

Following a triple shock of the Covid-19 pandemic, disruption of global value chains and Russia's war against Ukraine, Germany's chancellor Olaf Scholz has announced the turning point (*Zeitenwende*) in country's foreign policy and embarked upon a major change in its strategic and economic dimensions. Unclear is still what exactly this change involves, how substantial and lasting it will be, and whether it will find the support of key economic actors or rather it will face a serious opposition from crucial stakeholders. The proposed research will investigate the ongoing policy change and its contestation in Germany's strategic foreign economic policy (*strategische Außenwirtschaftspolitik*) by closely examining three economic policy areas: 1) shaping a green hydrogen market, 2) fostering international role of the euro, and 3) launching a new trade policy within the context of a value-based diplomacy. Operating on a ground of analytical theorizing and empirical research this project aims to merge three strands of political science literature to better explain the turn in Germany's strategic foreign economic policy: ideational historical institutionalism (HI); advocacy coalitions framework (ACF); and literature on the knowledge regimes and national origins of policy ideas.

In close cooperation with key stakeholders the project will consider the perspective of main actors of the economic triangle established within Germany's long tripartite corporatist tradition: policy makers, business representatives and union activists, and then broaden this sample as to include key advocacy policy research organizations from both national and the EU level. Ultimately, the project aims to bring about a more comprehensive understanding of the ongoing policy change in Germany and develop more general observations about three crucial foreign economic policy fields: energy, finance, and trade. Its results might be of interest and equip policy makers, businesses representatives, experts, and analysts with greater understanding of German policy and economic landscape and help in modifying their foreign policies and business operations accordingly.

This research project' ambition is to provide answers of high scientific quality to a set of questions that are academically and socially relevant and to communicate these answers to the relevant scientific and non-academic audiences. The project builds on the assumption that in the upcoming age of great power rivalry, weaponization of interdependence, and ongoing regionalization rather than globalization it is no longer possible to pursue security policy goals and international economic goals separately. Germany provides an able case for the examination of major policy turn and foreign economic policymaking. It offers a crucial case study of a Western economy that made a "strategic bet" on globalization and interdependence — and is now suffering the consequences. Therefore, the focus on the economic aspects of *Zeitenwende* is much needed, as Germany's turning point will have arguably much bigger implications to the economic considerations behind Germany's foreign policy (like *Ostpolitik* and *Wandel durch Handel*), much greater than with regard to *Westbindung* and adherence to multilateralism and European integration, as these traditions will probably remain in place unchanged. Without a comprehensive understanding of how a major foreign policy change unfolds in a country like Germany, that so far based its foreign policy on the notion of 'peace dividend' and belief in the pro democratization power of trade relations, we will be unable to provide more general observations about the reactions of states to the changing international order.

The project is anticipated to generate the following kinds of impacts: it will enhance understandings among policymakers, business representatives, trade unions and other stakeholders how a turn in strategic foreign economic policy occurs as well as map the economic policy field and identify forces pressing for change and opting for preserving the status-quo, and what the implications are for the political allies and trade partners. It seeks to open up a space for a reframing of policy questions about how best to respond to the changing international surrounding and develop new foreign economic policy toolkit appropriate for the new era. It will strengthen and expand networks of actors who are involved in the design and analysis of German politics.

The research team will also strive within the available means to make this research project visible and impactful beyond the walls of academia. The project is anticipated to generate the following kinds of impacts in the non-academic world: one national-level media contribution, set of interviews to national and local media outlets, online podcast, as well as set of lectures to interested audiences.