



3 Main Points

Germany's snap election on February 23 could bring a tougher China policy under Merz, marking a clear shift from Scholz's pragmatic approach. While Merz warns against economic dependence, Germany's recession may force a trade-off between strategic autonomy and economic stability. With China policy increasingly shaped by Brussels, Merz must rebuild EU trust to influence the bloc's "de-risking" strategy.

About the Author

Tin Ching was born in Hong Kong and moved to Germany in 2018 to pursue a BA in Political Science. During their studies, they gained experience working at various political institutions, including NGOs, local governments, and the Bundestag. They began their Master's program last year and aims to complete their thesis in 2025. Their research focuses on Chinese economic statecraft, Chinese influence in Germany and the EU, and engagement in the UN. They are currently spending a semester at National Chengchi University in Taipei.

Navigating China after an Election

With a snap election happening on February 23, Germany once again finds itself on the crossroads regarding China policy. Unlike in 2021 however, the new government has to face an even bigger set of internal problems ranging from the stagnating economy to security issues. With the Union predicted to once again win back control of the Chancellery, what changes could we expect to see on China policy?

1. A Harder Line on China Under Merz

Whilst former Chancellor Scholz is known to have often compromised on China frequently during his tenure (including his insistence at the selling of part of the Hamburg port to Chinese state firm [COSCO](#)), it is unlikely that Merz will follow through with a similar rhetoric. Since the



full-scale Russian invasion of Ukraine in 2022, Merz has issued several warnings of doing business [with](#) China, naming it as a “threat” to German security for its role in supporting Russia’s invasion of Ukraine. With Merz in the Chancellery, companies will likely [see](#) less support from the government as the traffic light coalition did in investing in China, which saw two business delegations brought to meet Chinese leaders in two state visits by [Scholz](#) and [Habeck](#) in 2024.

2. Balancing Economic Recovery with Strategic Autonomy

Despite the strong rhetoric, Merz’s campaign also places a heavy emphasis on “[restarting](#)” the German economy, which has been in [recession](#) for the past two years. Doing this will require Germany, along with EU partners, to focus either developing economic relations with the US or China as global tensions rise. Since Trump’s inauguration as the new US president, he has already raised steel import tariffs [by](#) 25%, as well as [hinting](#) further tariffs on the EU. Such a move will heavily impact the German and European steel industry, as Germany exports more than 3 billion USD worth of steel and iron [products](#) to the US. Despite Merz’s assertiveness, if Germany cannot readily rely on the US market to sell its goods, it may have to pivot back to China in order to avoid a [third](#) consecutive year of economic recession. How much Merz is therefore willing to sacrifice the German economy for long-term strategic autonomy will be the key question in Germany in the next four years. He will also need to balance this with any potential coalition partners, which range from the SPD’s continued unwillingness to [take](#) drastic action to the Greens’ more [radical](#) interpretation of “de-risking”.

3. Future China-policymaking power lies now in Brussels, not Berlin

The era of Berlin's singular dominance in shaping China policy has arguably reached its conclusion. While Merkel's tenure saw Germany [exert](#) considerable sway over trade and foreign relations, Scholz's perceived hesitancy, notably his [opposition](#) to the EU's decision on Chinese EV tariffs, has undeniably damaged Germany's standing and shifted the locus of influence

towards Brussels in the "de-risking" debate. It falls to Merz, therefore, to not only mend fractured trust with key European partners, particularly France (who has enthusiastically supported the tariffs), but also to convince a skeptical Brussels of Germany's renewed commitment to collaborative strategic autonomy.

Abstract:

Germany's snap election on February 23 could bring a tougher China policy under Merz, marking a clear shift from Scholz's pragmatic approach. While Merz warns against economic dependence, Germany's recession may force a trade-off between strategic autonomy and economic stability. With China policy increasingly shaped by Brussels, Merz must rebuild EU trust to influence the bloc's "de-risking" strategy.

German imports and exports to China by year, 2016-2023



