

## **EU-CHINA RELATIONS: EXPLORING THE POSSIBILITY OF COGNITIVE DISSONANCE**

**CARLOS RODRIGUES**

[cjose@ua.pt](mailto:cjose@ua.pt)

Associate Professor at the Department of Social, Political and Territorial Sciences of the University of Aveiro (Portugal). He holds the position of head of department since 2015 and the coordination of the University of Aveiro's Center for Asian Studies and Master in Chinese Studies since 2011. Carlos is a member of the Research Unit on Governance, Competitiveness and Public Policy- GOVCOPP. His research focuses on territorial innovation systems, particularly on the role science, technology and innovation policy and practice play in systemic, territorially-based development processes, and Asian studies, particularly in the domains of EU-China relations, and sports, power and development.

### **Abstract**

This paper takes stock of the idea of cognitive dissonance as a possible attribute of the current EU-China relations state of affairs. It goes far beyond the simplistic approach to the term that became quite frequent in politicians and analysts' discourses, because delving into the theory pioneered by the psychologist Leon Festinger in the late 50s, which, in brief terms, assumes that in a psychologically unpleasant situation characterised by conflicting beliefs, opinions, feelings, behaviors, or attitudes, there is a tendency to attempt to reduce dissonance and avoid information likely to increase conflict. Under this theoretical framework, the article explores the tensions, contradictions and dilemmas that are shaping EU-China relations in a complex, fast-changing, geopolitical and geostrategic context. Accordingly, it takes advantage of insights provided by the theory of cognitive dissonance to frame a discussion on dependencies and interests, as well as efforts to keep up appearances and manageable balances within conflict, which, arguably, can configure a dissonance-reducing intent. The paper, though, concludes that this intent is bearing on a hedging strategy, rather than on changes in behavior, values and beliefs, or environmental conditions, as advocated by Festinger's theory.

### **Keywords**

Cognitive Dissonance, Systemic Rivalry, Contradiction, Dilemmas, China, European Union.

### **Resumo**

Este artigo faz um balanço da ideia de dissonância cognitiva como um possível atributo do atual estado das relações UE-China. Vai para além da abordagem simplista do termo, que se tornou bastante frequente nos discursos de políticos e analistas, pois aprofunda a teoria lançada pelo psicólogo Leon Festinger no final dos anos 50, que, em poucas palavras, assume que numa situação psicologicamente desagradável caracterizada por crenças, opiniões, sentimentos, comportamentos ou atitudes conflitantes, há uma tendência para tentar reduzir a dissonância e evitar informações que possam aumentar o conflito. Sob esta estrutura teórica, o artigo explora as tensões, contradições e dilemas que estão a moldar as relações UE-China num contexto geopolítico e geoestratégico complexo e em rápida mudança. Assim, aproveita as intuições fornecidas pela teoria da dissonância cognitiva para enquadrar uma discussão sobre dependências e interesses, bem como esforços para manter as aparências e equilíbrios administráveis dentro do conflito, o que, sem dúvida, pode configurar uma intenção de redução da dissonância. O artigo, no entanto, conclui que essa intenção está relacionada



a uma estratégia de cobertura, e não a mudanças de comportamento, valores e crenças ou condições ambientais, conforme defendido pela teoria de Festinger.

**Palavras-chave**

Dissonância Cognitiva, Rivalidade Sistémica, Contradição, Dilemas, China, União Europeia

**How to cite this article**

Rodrigues, Carlos (2023). EU-China relations: Exploring the possibility of cognitive dissonance. *Janus.net, e-journal of international relations*. VOL14 N1, TD1 – Thematic dossier “*European Union-China relations*”, September 2023. Consulted [online] in date of last visit, <https://doi.org/10.26619/1647-7251.DT0123.2>

**Article received on December 9, 2022 and accepted for publication on January 9, 2023**





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CARLOS RODRIGUES

### Introduction

The Chinese Minister for Foreign Affairs and State Councillor, Wang Yi, talking about the international situation in a 2021 interview given to Xinhua agency, has classified the European Union (EU) recent positioning towards China as suffering from “*cognitive dissonance*”. Wang’s argumentative line that it is “*hard to imagine that on one hand, Europe seeks to build a comprehensive strategic partnership with China, and on the other hand, it defines China as a systemic rival*” and “*difference in systems does not mean China and Europe have to be rivals*” seem to prompt the somehow weird wording (at least in terms of political discourse) he used. Cognitive dissonance is, notwithstanding, a prestigious theory in the psychology field, pioneered by Leon Festinger in the late 50s (Festinger, 1957), which, taking it simply and shortly, revolves around the idea that in a situation characterised by conflicting beliefs, opinions, feelings, behaviours, or attitudes, being psychologically unpleasant, there is a tendency to attempt to reduce dissonance and avoid information likely to increase conflict (Harmon-Jones and Mills, 2019). Moreover, as Harmon-Jones and Mills (2019:3) claim, “*the greater the magnitude of the dissonance, the greater is the pressure to reduce dissonance*”.

Is that so in the realm of EU-China relations? This is the issue at stake in this paper. Accordingly, it seeks to know whether Wang’s words mirror the theoretical concerns, that is, the inevitability of a decrease in dissonance due to a variety of ‘discomforts’, or, rather, a moment of (theory-free) rhetoric. The endeavour requires tackling the tensions, contradictions and dilemmas marking the recent evolution of EU-China relations, in a context of fast and complex geopolitical and geostrategic change. Accordingly, it implies to bear in mind the *crescendo* in dissonance that corresponds to a strategic leap that led the EU approach on China from a quite optimistic overall stance to the ‘systemic rivalry’ status of 2019 (EC, 2019). This, in turn, cannot be detached from a reaction to the far-reaching policy transformation that led China from Deng’s policy of “*keeping a low profile and get something done*” to the one of “*work hard for achieving*”, Xi’s motto to materialise the ‘*Chinese dream*’ and the “*two centenary goals*”.

Notwithstanding, there is a consensus that the costs of an eventual EU-China decoupling, be it total or partial, would be a serious blow both for Europe and China. Felbermayr et



al. (2021:17), for instance, consider that such a decoupling *"would considerably worsen the standard of living for people inside the EU as well as for its trading partners outside, and should thus be avoided by all means"*. Accordingly, there is scope to mull over the possibility of an endeavour to lessen dissonance and conflict, and thus the risk of a harmful breaking off. The crux of the matter, under the light of cognitive dissonance theory, seems to be whether the strong mutual dependence between the EU and China may display the ground needed to bear the basic postulate put forward by Festinger (1962: 3): *"In short, I am proposing that dissonance, that is, the existence of nonfitting relations among cognitions, is a motivating factor in its own right"*.

Hence, this paper takes stock of the insights provided by the theory of cognitive dissonance in order to frame a discussion on dependencies and interests, as well as efforts to find manageable balances within dissonance and conflictual cognitions. It starts by briefly sketching the basics of Festinger's theory and contextualising the current dissonant dynamics marking EU-China relations. After a snapshot of the current situation, which allows for discerning dissonant cognitions, the paper discusses the prospects concerning motivations to reduce dissonance, taking stock of the well-known problem of dependence that engulfs the relations between the two parties.

### **About cognitive dissonance**

This first section does not aim to detail the theory of cognitive distance, let alone to explore the academic debate it fuelled over almost seven decades (e.g., Cooper, 2007; Vaidis and Bran, 2019). Rather, it grasps the basics of Festinger's theoretical contributions that, in short and in the author's own words (Festinger, 1962: 102), *"[I]n addition to throwing light on one's own behavior, it would seem to carry useful lessons for everyone concerned with understanding human behavior in a world where everything is not black and white"*.

The main assumption, as put by the theory's proponent (Festinger, 1962: 93), is that *"cognitive dissonance is a motivating state of affairs"*, in the sense that *"[J]ust as hunger impels a person to eat, so does dissonance impel a person to change his opinions or his behaviour"*. As such, the central idea is that an individual who knows several things that are dissonant with one another will endeavour to make them more consonant (ibid.). In the same vein, two elements of knowledge, -two cognitions<sup>1</sup>-, whether relevant to each other, are consonant, if one follows from the other, or dissonant, if the opposite follows from the other. Psychological discomfort caused by dissonance triggers the motivation to reduce it. As put by Cooper (2007: 2): *"we do not like inconsistency. It upsets us and it drives us to action to reduce our inconsistency"*. Festinger (1957) suggests that, when dissonance is present, there will be an active attempt to avoid situations and information that could potentially increase it.

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<sup>1</sup> According to Festinger (1957), the term cognition means any knowledge, opinion or belief about the environment, oneself, or one's behaviour.



According to Festinger's theory, dissonance can be the result of logical inconsistency, cultural mores, the inclusion of a specific opinion in a more general opinion, or inconsistency with past experiences. For those who are not familiar with the theory, and for the sake of clarity, it is worth to bring over the examples provided by Festinger himself (Festinger, 1957) to illustrate each of these sources of dissonance between two cognitive elements. On logical inconsistency, the author gives the example of a person who believed that man would reach the moon in a near future, but also believed that man would not be able to build up a device able to leave Earth's atmosphere. The use of hands to pick up a "*recalcitrant chicken bone*" (Festinger, 1957:14) in a formal dinner gives rise to dissonance between the knowledge of the action and the knowledge of formal dinner etiquette, or, in other words, between the action and what cultural mores establish as consonant with the prevailing norms. Dissonance caused by specific opinions inserted into a general opinion, following the author, occurs when a Democrat, in a given election, prefers a Republican candidate and vote accordingly, thus undermining the notion that 'being a Democrat' brings with it, as part of the concept, favouring Democratic candidates. Finally, inconsistencies stemming from past experiences are illustrated by the case of a person who stands in the rain and yet cannot see any evidence that he or she getting wet, although knowing from experience that getting wet follows from being out in the rain.

The theory also deals with the problem of dissonance magnitude, looking at it as "*an important variable in determining the pressure to reduce dissonance*" (Festinger, 1957: 18). It states that the relation between two (relevant) cognitions is either dissonant or consonant and that the magnitude of dissonance or consonance increases in line with increments in value or importance of cognitions. As mentioned above, the bigger the dissonance, the bigger the pressure to reduce dissonance. The total amount of dissonance existing between two clusters of cognitions, following the theoretical reference, depends on the weighted proportion of all relevant dissonant relations in those two clusters, meaning that the weight of each relevant relation would be determined by the importance of the involved cognitive elements.

Festinger (1957:18) points out that, in general, "*if dissonance exists between two elements, this dissonance can be eliminated by changing one of those elements*". The ways to reduce dissonance depend, primarily, upon the type of cognitive elements and the overall cognitive context. As such, the author, on the one hand, refers to changes in a behaviour cognitive element in order to make it consonant with the environmental element with which it relates. On the other hand, he puts forward the "*much more difficult*" (ibid.: 20) possibility of introducing changes in an environmental cognitive element as a means to reduce dissonance, implying the existence of sufficient control over the environment. Bearing in mind that the full elimination of a dissonance requires that some cognitive element should be changed and that change is not always possible, the author (ibid.:21) argues that "*even if it is impossible to eliminate a dissonance, it is possible to reduce the total magnitude of dissonance by adding new cognitive elements*". The reduction effect of new information holds by means of decreasing the proportion of dissonant relations as compared with consonant ones or by the 'reconciliation' of two



dissonant elements. In short, the pressure to reduce dissonance includes behavioural changes, changes of cognition and what Festinger (ibid: 31) calls "*circumspect exposure to new information and new opinions*".

The extent to which this theoretical frame of reference can be useful to the scientific endeavour in the field of international relations is a first and most important interrogation. Auerbach (1986:534) seems to have no doubts about the "*rich source of conceptual and analytical tools to be used in explaining foreign policy processes and their outcomes*" that cognitive social psychology can provide. Moreover, the same author (ibid.) emphatically considers the field as an effective way to overcome the idea of "*peoples and states trapped in self-perpetuating conflicts, moving eternally in close circles of hatred and enmity which they seem powerless to break*", as in the cognitive approach to foreign policy decision-making processes that prevailed during the 1970s and the early 1980s. Goldgeier and Tetlock (2001) also look at psychology as useful in international relations analysis, namely because (ibid.:81) its contribution "*to delineate the conditions under which decision makers are especially likely to change their underlying attitudes to bring them into line with counterattitudinal behaviour*". The same authors (ibid.: 88) highlight "*psychology's help in refining ideas in key debates regarding power, institutions, and norms*", as well as "*to consider how environment and cognition interact in systematic and identifiable patterns to produce the variation we find in world politics*".

Aligning with the endorsement of those scholars, the challenge, thus, is to turn the conceptual ground put forward by the theory of cognitive dissonance into a frame of reference amenable to a sound analysis of the current state of affairs in EU-China relations. Accordingly, a number of theory-laden assumptions are set forth, namely:

- The present status of EU-China relations is the result of a set of decision-making processes influenced by what Auerbach (1986) calls a cognitive system that includes beliefs, attitudes and values;
- In the system, there exist clusters of dissonant cognitions which are configuring the developments in EU-China relations;
- Dissonance between cognitions can be traced both in terms of type and magnitude, implying that judgements on the 'discomfort' that triggers efforts to reduce it can be brought into light;
- Change in the balance of beliefs, attitudes or values, as well as in terms of the 'environment' in which EU-China relations evolve, is possible and crucial to respond the pressures to reduce dissonance;
- Motivation to reduce dissonance cannot be detached from the struggle between passions and interests, to use a Smithian wording wrap.





## About the deterioration of EU-China relations

It is widely accepted that EU-China relations have deteriorated in recent times (Umbach, 2021). European perceptions and judgements about the alleged violations of human rights in Xinjiang, the Hong Kong situation, and, particularly, China's approach to the COVID-19 pandemic and to the war in Ukraine prompted a new relational baseline that, in tandem with the interests inherent to the transatlantic alliance with the United States, was a (pretextual) part of a reactive stance towards the rise of China as a global power and the inherent geopolitical challenge, seen by the Biden administration as a "*most consequential*" one (The White House, 2022: 11). Differences in values, political system and world views seem to have emerged as a dissonance driver, bringing to the surface contrasts that, to a certain extent, were veiled before. Charles Michel, the current president of the European Council, attests it: "*we have to recognise that we do not share the same values, political systems, or approach to multilateralism. We will engage in a clear-eyed and confident way, robustly defending EU interests and standing firm on our values*". (Council of the European Union, 2020).

The 'strategic outlook' Joint Communication (EC, 2019:1) made explicit a 'systemic' divide, under the scope of, as written in the document, "*a growing appreciation in Europe that the balance of challenges and opportunities presented by China has shifted*". Accordingly, China has become "*simultaneously, in different policy areas, a cooperation partner with whom the EU has closely aligned objectives, a negotiating partner with whom the EU needs to find a balance of interests, an economic competitor in the pursuit of technological leadership, and a systemic rival promoting alternative models of governance*" (ibid). A straightforward interpretation of the new outlook would convey the idea that, albeit competition exists in economic and technological terms, the clashing dimension of EU-China relations lies on differences in ideological, political and government systems. The placing of China in different relational categories, following Silva (2022: 5), underpins a compartmentalisation of different policy areas "*in order to maintain operational autonomy of specific domains even when other policy areas might be at risk (e.g., continuing economic cooperation in spite of irreconcilable political divergences)*". This compartmentalisation did not appease the discomfort of Chinese authorities in relation to the rivalry issue. Wang Yi, for instance, averred that the rivalry logic "*has not only undermined China-Europe relations but also brought confusion to European friends themselves*". According to the Chinese State Councillor and Minister for Foreign Affairs, "*difference in systems does not mean China and Europe have to be rivals*"<sup>2</sup>.

In 2021, rivalry was raised up to unprecedented harshness, under the pretext of a significant number of issues, from the National Security Law aimed at Hong Kong to the allegations of forced labour and repression of ethnic minorities in Xinjiang province, without neglecting the pressure to bring the EU positioning closer to the US openly conflictual approach to China. Mutual sanctions on individuals and organisations followed,

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<sup>2</sup> Interview to Xinhua News Agency and China Media Group on the International Situation and China's Diplomacy in December 2021.



strengthening the confrontational dynamics. The wording of a letter outlining an internal EU report on China, undersigned by Ursula van der Leyen and Josep Borrell and sent to the members of the European Council (see Lau, 2021), set forth the new, further deteriorated, relational environment: *"The reality is that the EU and China have fundamental divergences, be it about their economic systems and managing globalization, democracy and human rights, or on how to deal with third countries. These differences are set to remain for the foreseeable future and must not be brushed under the carpet"*. The war in Ukraine has intensified the divide, as made clear in the EU Strategic Compass for Security and Defence, in which the trust gap between the two parties seems to be further broadened.

Meanwhile, a manifold number of agreements, commitments, joint strategies and statements proceeded way despite harshened rivalry. The case of the Comprehensive Agreement on Investment (approved in December 2020, but still pending approval from the European Parliament) emerges as a good example, to which one can add the agreement on geographical indications. Moreover, whereas the EU has confirmed its position as main overall trading partner of China, statistics also reveal that China, in 2021, for the first time in recent history, had outweighed the US as main supplier of the EU. It seems obvious that there is an apparent contradiction between a stout affirmation of dividing elements and a prolific momentum of comprehensive cooperation. This is in line with Geeraerts' (2019: 281) argument that looks at EU-China relations as *"residing somewhere along a spectrum that extends from pure cooperation at one extreme to unrestrained competition at the other"*. Perhaps this contradictory ground can find explanation in Li and He (2022), who characterise the new relational baseline as the outcome of a movement from engagement and cooperation to engagement and rivalry.

Resuming the set of assumptions built upon the insights of cognitive dissonance theory, one can argue that:

- The cognitive systems configuring EU and China's decision-making processes in foreign policy rely on different beliefs, attitudes and values;
- There is a mismatch between the confrontational values-driven approach and the more 'amicable' stance adopted by the EU when striving for the pragmatic view of China as a *"negotiating partner with whom the EU needs to find a balance of interests"* (EU, 2019: 1), fleshing out dissonance between cognitions.
- Cultural mores, namely in the form of ideology and prevalent values, seem to play a role in dissonance production.

One can easily speculate about the discomfort that the cognitive dissonance stemming from the mismatch mentioned above may provoke. However, to make extended judgements about the type and magnitude, and, accordingly, about the motivation to engage in reducing dissonance, requires further efforts. The endeavour claims for a discussion on interconnectedness and dependence, which brings forward the struggle





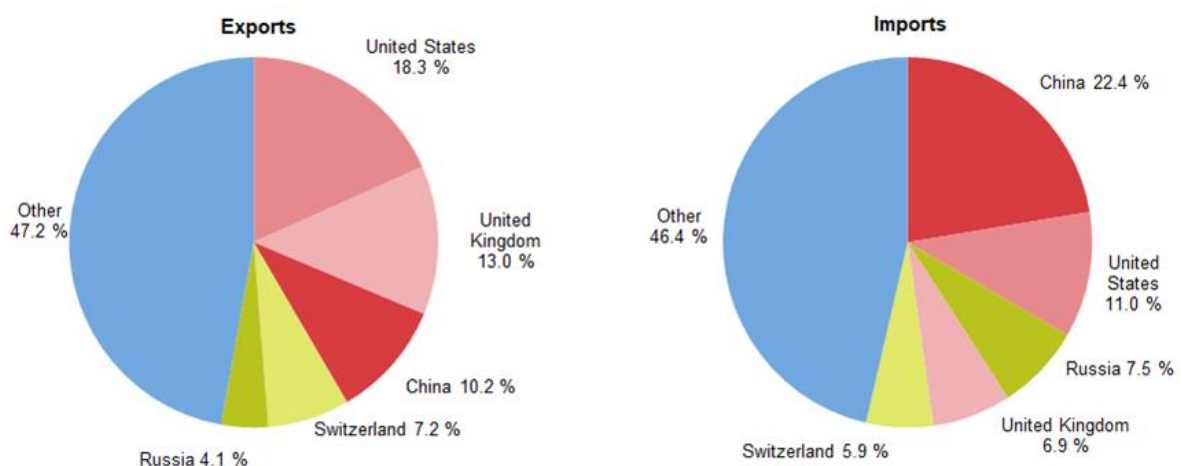
between interests and passions and its driving effect on the motivation for dissonance reduction.

### Interconnectedness and dependence...

China's transformation process triggered by Deng's openness and reform policies, leveraged by an economic global integration, led the Middle Kingdom to a stellar socioeconomic development trajectory, deemed as unprecedented in recent history. The production and, more recently, technological innovation capacities drove China to a prominent position in global trade, supply chains and investment, causing a shift in terms of the balance of economic power. As expected, increased interconnectedness between the EU and China's economies is part of this changing balance, as well as a rise in mutual dependences, as evidenced by trade and investment statistics.

As in Figure 1, China, in 2021, was the EU's leading partner for imports (22,4%), followed by the US (11.0%), Russia (7.5%) and the UK (6.9%), and the third largest partner for exports (10.2%), after the United States (18.3%) and the United Kingdom (13.0%). While dissonance was increasing, so did EU-China trade. In fact, between 2011 and 2021, EU imports from and exports to China rose ca. 97% and 76%, respectively. For the same period, the EU trade deficit increased in 93%. China, in 2021, has become the main EU trading partner, ousting the US from the top position for the very first time.

Figure 1- EU's main partners for trade in goods, 2021



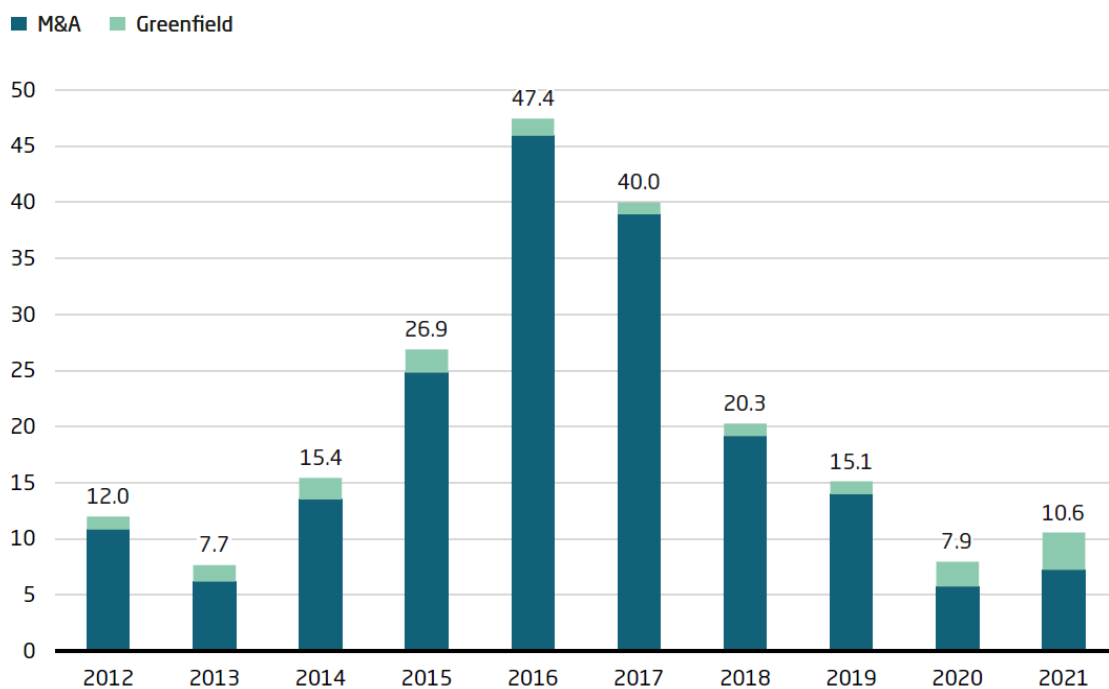
Source: Eurostat, [https://ec.europa.eu/eurostat/statistics-explained/index.php?title=China-EU - international trade in goods statistics](https://ec.europa.eu/eurostat/statistics-explained/index.php?title=China-EU_-_international_trade_in_goods_statistics)

Regarding investment, although a decreasing trend in the most recent years (Figure 2), both the cumulative account and the sectors and activities involved place China as an actor that cannot be neglected. Rather than entering in details (for a comprehensive



discussion see, for instance, Seaman et al., 2017 or Kratz et al., 2022a), the crux of the matter here is that China, either through state-owned or private companies, has stock and stake in a wide array of economic sectors and companies, including many with a sensitive and strategic nature (e.g., maritime port facilities and electrical power suppliers). Moreover, as Kratz et al. (2022a) highlight, the focus of Chinese foreign direct investment (FDI) in Europe has significantly changed, from mergers and acquisitions to greenfield and venture capital investment, namely in high-tech start-ups and rapidly growing sectors.

Figure 2- Chinese FDI into Europe (2012-2021) EUR billion



Source: Kratz et al. (2022a)

Any analysis of EU investment flows into China would show a very different scenario when compared with the opposite direction. As well established by Kratz et al. (2022b), a striking distinctive feature concerns the concentration in terms of countries of origin. Germany, France and the Netherlands (together with the United Kingdom) are by far the largest sources of EU investment in China. The weight of these three countries in the total amount of EU-China outbound investment was 61% in 2018, 88% in 2019, 65% in 2020, and 79% in 2021. In addition, over the last years, the concentration trend also affected the investment sectoral distribution. Automotive, food processing, pharmaceuticals, chemicals and consumer products industries, in 2021, represented ca. 70% of total European investment in China (including here the UK). Moreover, the top



ten European investors in China were also responsible for approximately 70% of the total amount (Kratz et al., 2020).

Whereas the trade and investment statistics provide evidence of a high degree of interconnectedness, when addressing the issue of dependence, a closer examination is needed. For instance, the simple analysis of numbers would show that China is far more dependent on the EU than the contrary – the head of the EU Chamber of Commerce in China, Jörg Wuttke, said that the EU “*export goods at a value of 600 million euros every day to China [...] the Chinese export 1.3 billion euros of goods daily to Europe*” (in Joshi, 2022). Yet, when delving into details, any assertion on a higher or lower level of dependence becomes difficult to substantiate. In fact, China’s dependence on the EU can be grasped through the acknowledgement of the role played by imports and FDI in the Chinese effort to improve the country’s R&D and innovation capacities, which has been transforming the ‘factory of the world’ into a global technological power. On the other hand, crucial EU policy goals, such as, for instance, the Green Deal and digital transition, are heavily dependent on China, which has become a dominating power in the global green supply chain (Brown, 2022). Brown (ibid.:2) refers to photovoltaics, wind-turbine components, and rare earth elements as paradigmatic examples of how dependent Europe is upon China when endeavouring to achieve in one of its chief objectives: “*In photovoltaics, for instance, China accounts for about [80 percent](#) of the global production of polysilicon, cells and modules, as well as 97 percent of wafer production. About [four-fifths](#) of wind-turbine components are manufactured in China. [Neodymium](#), a rare earth element used to make permanent magnets that go into wind turbines and electric vehicles, is also predominantly refined in China*”.

In addition, despite the deterioration of EU-China relations and the recurrent and wishful discourse on the need to diversify supply chains, large and influential European companies are doing their best to ensure a sort of ‘business as usual’ thread. Germany provides a very good example. The biggest EU economy is, by far, China’s main European economic partner (17% of Germany’s exports to non-EU countries and ca. 49% of total EU exports to China), as well as the largest source of European investment in China (43% of total). Zeiglen (2020: 6) adds that, within the EU, “*Germany has benefited most economically from China’s rise*” and “*deeper political ties under the leadership of Chancellor Angela Merkel have flanked stronger trade and investment relations since 2005*”. Following Katz et al. (2022b), four German companies- the carmakers Volkswagen, Daimler-Benz and BMW, and the chemical BASF-, made up more than 30% of the total amount of European capital poured into China in the last four years. The case of the German automotive sector can indeed be deemed as a paradigmatic one when assessing how remote is the possibility of a swift and extensive process of supply chain diversification in the near future. Besides the huge relevance of the German carmakers’ sales in the Chinese market (the Volkswagen Group, for instance, is the market leader in China with a share of 16%), interdependencies do exist in the technological developments that are fostering e-mobility and digitalisation. These go beyond the widespread dependence account based on the fact that China is the main producer of batteries for electric vehicles and the main source of essential raw materials. In practice,



German automotive companies are strengthening their R&D partnerships with Chinese organisations (mostly companies). Mercedes-Benz, for instance, from 2015 onwards, has established such partnerships in a variety of fields, such as autonomous driving (Tsinghua University, Tencent, and Baidu), connectivity (Xiaomi), batteries (BJEV Beijing Electric Vehicle, CATL- Contemporary Ampere Technology, Farasis Energy), electric vehicles (Geely), and cybersecurity (Tencent) (Sebastian, 2022). Moreover, Mercedes-Benz, BMW and Volkswagen maintain 16 R&D centres in 9 Chinese cities. A note to highlight is that eight of these centres were created after the launching of the new EU strategic outlook that brought systemic rivalry to the fore.

Katz et al. (2022b) explain these developments using three major reasons: i) the belief that China will continue to be a lucrative market despite the economic and geopolitical headwinds; ii) investments in China are a means to ensure increased competitiveness to face rising domestic competition, namely in the e-mobility sector; and iii) the attempt to insulate the companies' operations in China from the rising global risks by means of greater localisation.

This brief sketch of EU-China interconnectedness and dependence helps to bring back the theory of cognitive dissonance to the discussion and supports two major propositions:

- Having in mind the soured relational environmental and the high level of interdependence, one can suggest that logical inconsistency is a source of dissonance, as it is inconsistent with past, cooperation-prone, experiences;
- The size and relevance of the Chinese economy and the inherent trend of EU economic actors to behave according to a 'business as usual' line are indications that interests are placating passions, thus increasing the magnitude of dissonance.

As such, accepting that increased dissonance steps up the motivation to reduce it, ground is provided to check out whether this assumption stands. This is the task of the next section.

### **Reducing dissonance?**

As argued by Festinger (1962: 94), sometimes "*it may be very difficult or even impossible to change behavior or opinions that are involved in dissonant relations*", meaning that "*there are circumstances in which appreciable dissonance may persist for long periods*". Apparently, the dissonant cognitions that configure EU-China relations are likely to hold in the near future. The Chinese global policy shift characterised by Li and He (2022) as a move from a 'stimulus-response' to an 'actively shaping' mode comes up against an increased EU emphasis on strategic autonomy and a (European) values-based approach to world politics (with a particular focus placed on China), prompting a divide that matches the difficulties forecast by Festinger and thus makes it unrealistic to aspire for dissonance to be easily attenuated. However, the magnitude of dissonance allows for arguing that the motivation to engage in and the pressure to find paths aimed at its



reduction are present in the environment shaping EU-China relations. The interdependences discussed above can be taken as major drivers in the production of cognitive dissonance in the context of EU-China relations, as they establish a stout dividing line between political differences and common economic interests. As such, they emerge as a major element supporting the motivation and building pressure for a reduction in dissonance. The problem here seems to be the identification of the kind of changes that are necessary to ensure such a reduction.

According to Festinger (1957), in order to reduce dissonance, there is a need to change either behavioural or environmental cognitions. A third possibility concerns the introduction in the cognitive system of new information. Placing EU-China relations under the spotlight, as argued before, it seems hard to devise a great opportunity to foster consequential changing dynamics, both in terms of beliefs, values and behaviour, and in terms of the environmental element. Furthermore, it is also a remote possibility to expect that new pieces of information will have the power to trigger those changing dynamics. Doubts can also be cast on the effectiveness of an eventual overstating of existing similarities (e.g., the promotion of multilateralism and non-hegemony), while understating or ignoring any differences (Shambaugh et al., 2008).

The notion of hedging can be of utility to resolve this standoff. Goh (2005:2) avers that hedging "*refers to taking action to ensure against undesirable outcomes, usually by betting on multiple alternative positions*", implying "*a set of strategies aimed at avoiding (or planning for contingencies in) a situation in which states cannot decide upon more straightforward alternatives such as balancing, bandwagoning, or neutrality*". In practice, the compartmentalisation of policy areas in the EU strategic outlook on China (EU, 2019) meets the hedging conceptual wrapping, namely because it separates the economic and the political dimensions, allowing for Europe to view China as simultaneously a cooperating partner and a systemic rival. In addition, the desire rooted in the EU business community to ensure a 'business as usual' path in what concerns China, taken together with the economic concerns of governments acting in growing uncertainty and global turbulence, can foster a hedging approach to reduce the magnitude of dissonance.

Although slightly speculative in nature, the observation of a number of events that occurred in recent months signals an attempt to mitigate confrontation that fits the idea of hedging. Olaf Scholz's visit to China in November last year can be placed within this framework. The German chancellor, the first European leader to travel to Beijing since the beginning of the COVID-19 pandemic, brought with him a delegation of German business leaders. His visit to Xi Jinping gave rise to fierce criticisms from within the German Government (namely those coming from ministers of the Greens, SPD's coalition partners) and other German and EU political elements, criticisms that intensified when Germany gave the green light to the acquisition of a minority stake in the Port of Hamburg by the Chinese state-owned company COSCO. In a guest article published in *Politico* (Scholz, 2022), the chancellor stated that "*even in changed circumstances, China remains an important business and trading partner for Germany and Europe*", adding that "*We do not want to decouple from it*". The article ends as follows: "*We will seek*



*cooperation where it lies in our mutual interest. We will not ignore controversies. That is part and parcel of a candid exchange between Germany and China”.*

Giorgia Meloni, the Italian prime minister, before she took office at the *Palazzo Chigi*, did not mince words but stoutly criticised China and announced her intention to limit China’s expansion and influence in Europe. Yet in November 2022, while participating in the G20 summit held in Bali, Indonesia, Meloni officially met Xi Jinping. According to the Italian Government site ([www.governo.it](http://www.governo.it)), she had “*a cordial meeting with the President of the People’s Republic of China*”, in which she “*expressed the Italian Government’s interest in promoting mutual economic interests, also with a view to increasing Italian exports to China*”, and touched upon EU-China relations, “*with the hope being expressed that they will be revigorated*”.

These two observations seem to legitimate the identification of a form of hedging strategy, since they approximate, as Goh (2005:2) puts it, “*a middle position that forestalls or avoids having to choose one side at the obvious expense of another*”. More time and further observations will be needed to fully confirm the extension of this method of diminishing cognitive dissonance affecting EU-China relations. Nevertheless, one can already acknowledge that the European side, in particular, is matching the predictions of Festinger’s theory. The ‘discomfort’ of clashing views of China as a (very important) partner and, at the same time, as a (globally influential) rival is pressuring the European settings to endeavour to attempt to reduce dissonance.

### **Concluding remarks**

EU-China relations have deteriorated in recent years. The EU has attributed to China the qualities of being, simultaneously, a partner, a competitor and a rival, aiming to ensure a compartmentalisation of policy areas and thereby allowing them to operate in insulation from each other, with low interference between them. The extent to which this compartmentalisation has been a productive way of configuring EU-China relations is still by no means established, given the aftermath of further deterioration in the relationship’s dynamics prompted by a series of events that led the European authorities to adopt a more confrontational stance. In the end, amidst turbulence provoked by a striving balance between interests and values, and perhaps under the scope of ‘principled pragmatism’, the two parties are attempting to mitigate the effects of a relational baseline marked by a conflictual approach. This makes cognitive dissonance and its theory a purposeful theoretical framework to delve into the current EU-China relation state of affairs. In this sense, Wang Yi, while addressing the issue of systemic rivalry, was right in bringing the concept into the light.

This paper has extended Yi’s simplistic use of the concept, taking advantage of the pioneering work of Leon Festinger (Festinger, 1957, 1962). By conjugating the theoretical contributions with an analytical effort of the relational ground between the two blocs, thus exploring their configuring dissonant cognitions, it provides a number of insights that ought to be useful in appraising EU-China relations. It highlights that the





confrontation logic coexists with a high level of interdependence and interconnectedness. As such, in light of Festinger's theory, one can argue that logical inconsistency, as well as inconsistency with past experiences, are producing dissonant cognitions. Still, mutual dependence forces a dividing line between political differences and economic advantages, which, in the end, gives privilege to interests to the detriment of values (or passions...). Accordingly, the motivation and pressure to reduce dissonance can be detected in the realm of EU-China relations. The manner in which dissonance is being reduced, however, does not fit with the theoretical predictions, because, rather than being based on changing dynamics in behaviours, values and beliefs, or in environmental conditions, it seems to be relying on some form of hedging strategy.

As a final conclusion, there is scope to argue that, under the current political environment, it is not expectable any move to take us back in time, namely to the 7<sup>th</sup> EU-China summit, held in The Hague, in December 2004, a period when the *zeitgeist* was heavily focused on mutual coexistence, avoidance of any disturbing effects of differences on the overall relationship, the mutual recognition of the importance of each side fostering its own comparative advantages, learning from each other, and ensuring the joint construction of prosperous societies. Revesz (2022: 95), though, alerts that "*bipolar antagonism would amount to disaster*". She (id.) adds: "*This is why we believe in facilitating discussion, dialogue and all kinds of knowledge flow to diversify the discourse and raise it to a new, more rational and empowering level*". Hedging, dissonance-reducing, strategies might be of value in fostering such a new, more rational and empowering level.

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bringing back, stoutly, the idea that the European ideal, as the former Commission's president Barroso would say, "*it is about values, and I underline this word: values*"<sup>3</sup>.

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<sup>3</sup> State of the Union address, Strasbourg, September 11, 2013



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