

# Between States of Matter – Competition and Cooperation

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America is back, but where is Europe?

COMPETITION  
COOPERATION



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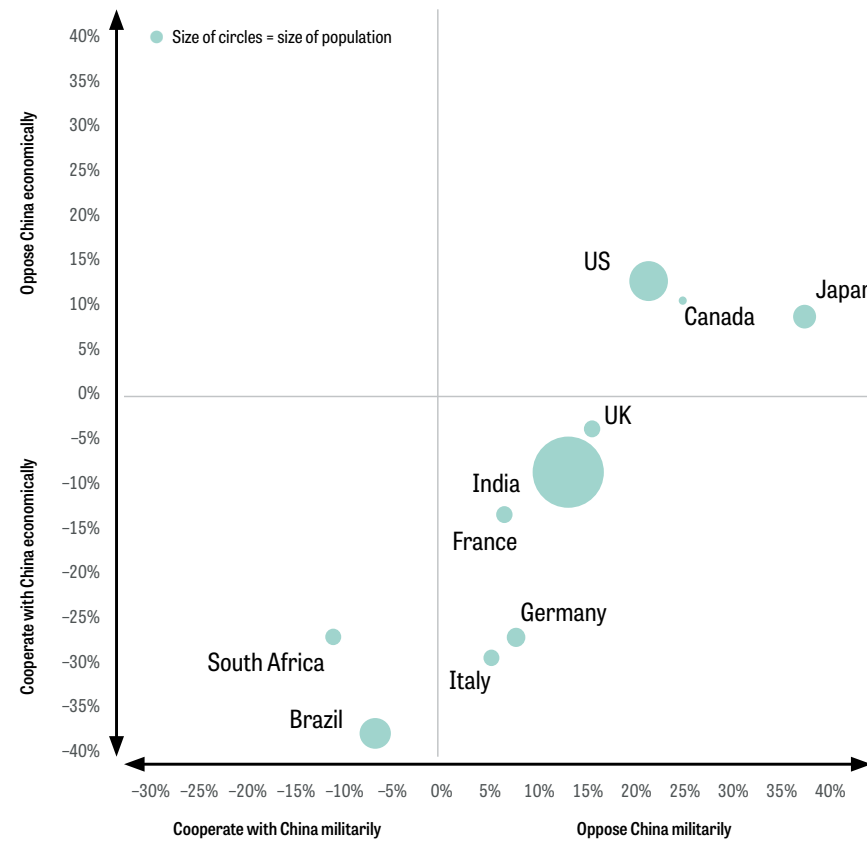
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Earlier this year, the Munich Security Conference presented its annual Munich Security Report. As every year, we have taken pains to summarize and classify the best analyses and arguments of the past year in a way that can serve as a basis for an informed debate on the state of the international system. It also comes with a significant innovation – the first edition of our annual Munich Security Index. Based on exclusive survey data, the index is an annual temperature test of risk perceptions that pervade the societies of G7 and BRICS countries. As this year's conference had to be cancelled due to a pandemic, we have chosen the days before the G7, EU and NATO summits to highlight a key question of our time, namely how liberal democracies can face the many challenges and threats of the coming years.

Transatlantic leaders seem to have come to a common conclusion: the world's liberal democracies are facing a new systemic competition. While they support a joint strategy for dealing with their autocratic challengers by strengthening cooperation with each other, they are only at the beginning of thinking about the best way to compete where they must – and to cooperate with competitors where they can. At last year's Munich Security Conference, world leaders discussed a world shaped by "Westlessness" – as diagnosed by the Munich Security Report 2020. Unfortunately, various developments have vindicated last year's dire analysis. Not only did Western countries continue to exhibit a lack of joint action on crucial global issues, the past year also saw continued attacks on liberal-democratic norms in key Western countries, with the storming of the US Capitol as the most emblematic symbol of the threat to democracy. But there is hope. In the midst of a global pandemic, almost exactly one year after a divisive Munich Security Conference 2020, the speakers at the virtual MSC Special Edition on February 19, 2021, including US President Joe Biden, German Chancellor Angela Merkel, French President Emmanuel Macron, and other world leaders all voiced their support for a new beginning in the transatlantic relationship and for revamping cooperation among liberal democracies to prevail in a new age of systemic competition.



WHAT DO YOU THINK YOUR COUNTRY SHOULD DO IN RESPONSE TO THE RISE OF CHINA AS A MILITARY AND ECONOMIC POWER?

**Figure 1:** Citizens' preference for their country's response to the rise of China, share saying that their country should oppose China minus share saying that their country should cooperate with China, 2021, percent

Data and illustrations: Kekst CNC, commissioned by the Munich Security Conference

### USA is back, what role has Europe?

After what can be called an “autocratic decade,” liberal democracies are now willing to push back to turn the “illiberal tide.” President Biden, having declared that “America is back” and ready to lead, is stressing at every opportunity that democracies find themselves at an inflection point and need to prove that democracy is not a phase-out model but can deliver tangible benefits to the people. While the United States, under President Biden, is bent on taking up its traditional role as “leader of the free world,” a return to the status quo ante is not on the cards for the transatlantic partnership. Judging from their rhetoric, European leaders seem to have gotten the message, as few foreign policy speeches fail to mention the need for Europe to take on more responsibility. Yet in terms of action, critics are irritated by a general lack of European proposals to tackle the items on a long transatlantic to-do list. Some already fear that Europe is missing another opportunity to resurrect the West. America is back, but where is Europe? After all, Europe has a key role to play. A shifting balance of power means that the US today does not need followers it has to protect. Rather, it needs capable allies with whom it can work together. As Europe will remain unable to provide for its own security for many years to come, it needs the United States as a “European power.” Yet, for obvious reasons, the US will focus its attention on the Pacific theater. Europeans and Americans need to find a new transatlantic bargain that works for both sides. Above all, as French President Macron argued at the MSC Special Edition, this will require Europeans to assume much greater agency at their own doorsteps: “We need more Europe to deal with our neighborhood.” Yet it is precisely in its immediate neighborhood where the EU’s desire to become more capable and autonomous most frequently clashes with reality. From the Maghreb to the Caucasus, the EU has shown a limited ability to assume a

	Canada	Italy	Finland	France	Germany	UK	US	Norway	Greece	Japan	South Africa	Poland	Brazil	Argentina	India	Mexico	Hungary	Peru	Estonia	Taiwan	Israel	South Korea	Ukraine	Belarus	Venezuela	Colombia	Turkey	Saudi Arabia	Pakistan	Russia	China	Iran	North Korea
Canada		42	41	41	40	46	40	41	36	35	27	33	22	26	23	34	28	24	18	24	17	27	20	10	4	12	8	-14	-3	-27	-32	-31	-41
Germany	39	39	38	42		29	27	40	34	25	10	22	1	9	6	7	11	6	26	6	14	12	8	-14	-7	-5	-21	-24	-21	-20	-27	-38	-39
France	54	56	52		54	40	45	50	46	32	25	31	18	23	16	21	28	26	30	17	19	23	16	-1	7	11	-31	-16	-23	-7	-18	-34	-36
Italy	39		32	33	34	32	38	35	34	30	15	23	20	23	5	15	19	16	21	9	19	15	12	8	9	6	-12	-5	-15	14	-1	-22	-21
Japan	37	39	34	34	34	36	42	28	22		14	25	22	18	25	17	16	18	16	47	1	-24	11	10	11	7	27	14	3	-29	-42	-9	-49
UK	49	46	48	39	43		43	48	44	36	33	41	23	10	28	26	34	25	30	23	17	24	21	14	12	9	13	-1	5	-27	-28	-31	-41
US	41	36	36	35	32	38		36	35	30	25	29	17	19	20	22	20	20	13	25	26	28	13	10	-2	7	7	-3	-7	-25	-28	-30	-31
Brazil	18	18	3	4	7	15	29	3	5	17	9	-2		14	4	12	-4	12	-11	-11	10	-2	-11	-14	-16	6	-9	-9	-24	-7	-4	-25	-26
China	2	21	19	18	23	1	-16	17	24	-2	31	19	25	27	-10	24	20	21	20		13	8	24	34	29	19	17	24	44	43		26	31
India	30	32	29	32	29	35	32	25	27	30	31	29	29	27		26	24	25	21	23	27	20	27	25	23	29	17	25	-2	30	1	19	12
Russia	-15	11	9	-6	-2	-34	-53	-5	19	-13	14	-37	23	22	35	19	8	19	-32	16	4	4	-53	52	30	9	-9	-6	-12		20	-1	10
South Africa	21	21	17	17	24	29	32	17	13	14		10	26	21	29	14	13	15	3	14	13	11	5	13	15	10	18	14	4	12	14	-1	-3

more proactive role and effectively protect its own vital interests. With Europeans being no more than bystanders in some of the gravest crises in their neighborhood, Eastern Europe, the Middle East, and North Africa have become prime examples of “Westlessness.” Other powers have exploited this vacuum, pursuing interests that often run counter to those of the EU. In order to become a stabilizing force in its surroundings, Europe still has to tackle major deficits in the areas of capacity, strategic direction, and unity.

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FOR EACH COUNTRY/ JURISDICTION PLEASE SAY WHETHER YOU THINK THEY POSE A THREAT OR ARE AN ALLY TO YOUR COUNTRY OR NEITHER.

**Figure 2:** Citizens' perceptions of other countries, share saying country is an ally minus share saying country is a threat, 2021, percent

Data and illustrations: Kekst CNC, commissioned by the Munich Security Conference

### Balance is crucial

But competition does not have to be all bad. In fact, competition and cooperation do not only coexist. They condition each other. In the case of climate change, for instance, it could even inspire a race to the top, if managed properly – spurring green investments and boosting bold climate action. Whether states will be able to compete successfully will depend on their cooperative relationships with others. Likewise, the way competition unfolds will shape multilateral cooperation, its form, and its formats. To effectively tackle the most serious security challenges, the transatlantic partners must learn to navigate between these two “states of matter.” Together with like-minded states, they need to seek the right balance: between competing against the illiberal tide where they must (to defend core values and interests) and cooperating with challengers where they can (to tackle shared risks and threats).

But this is easier said than done. Moving in between these two states of matter, agreeing on, and successfully communicating where and when to cooperate, where and when to compete, or where and when to do both at the same time is no small feat. Against the background of new levels of interdependence and the internationalization of almost all policy fields, such a strategy requires skillful statecraft, intellectual commitment, and appropriate decision-making structures on the domestic and the international level. The necessary debate about how to create these conditions and about how to design, communicate, and implement such a grand strategy has only just begun. We at MSC will continue to monitor and drive this debate. ■

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*Dr. Benedikt Franke is the CEO of the Munich Security Conference. This article is based on the Executive Summary of the Munich Security Report 2021 by Tobias Bunde, Sophie Eisentraut et al. The report is available on the MSC website.*

