

Foreword by the Co-chairs



Wolfgang Ischinger

Dear Reader,

Today's China presents fundamental challenges to the democracies of Europe and North America. At the Special Edition of the Munich Security Conference on February 19, 2021, President Biden spoke about the need "to prepare together for long-term strategic competition with China." At the same event, Chancellor Merkel called on transatlantic partners to articulate a "joint agenda."



Joseph S. Nye, Jr.

In the US, there is a strong bi-partisan consensus in this regard. In Europe, too, attitudes toward Xi Jinping's China have shifted, not just among the foreign policy elite, but also among the broader public. China is no longer seen primarily in terms of trade and investment opportunities or a threat to jobs, but also as a challenge to American and European interests and values including human rights and democracy. Increasingly, European decision-makers view China's behavior in the Indo-Pacific and its projection of influence and power globally with concern.

The June 2021 summits of the G7 and NATO as well as the EU-US summit confirmed that China is at the top of the transatlantic agenda and that there is convergence in terms of moving towards more robust policies in dealing with Beijing.

And yet, a gap remains between American and European views. This is due to different readings of China and differences in basic approaches to foreign, economic, and security policy. In part, the gap reflects differences in the level of economic and financial exposure. In part, it is due to different security interests and defense commitments.

Which elements of the existing international order can be maintained and to what extent that order needs to be adapted has been the subject of intense debate during the work of our Reflection Group. We have also debated to what extent “decoupling” from China is desirable and possible. While we have not resolved these issues, we are convinced that they must continue to be part of the transatlantic conversation.

Faced with the reality of China’s policies today, the democracies of Europe and North America must join forces to defend and advance their interests and their values. If they do so, in cooperation with like-minded partners around the world, we firmly believe they will be able to hold their own in any competition with China. And by working together rather than separately, Canada, Europe, and the United States will create a basis for a more fruitful dialogue with China in the future. None of us want to see a “new Cold War.” We recognize that China has its rightful place in the international system, and we believe that dialogue is necessary.

We hope that this report will contribute to a more joined-up transatlantic approach. It is itself a product of transatlantic cooperation involving the Aspen Strategy Group, the Mercator Institute for China Studies, and the Munich Security Conference. It was made possible by the engagement of a distinguished group of individuals with a wealth of expertise on China as well as transatlantic relations.

All members of the group played an active part in laying the groundwork for this report. However, members do not necessarily subscribe to every aspect of the analysis and recommendations contained therein, and the same holds for the three convening organizations. The report represents an effort at capturing the prevailing opinion among members.