

# A power grab by Xi Jinping in China rattles Europe's leaders

STEVEN ERLANGER

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BRUSSELS — A year ago, the self-styled global elite gathered at Davos, shaken by the election of Donald Trump, who made no secret of his contempt for the multilateral alliances and trade that underpin the European Union.

Then up stepped the Chinese president, Xi Jinping, promising that if the U.S. would no longer champion the global system, China would. European officials and business leaders were thrilled.

But a year later, European leaders are confronted with the reality that Xi could also be a threat to the global system, rather than a great defender. The abolition of the two-term limit for the presidency, which could make Xi China's ruler for life and which is expected to be ratified this week by China's legislature, has punctured the hope that China would become "a responsible stakeholder" in the global order. Few still believe China is moving toward the Western values of democracy and rule of law.

Instead, many European leaders now accuse China of trying to divide the European Union as it woos Central Europe and the Balkan states with large investments. They are also wary of how China has become more aggressive militarily, in espionage and in its investment strategy abroad — with targets including its largest trading partner in Europe, Germany.

For decades the European Union has benefited from the global system created by the United States after World War II, as has China. Even as Russia under President Vladimir Putin has remained a revanchist power, trying to destabilize the bloc and win back territories lost in the Cold War, China's economic success has depended on stability and order — which benefited Europe, too.

But the prospect of Xi as ruler in perpetuity has scrambled the equation. Many European leaders distrust Trump, who says he sees them less as allies than as competitors. But if moving closer to China once seemed like a smart hedge, at least while Trump was in office, now Xi also presents a problem — and he may not be going away.

"We're at an inflection point," said Orville Schell, director of the Center on U.S.-China Relations at the Asia Society. "The Western world now understands that we have to take China's push out into the world much more seriously than we have in the past."

Trump's declaration that he will impose swinging tariffs on imported steel will hurt Europe more than China, another example of how Europe is getting caught between Washington and Beijing.

European political leaders were already growing wary of Chinese intentions, especially given the vacuum of foreign policy leadership from the Trump administration and the persistent meddling from Russia. Last month, Foreign Minister Sigmar Gabriel of Germany warned that China was pursuing its own model of world order and attempting "to put a Chinese stamp on the world and impose a Chinese system, a real global system but not like ours, based

on human rights and individual liberties.” Gabriel was especially concerned about China’s “One Belt, One Road” initiative, a huge infrastructure project promoted by Xi to expand Chinese power by developing new trade routes, including in Europe. To expedite this, Beijing has created the “16 plus 1” group, which brings China together with 16 European nations, 11 of them members of the European Union and the rest from the western Balkans. “If we don’t succeed in developing a single strategy toward China,” said Gabriel in an earlier speech, “then China will succeed in dividing Europe.”

At the time, some regarded his remarks as alarmist. Less so now. Despite Germany’s huge exports to China and investment there — China is Germany’s largest trading partner, with two-way trade last year of \$230 billion — even the German ambassador in Beijing, Michael Clauss, has openly criticized China’s policies and domestic repression, a marked change from years of German silence.

Chinese companies have also made waves by buying a major German machine-tool and robotics company, Kuka, and then trying to buy a key semiconductor company, Aixtron. The latter bid was blocked by U.S. objections on security grounds. The sudden purchase last week of nearly 10 percent of Daimler, the iconic German car manufacturer, by a much smaller Chinese car company, Geely, has also raised hackles, and questions about where the money, some \$9 billion, really comes from.

“It’s a highly public discussion about Chinese influence in Germany,” said Angela Stanzel, an Asia expert at the European Council on Foreign Relations. “There have been 10 times as many articles about Daimler than about Xi prolonging his rule.” Berlin and Brussels have been shaken amid concerns that the real intent of Beijing’s “One Belt, One Road” program is as much political as economic. “The main worry was China’s divide-and-rule policy,” Stanzel said. “The new worry is that because China is trying to make this format work, it will invest less effort and money into its relationship with Brussels.”

Both Germany and France have been pushing the European Commission, the bloc’s executive branch, to draw up stricter investment screening regulations to better protect European companies and European security. Europe will have to find a new China strategy, Stanzel added, one free of any illusions, “because now we’re sure we’ll have Xi for the rest of his life.”

Minxin Pei, a China scholar at Claremont McKenna College, said China’s actions in Europe, much like in the South China Sea, “have a probing quality, to test where the weaknesses are and where the pushback is.” Trade is only part of the overall security and geopolitical picture, he said, noting that Xi may be pushing too hard, too fast and that “this grandiose vision and ruthless actions are a bit premature.”

Politically, the EU has been troubled by convulsions in recent years as far-right parties have challenged the political establishment, while leaders in Poland and Hungary are challenging democratic norms. No European leader confused China with being an emerging democracy, yet analysts say many Western officials hoped and assumed the Chinese system would gradually become more like the democratic West.

“I don’t know who is still fooling themselves about convergence and liberalization — Xi put an end to that long ago,” François Godement, a China scholar at Sciences Po in Paris. “Official China has been increasingly frank about a systematic competition with democracies.”

By now, European leaders are accustomed to dealing with Putin and Russia. Xi is very different, says Susan Shirk, an expert on Chinese politics who served in the Clinton administration. “While Putin wants to be a spoiler, Xi wants to be respected as a global leader,” said Shirk, who is now director of the 21st Century China Center at the University of California, San Diego. “He hasn’t tried to subvert the structures that exist. But he has recently started to build his own.” With China returning to a more Leninist system, “we still don’t know what that will mean for global governance,” she said, “especially with Trump abdicating and trashing it.” Still, she said, the world must engage with China to get Xi “to fulfill his ambitions in the context of existing structures, and not overreact every time China takes the initiative.”

For Europe, the prospect of China as a strategic competitor, as well as a political competitor, is a major challenge. “Europe is so disaggregated and so lacking in fortitude that its countries don’t think like big leaders,” said Schell. “America always has, but with Trump we’ve gone missing, and nature abhors a vacuum.”

Now Xi’s open-ended tenure could give China a chance to plan long-term and carry out its policies systematically with “a steady hand on the helm of a great power,” Schell said. “But it is rooted in Leninism, autocracy and control, which will make it a tremendous challenge for liberal democracies rooted in a different value system, especially in a world reeling with no leadership.”

