The EU should take the lead in responding to this by creating an alternative funding source for China-related knowledge production, as well as cultural and language studies.

### **The European China Knowledge Endowment (ECKE)<sup>1</sup>**

In order to ensure independent research and freedom of speech at European research facilities, we propose an EU budget line to finance China-related research and language training in the EU, within the 2021-2027 MFF budget for External Instruments, as a pilot project with an initial volume of 5 million euros annually. Pilot projects and preparatory actions (PP/PAs) are provided for in the EU Financial Regulation, where [Article 58\(2\)](#), according to an [explanatory note](#), “points a) and b) states that ‘pilot projects of an experimental nature’ are meant to test the feasibility of an action and its usefulness. In line with the Interinstitutional Agreement on budgetary discipline, on cooperation in budgetary matters, Members of the European Parliament and the Council can submit proposals for pilot projects to the Commission for a pre-assessment before trilogue negotiations between Council, Commission and Parliament.” A possible timeline would be as follows:

- May-June 2021: formulation of an EP resolution
- June/July 2020: adoption of EP resolution

<sup>1</sup> This idea is mentioned in the EPP Group’s March 2021 [strategy paper](#) on China.

- September-December 2020: Council pronounces directive to EEAS (Slovene Presidency)
- January 2022 – Implementation

Increased support for independent and critical expertise on China would make think tanks and universities less dependent on Chinese companies and institutions that currently sponsor their activities. Establishing an EU-funded programme for research on China –available for European universities– and the creation of a European China Knowledge Endowment is therefore highly recommended to ensure that free speech at European universities is not subverted by coercion from Chinese authorities, be it against European or Chinese students and academics.

EU-based think tanks, academic institutions (including sinology) and schools should be able to apply to the Commission for project funding, under the following conditions:

- Projects must be related to language training, contemporary China, or China-EU relations.
- There should be no double financing by any Chinese institutions.
- Cooperation by institutions within the EU, but also with third countries such as UK after Brexit, US, Canada, Australia, etc. should be encouraged.
- Special preference should be given to institutions and projects which track China's influence activities in Europe.
- Special preference should be given to institutions already under Chinese pressure.
- Special preference should also be given to "topics at risk," i.e., research topics which Chinese institutions actively try to undermine.

Defensive measures should also play a role, such as the European Commission's reflection on [excluding Chinese participation in Horizon Europe](#) (article 22.5) and other sensitive research projects under its power to exclude third countries that do not share EU values.

The CCP will most certainly interpret ECKE and defensive collateral measures as a hostile act. However, no one is proposing to exert pressure

against Chinese funding of knowledge production in the EU, only to create an additional, alternative source of funding which will increase knowledge about China altogether. China has a very organised and strategic plan to introduce the part of culture and other aspects that they want foreigners to see. The possibility of massive campaigns about how this kind of education is useless and incorrect as a reaction by the CCP definitely exists.

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