

## Chapter V: Toward a Transatlantic Blueprint

By Hans Binnendijk, Franklin D. Kramer, James P. Danoy, and Connor McPartland

**T**he five areas discussed in Chapters II, III, and IV for potential transatlantic policy coordination in response to Chinese challenges—democracy and human rights, diplomatic coercion and influence, malign economic practices, technological competition, and security risks—reveal many issues of common transatlantic interest. This chapter suggests ways in which the transatlantic partners might organize themselves better to pursue a coordinated policy, starting with efforts to align their intelligence assessments on China. Next, it makes suggestions for bringing in like-minded Indo-Pacific partners. Finally, it suggests some areas in which the transatlantic partners might cooperate with China, for example, on meeting the challenge of climate change and pandemics.

### Section A: Organizing for Policy Coordination with Europe

A thorough transatlantic strategic assessment will provide greater fidelity on the degree of policy convergence. Policy coordination will be easier in some areas than in others due to differing priorities and national economic dependencies. It may be impractical to design one comprehensive transatlantic policy toward China. It may equally be impossible to create just one organizational structure to coordinate transatlantic policies.

Bilateral organizational ties between both the United States and China and the European Union (EU) and China are currently more well-developed than those between transatlantic institutions and China. That should change.

The EU and China meet periodically at the summit level, with the twenty-second summit having been held in the summer of 2020. Major topics included the signing of the EU-China Agreement on Geographical Indications,<sup>543</sup> discussion of the Comprehensive Agreement on Investment (CAI) and a Strategic Agenda for Cooperation 2025, climate change, biodiversity, COVID-19 responses, and international security issues (including a call for Chinese

restraint in the South China Sea).<sup>544</sup> Central European states also meet with China in the 17+1 format, sometimes in apparent competition with the EU.

The United States and China have held periodic strategic talks—“senior dialogues” under the George W. Bush administration, which were upgraded in 2009 by then-US President Barack Obama. Eight sets of US-China Strategic and Economic Dialogues were held during the Obama administration.<sup>545</sup> Under the Trump administration, these talks were broken down into four parts—diplomatic and security, economic, law and cyber, and social and cultural<sup>546</sup>—but most of these sessions were cancelled with the emphasis being placed on trade talks. Currently, the EU-China dialogue is much more robust than its US counterpart. The new Biden administration would be well advised to restart the dialogues held by the Obama administration, making sure they are productive.

A key requirement for an effective transatlantic China policy would be the establishment of an umbrella mechanism that might be called the “Transatlantic Coordinating Council on China” as the central forum for discussion and coordination among relevant players on the multiple issues that China presents. This umbrella organization would include all members of NATO and the EU, as well as those institutions themselves. While a US-EU dialogue will be important, a US-EU-only meeting leaves out Canada, Iceland, Norway, and the United Kingdom. Moreover, in addition to the EU, these nations need to be at the table because they maintain the governmental competency for many actions. Furthermore, for a variety of security issues, there will be significant benefits from engaging NATO.

Establishment of a “Transatlantic Coordinating Council on China” will allow decision making that takes into account the full scope of the issues, including when decisions in one arena have ramifications for another. The council could be structured as a voluntary organization as has been done for important organizations such as the Financial Stability Board or the Proliferation Security Initiative. Moreover, inasmuch as a number of issues will require, or benefit from, interaction with the private sector and while the center of

543 This will improve European access to some Chinese markets, especially agricultural products.

544 European Council, “EU-China leaders meeting via video conference, 14 September 2020,” <https://www.consilium.europa.eu/en/meetings/international-summit/2020/09/14/#>.

545 US Department of State, *U.S.-China Strategic and Economic Dialogue*, <https://2009-2017.state.gov/e/eb/tpp/bta/sed//index.htm>.

546 US-China Economic and Security Review Commission, Report to 115<sup>th</sup> Congress, First session, November 2017, 179, [https://www.uscc.gov/sites/default/files/2019-09/2017\\_Annual\\_Report\\_to\\_Congress.pdf](https://www.uscc.gov/sites/default/files/2019-09/2017_Annual_Report_to_Congress.pdf).

the new council would be governmental, the council could be structured with sufficient flexibility to include private sector entities, both for analysis and coordination.<sup>547</sup>

To make this “Transatlantic Coordinating Council on China” effective, a secretariat might be established and all parties would need to develop small teams of Sherpas to prepare the groundwork for council meetings that might take place semiannually. The council would work closely with NATO on security issues and would serve to coordinate NATO-EU perspectives. Once the council is established, one might envision trilateral US-EU-Chinese talks on key issues.

Other mechanisms might be created to deal with specific sets of issues discussed in previous chapters. A menu of ideas for consideration might include:

- i. Establish through NATO a coordinating mechanism that links US transatlantic and transpacific allies and partners to reinforce mutual security interests;
- ii. Establish within NATO a new assistant secretary general to focus on challenges to global stability, including challenges posed by China;
- iii. Create a permanent coordinating mechanism between NATO’s North Atlantic Council (NAC) and the Council of the European Union to deal with the various challenges posed by China;
- iv. Create a D-10 grouping of major democracies (including many European nations), which might lead on human rights and the defense of democracy issues. One might envision such a group engaging China in Helsinki Accords-like discussions on human rights;
- v. Energize the G-20 to discuss the negative impact of China’s “wolf warrior” diplomacy and seek to reverse it;
- vi. Establish a transatlantic system to review Chinese investments in sensitive technologies and the sale of such technologies to China. An updated version of the Cold War Coordinating Committee on technology transfers (COCOM) might be considered;
- vii. Create a transatlantic negotiating strategy to seek equal access to Chinese markets and to limit Chinese economic subsidies;
- viii. Work with allies in the Arctic Council and through the United Nations Law of the Seas Convention (UNCLOS) to protect transatlantic interests in freedom of the seas and peaceful use of Arctic waters; and
- ix. Design a coordinating mechanism to discuss nuclear weapons limitation efforts with China.

The activities of each of these other groupings might be coordinated closely with or in some cases they might even be imbedded in the “Transatlantic Coordinating Council on China” to retain a single focal point for planning.

### Major Recommendation

Create a new “Transatlantic Coordinating Council on China,” consisting of all members of the EU and NATO as well as an umbrella group to coordinate transatlantic positions on China and liaise with NATO and other key organizations.

## Section B: Aligning Intelligence Assessments

On April 1, 1945, in the waning days of World War II in Europe, British Prime Minister Winston Churchill is quoted as saying: “There is only one thing worse than fighting with allies, and that is fighting without them.” The formulation of a comprehensive, multilateral transatlantic strategy to address the challenge posed by China will require a common understanding among allies and partners of the current and future strategic environment and of China’s national aims and capabilities.<sup>548</sup> In turn, the effective execution of that multilateral strategy will require the development of a common approach to China. Both the common understanding and the common approach toward China must be based on sound intelligence. This will require strengthening existing bilateral and multilateral foreign intelligence relationships, forging new intelligence partnerships, and constructing a secure and agile intelligence-sharing architecture that maximizes the unique collection and analytic capabilities of allied and partner intelligence services. The basis for multilateral intelligence cooperation on China currently exists among the so-called Five Eyes countries—Australia, Canada, New Zealand, the UK, and the United States—the long-standing intelligence-sharing alliance which has been in existence since World War II. The Five Eyes nations have reportedly agreed to increase intelligence sharing on China among their respective

547 Franklin D. Kramer, *Priorities for a Transatlantic China Strategy*, Atlantic Council, November 2020, 4-5, <https://www.atlanticcouncil.org/wp-content/uploads/2020/11/PRIORITIES-FOR-A-TRANSATLANTIC-CHINA-STRATEGY-IB.pdf>.

548 US House of Representatives, 116<sup>th</sup> Congress, *China Task Force Report*, September 2020, 18, <https://gop-foreignaffairs.house.gov/wp-content/uploads/2020/11/China-Task-Force-Final-Report-11.6.20.pdf>.

intelligence services and to seek intelligence-sharing arrangements with other key countries in Europe and Asia that are concerned about the security implications associated with China's increasingly assertive global activities.<sup>549</sup>

To complement this effort, NATO and the EU should prioritize the production of respective strategic intelligence assessments on China. These agreed-upon assessments, informed by member state intelligence services' analyses, while time-consuming, can provide a useful baseline for allied and partner states. These assessments should be supplemented by dynamic scenario-based alternative futures analysis and table-top exercises conducted among willing partners.

Associated with the production of agreed-upon strategic intelligence assessments must be a commitment for increased information sharing among allied and partner intelligence services on China's global activities, both on a bilateral and multilateral basis. This will require the streamlining of intelligence disclosure and release procedures among the cooperative intelligence services and the development of compatible information systems architecture. Maximizing the use of open-source intelligence (OSINT) through the use of commonly accepted tradecraft practices will facilitate analytical collaboration. Enhanced intelligence cooperation on China should also include establishing agreed-upon intelligence collection priorities and the leveraging of unique national-level collection capabilities against the China problem set through proper tasking mechanisms and protocols.

Identifying suitable partners is key to building and sustaining a value-added multilateral intelligence consortium on China. While the Five Eyes alliance can serve as the nucleus for such a consortium, constructing a robust intelligence coalition will be dependent on a number of key factors, including:

- i. Does the potential partner share one's overall values and national security threat perceptions?
- ii. Does the potential partner have the ability to acquire or facilitate access to desired information?
- iii. What intelligence collection and/or analytic capabilities does the potential partner possess, and are they unique and/or complementary to one's existing capabilities?

- iv. Is the potential partner open to an intelligence-sharing relationship?

Seeking additional partners in Asia, in addition to Japan, South Korea, and Taiwan, will be key to increasing situational awareness on China. The US-India Basic Exchange and Cooperation Agreement (BECA), signed in October 2020, which permits the United States to share geospatial intelligence with the Indian armed forces, is a significant step in this direction.<sup>550</sup> Vietnam and Malaysia share US and European concerns about Chinese assertiveness and could contribute niche intelligence capabilities to an intelligence consortium. This may involve building partnership capacity in order to enhance their intelligence collection and analytic capabilities. Another more sensitive issue to overcome is that of safeguarding shared information and assessing the operational security and counterintelligence risk posed by Chinese intelligence services.

Overcoming these challenges will require the participation not only of the foreign intelligence services but also the foreign ministries of each country and political support at the highest levels of government. The need to fill information gaps on Chinese strategic capabilities and intentions is acute and the need to establish a common understanding of the China challenge is paramount. Publicly released national-level assessments on China, such as the recent US Department of Defense's annual report to Congress, *Military and Security Developments Involving the People's Republic of China 2020*,<sup>551</sup> and the 2019 US Defense Intelligence Agency publication, *China Military Power: Modernizing a Force to Fight and Win*,<sup>552</sup> form the basis for a common understanding of the China challenge, but they do not substitute for a "common intelligence picture," which can only be achieved through increased intelligence sharing that will inform allied and partner decision making on the way ahead on China.

## Major Recommendations

- i. Develop a comprehensive and dynamic allied and partner "common intelligence picture" of China's strategic direction.
- ii. Prioritize the production of NATO and EU strategic intelligence assessments on China.

549 Noah Barkin, "Exclusive: Five Eyes intelligence Alliance Builds Coalition to Counter China," Reuters, October 12, 2018, <https://www.reuters.com/article/us-china-fiveeyes/exclusive-five-eyes-intelligence-alliance-builds-coalition-to-counter-china-idUSKCN1MM0GH>.

550 Vivek Raghuvanshi, "India, US sign intel-sharing agreement amid tensions with neighboring China," *Defense News*, October 28, 2020, <https://www.defensenews.com/space/2020/10/28/india-us-sign-intel-sharing-agreement-amid-tension-with-neighboring-china/>.

551 US Department of Defense, *Military and Security Developments Involving the People's Republic of China 2020*. Annual Report to Congress, <https://media.defense.gov/2020/Sep/01/2002488689/-1/-1/1/2020-DOD-CHINA-MILITARY-POWER-REPORT-FINAL.PDF>.

552 US Defense Intelligence Agency, *China Military Power: Modernizing a Force to Fight and Win*, 2019, <https://apps.dtic.mil/dtic/tr/fulltext/u2/1066163.pdf>.

- iii. Establish a consortium of national-level allied and partner intelligence services along the Five Eyes model to enhance cooperation on analytic and collection activities on China. This consortium might be part of the “Transatlantic Coordinating Council on China” structure.

## Section C: Bringing in Asian Allies

Developing a common transatlantic approach to addressing the challenge posed by China is a critical step in safeguarding the rules-based international system. However, an approach focused solely on China in the transatlantic space will not be enough to prevent China’s worst behavior or compel it to work as a responsible actor in the world. As more and more of global economic and political power shifts from the West to Asia,<sup>553</sup> working with like-minded nations in the Indo-Pacific region is more important than ever before in managing China’s rise, and developing joint transatlantic-transpacific initiatives will be critical to holding China accountable.

Although finding avenues for transatlantic-transpacific cooperation could be a key factor in effectively managing China’s rise, there are obstacles that may make such cooperation difficult. First and foremost, countries in the Indo-Pacific region are not a unified bloc. Intra-regional divergences in the Indo-Pacific run much deeper than those in Europe, meaning that opportunities to create regionwide initiatives will be rare.

Second, where convergences do exist in the Indo-Pacific the priority paid to those policy areas and the degree of convergence is somewhat opposite that in the transatlantic space. Whereas there is more divergence in the transatlantic community over the Chinese security challenge, in the Indo-Pacific there is widespread concern about China’s growing military might.<sup>554</sup> Conversely, the transatlantic community is in broad agreement on the importance of promoting human rights and democratic values in opposition to China’s abuses and authoritarian system. In the

Indo-Pacific region, however, a reliance on values-based initiatives may push more illiberal states with questionable human rights records closer to China out of fear of Western intervention in their own countries.<sup>555</sup> Close economic links between China and countries in the Indo-Pacific, such as members of the Association of Southeast Asian Nations (ASEAN), may limit willingness to pursue any economic initiatives that could damage relations with China.<sup>556</sup> Finally, there is growing discontent with aggressive Chinese diplomacy such as the “wolf warrior” strategy that has emerged since the beginning of the COVID-19 pandemic.

Despite the complex web of convergences and divergences within the Indo-Pacific region and between the region and the transatlantic community, there are still a number of initiatives that could be undertaken by “mini-lateral” coalitions of like-minded states in the transpacific and transatlantic communities to increase pressure on China.

In the economic space, the transatlantic community has already undertaken a number of efforts to bring about more economic cooperation, albeit they have not yet been in cooperation with each other. The EU has pursued economic agreements with several countries in the region, including a partnership agreement with Japan (2017), free trade agreement with Singapore (2018), and is pursuing further agreements with other ASEAN countries as well as Australia.<sup>557</sup> The United States, for its part, has pursued bilateral agreements with Indo-Pacific countries since pulling out of the multilateral Transpacific Partnership (TPP) in 2017, revising the Korea-United States Free Trade Agreement (KORUS FTA), and signing two new trade measures with Japan. As mentioned above, China has pursued its own trade pacts with Asian nations, concluding the Regional Comprehensive Economic Partnership (RCEP) with fourteen Indo-Pacific nations in November 2020.

Future economic initiatives could include a revitalized TPP, with the United States rejoining the structure and expanding the partnership to include the EU, creating by far the world’s largest trading bloc. Strengthening economic cooperation among this large group would put immense pressure on China, and provisions could be added to the

553 Natalie Nougayrède, “Global power is shifting to Asia — and Europe must adapt to that,” *Guardian*, September 9, 2017, <https://www.theguardian.com/commentisfree/2017/sep/09/global-power-shifting-asia-europe-must-adapt>.

554 James Stavridis, “China’s military buildup is worry for neighbors and warning for US,” *Nikkei Asia*, October 1, 2019, <https://asia.nikkei.com/Opinion/China-s-military-buildup-is-worry-for-neighbors-and-warning-for-US>.

555 Douglas H. Paal, *America’s Future in a Dynamic Asia*, Carnegie Endowment for International Peace, January 2019, 39, [https://carnegieendowment.org/files/09\\_18\\_Paal\\_Asia\\_final.pdf](https://carnegieendowment.org/files/09_18_Paal_Asia_final.pdf).

556 James Hildebrand et al., “Build an Atlantic-Pacific Partnership,” in *NATO 20/2020: Twenty bold ideas to reimagine the Alliance after the 2020 US election*, ed. Christopher Skaluba, Atlantic Council, October 2020, <https://www.atlanticcouncil.org/content-series/nato20-2020/build-an-atlantic-pacific-partnership/>.

557 Liselotte Odgaard, “Getting the Balance Right: Managing EU Relations with the US and China,” in *Strategies for the Indo-Pacific: Perceptions of the US and Like-Minded Countries*, ed. Satoru Nagao, Hudson Institute, December 16, 2019, 59, [https://s3.amazonaws.com/media.hudson.org/Nagao\\_Strategies%20for%20the%20Indo-Pacific.pdf](https://s3.amazonaws.com/media.hudson.org/Nagao_Strategies%20for%20the%20Indo-Pacific.pdf).



Standing NATO Maritime Group 1 flagship sailing with Japan Maritime Self Defense Force Training Squadron ships (JMSDF cadet training vessel JS Kashima) in the Baltic Sea during a Passing Exercise (PASSEX). *Source: NATO*

revised partnership to further increase pressure. For example, extra favor could be given to products manufactured in factories that have been moved out of China.

In the security space, NATO can play a more active role in building stronger connections between the transatlantic and transpacific communities. NATO already has established bilateral partnership arrangements with like-minded states such as South Korea, Japan, New Zealand, and Australia. NATO could work to integrate these bilateral relationships into a more formal “30+4” structure to better facilitate dialogue, training, intelligence sharing, and situational awareness.<sup>558</sup> NATO can also increase its engagement with interested ASEAN members in areas such as capacity building and standardization.<sup>559</sup> Initiatives that are focused on cooperation in emerging security areas, such as outer space and cyberspace, may also prove beneficial. The so-called Quad (the United States, Japan, Australia, and India) is seen by some as a precursor to an Asian NATO. Its Asian members have significant military capabilities, as

do partners like Vietnam. In addition to its partnership relationships with Japan and Australia, NATO might find ways to connect more directly with the Quad and thus bring India into closer consultations with the Alliance.

On the technology front, there is still time to work with Indo-Pacific countries to find alternatives to Huawei Technologies Co., Ltd.’s 5G infrastructure. Australia, Japan, Taiwan, and Vietnam have already signed onto the United States’ Clean Network program in which countries agree to exclude Huawei from their 5G networks. The United States and European participants in the program can work with Indo-Pacific states still weighing their 5G options to facilitate choosing safer alternatives to Huawei, such as Ericsson or Nokia. Outside of 5G, working to develop partnerships between companies in Europe, North America, and the Indo-Pacific to innovate on emerging technologies could allow the transatlantic community and partners in the transpacific community to maintain an innovative edge over China.

<sup>558</sup> Hildebrand et al., “Build.”

<sup>559</sup> *Ibid.*

Coalitions around human rights issues may prove to be less expansive than on areas like security. Countries in Southeast Asia, such as Myanmar and Laos, which have recently drawn criticism from transatlantic countries for human rights abuses, may find coalitions built around promoting human rights and democracy threatening to their own governments and move closer to China as a result. Nevertheless, there are still powerful coalitions that can be formed. Australia, Japan, and New Zealand all signed onto an October 2020 United Nations (UN) statement with thirty-six other, mostly Western, nations condemning Chinese treatment of the Uyghurs in China's northwestern Xinjiang region.<sup>560</sup> Expanding this coalition to other like-minded states in the region, potentially combined with unified sanctions, could put more pressure on China to improve its behavior.

Finally, countries in the Indo-Pacific, as in the West, have been subject to coercive and aggressive Chinese diplomacy. This has included Chinese restrictions on tourists to South Korea in retaliation for South Korea's installation of the Terminal High Altitude Area Defense (THAAD) missile system and trade restrictions on Australian agricultural products after the Australian government called for an investigation into the origins of COVID-19.<sup>561</sup> States affected by this sort of coercion can join forces to raise awareness about these actions and support each other in diplomatic disputes with China. Joint attribution and collective push-back, or countermeasures, by coalitions of like-minded states could discourage China from targeting individual states with coercive measures.<sup>562</sup>

## Major Recommendation

Once a "Transatlantic Coordinating Council on China" is established, it should develop close partnerships with Asian democracies.

## Section D: Areas for Cooperation with China— 'One World' Challenges

Despite the importance of developing a united transatlantic front to limit China's negative activities, there are also areas of importance to the transatlantic nations where success will require productive actions by China. Such areas

include addressing climate change, enhancing global health, achieving nuclear nonproliferation, supporting economic development, and making international peacekeeping more effective. Combined, the transatlantic nations and China account for a significant portion of the world's economy. That could provide an impressive coalition with the potential to have demonstrable impact on some of the world's most pressing challenges. However, while the concept of transatlantic-China cooperation is easily enough suggested, the reality of achieving actual results will be more difficult. The discussion below describes some of the constraints, but also sets forth areas where China may be inclined to cooperate or, if not actively cooperate, at least participate in achieving a common goal.

Preliminarily, it is important to recognize that transatlantic cooperation with China requires agreement among the transatlantic nations themselves. The advent of the Biden administration makes such agreement more likely, but it will not be automatic. For example, in certain areas the EU has already taken steps on its own. The EU-China Comprehensive Agreement on Investment (CAI) describes commitments by China, including:

- i. "Commitments on environment and climate, including the commitment to implement the Paris Agreement to tackle climate change effectively."
- ii. "Commitments with regard to the ratification of the outstanding ILO fundamental Conventions, specific commitments on the ratification of the two fundamental Conventions on forced labour."
- iii. "Prohibition of lowering the standard of protection in the areas of labour and environment in order to attract investment."
- iv. "Commitment to support the uptake of corporate social responsibility and responsible business practices by EU and Chinese companies, wherever they operate."<sup>563</sup>

These commitments, if adhered to by China, are positive, but in terms of transatlantic cooperation, they demonstrate at least a onetime willingness on the part of the EU to act absent transatlantic consultation. What that implies for the future is yet to be determined, particularly in light of statements by both the EU and the new Biden administration on

<sup>560</sup> Edith M. Lederer, "Nearly 40 nations criticize China's human rights policies," Associated Press, October 6, 2020, <https://apnews.com/article/virus-outbreak-race-and-ethnicity-tibet-hong-kong-united-states-a69609b46705f97bdec509e009577cb5>.

<sup>561</sup> Fergus Hanson, Emilia Currey, and Tracy Beattie, *The Chinese Communist Party's coercive diplomacy*, ASPI, September 1, 2020, <https://www.aspi.org.au/report/chinese-communist-partys-coercive-diplomacy>.

<sup>562</sup> Ibid.

<sup>563</sup> European Commission, "Q&A: EU-China Comprehensive Agreement on Investment (CAI)," December 30, 2020, [https://ec.europa.eu/commission/presscorner/detail/en/qanda\\_20\\_2543](https://ec.europa.eu/commission/presscorner/detail/en/qanda_20_2543).

the importance of consultations. As described in the sections above, however, establishing a coordinating mechanism such as a “Transatlantic Coordinating Council on China” may be important to accomplish transatlantic cooperation.

On the substance of cooperation between China and the transatlantic nations, China generally proposes to act constructively in each of the areas identified above—addressing climate change, enhancing global health, achieving nuclear nonproliferation, supporting economic development, and making international peacekeeping effective. That, of course, is a positive. But there is a substantial difference between a positive pledge and positive behavior. China has previously made important pledges which it has broken without compunction. These include its pledges not to militarize the islands in the South China Sea, not to engage in cyber commercial espionage, and, of course, the commitment to abide by the terms of the Hong Kong treaty signed with the UK. Each of these has been violated, and, as shown in its criticism of the ruling by an independent arbitral tribunal established under the United Nations Convention on the Law of the Sea (UNCLOS) on a case brought by the Philippines, China feels entirely free to ignore international law. In short, while pledges can be worthwhile, it is results that count. The probability of achieving cooperative results with, or at least useful parallel actions by, China on these “one world” issues is discussed below.

In the climate arena, there are myriad reasons for China to take climate change seriously, starting most obviously with the harms that climate change itself can engender. Additionally, a shift away from hydrocarbon fuels to increased use of renewables and/or nuclear power would reduce China’s dependence on hydrocarbon imports, assist in resolving China’s significant air pollution challenges, and likely enhance China’s food and water security. While the relationship between Chinese Communist Party (CCP) decision making and the desires of the Chinese population is not easy to discern, success by the CCP/Chinese government in these areas would reduce grounds for dissatisfaction with the party. Moreover, the fact of the Biden administration returning the United States to the Paris Climate Agreement is potentially an opportunity for greater cooperation with China. With the Chinese population

dwarfing that of Europe and the United States, little substantive change can occur without Beijing’s buy-in to reduce carbon emissions, making China’s pledge to become carbon neutral by 2060 a worthwhile step.<sup>564</sup> In addition, China has made significant progress in developing green technologies that might form the basis for cooperative industrial efforts.

Nevertheless, cooperation is far from assured. First, most of the actions needed are largely internal to China—more parallel than cooperative. Positive parallel actions are certainly useful, but there are countervailing factors in China that might cause climate goals not to be achieved. Most obviously, China is building a great many coal plants to supply energy.<sup>565</sup> If such plants operate over a usual time frame it will make it harder for China to achieve its climate goals. Second, in theory, a potential area of cooperation would be in developing and implementing technologies in combination with the transatlantic nations that would help mitigate climate change. However, China’s track record and policies such as “dual circulation” and Made in China 2025 that emphasize domestic innovation make actual cooperation less likely. Equally, and perhaps more, daunting—given the nature of China’s state-driven economy, including the use of subsidies by both central and provincial governments—China’s climate-friendly technologies potentially will be sold at prices significantly below those of transatlantic firms which do not receive such subsidies (analogous to the situation in the 5G arena). To support transatlantic firms in the renewable energy and related fields, limits on Chinese companies in transatlantic markets will be required (as described in the section on economics) in ways that reduce options for cooperation. Additionally, China could well object to certain transatlantic objectives, including, for example, a carbon border tax as has been discussed by the EU,<sup>566</sup> again reducing prospects for cooperation. Finally, “Chinese companies are still making massive investments in coal-fired plants in central Asia, eastern Europe, Africa, and Latin America” and while this could change it will require a “shift in policy beyond China’s borders.”<sup>567</sup>

Global health is another area where international cooperation is critical. Scientific experts in the United States,

564 Steven Lee Myers, “China’s Pledge to Be Carbon Neutral by 2060: What It Means,” *New York Times*, September 23, 2020, updated December 4, 2020, <https://www.nytimes.com/2020/09/23/world/asia/china-climate-change.html>.

565 Darrell Proctor, “China Promotes Climate Goal, and Builds New Coal Plants,” *Power*, September 24, 2020, <https://www.powermag.com/china-promotes-climate-goal-and-builds-new-coal-plants/>; Thomas Hale and Leslie Hook, “China expands coal plant capacity to boost post-virus economy,” *Financial Times*, June 24, 2020, <https://www.ft.com/content/cdcd8a02-81b5-48f1-a4a5-60a93a6ffa1e>.

566 Janka Oertel, Jennifer Tollmann, and Byford Tsang, *Climate superpowers: How the EU and China can compete and cooperate for a green future*, European Council on Foreign Relations, December 3, 2020, <https://ecfr.eu/publication/climate-superpowers-how-the-eu-and-china-can-compete-and-cooperate-for-a-green-future/>; “[T]hrough the details of the proposal are not expected to be fleshed out until 2021, Chinese officials have consistently expressed opposition to such a tax by the EU”; Kerstine Appunn, “Emission reduction panacea or recipe for trade war? The EU’s carbon border tax debate,” *Clean Energy Wire*, November 30, 2020, <https://www.cleanenergywire.org/factsheets/emission-reduction-panacea-or-recipe-trade-war-eus-carbon-border-tax-debate>.

567 Oertel, Tollmann, and Tsang, *Climate superpowers*.

Europe, and China could work together to guard against future novel diseases that could have the same, or even greater, impact as COVID-19. US President Joseph R. Biden, Jr.'s decision to restore ties with the World Health Organization (WHO) might serve as an opportunity for closer cooperation. This might be particularly valuable in providing support for less-developed countries, including in managing the manufacturing, stockpiling, and provision of medical equipment, therapeutics, vaccines, and personal protective equipment (PPE). As a step in this direction, China has joined the COVID-19 Vaccines Global Access (COVAX) Facility backed by the WHO.

China, however, has not been open in its public treatment of the origins and response to COVID-19. It has objected to calls by Australia for a science-based review of the origins of the coronavirus,<sup>568</sup> and its reaction has led to very significant tensions between the two countries.<sup>569</sup> It has sentenced to prison or detained those who have questioned the official Chinese narrative.<sup>570</sup> According to Amy Qin and Javier C. Hernandez, one “study last year by the Citizen Lab at the University of Toronto found that thousands of keywords related to the pandemic were censored on WeChat, a popular messaging app; many of the deleted posts were critical of Chinese officials.”<sup>571</sup> A refusal to have open and accurate dialogue about health issues will severely undercut the prospects for effective cooperation, even as China recently allowed WHO experts to visit for a tightly controlled investigation.<sup>572</sup> This does not mean that China does not care about health issues, but it does mean that cooperation may be limited and that efforts may be more in parallel than combined. The development of COVID-19 vaccines is an example of such parallel actions. China conducted clinical trials in multiple third countries and is now providing vaccines to countries.<sup>573</sup>

Nonproliferation of nuclear weapons is another area of potential cooperation. China, along with several European nations, is a party to the Joint Comprehensive Plan of Action (JCPOA), the nuclear deal with Iran. The Biden

administration will seek to have the United States rejoin that agreement. China also has influence with North Korea and could help restructure efforts to freeze and reverse North Korea's nuclear programs. However, as is the case regarding climate change and global health, China's future role in each of these matters is uncertain. China also recently negotiated a significant agreement with Iran. As described:

“Iran and China have quietly drafted a sweeping economic and security partnership that would clear the way for billions of dollars of Chinese investments in energy and other sectors, undercutting the Trump administration's efforts to isolate the Iranian government because of its nuclear and military ambitions.

“The partnership, detailed in an 18-page proposed agreement obtained by The New York Times, would vastly expand Chinese presence in banking, telecommunications, ports, railways and dozens of other projects. In exchange, China would receive a regular — and, according to an Iranian official and an oil trader, heavily discounted — supply of Iranian oil over the next 25 years.

“The document also describes deepening military cooperation, potentially giving China a foothold in a region that has been a strategic preoccupation of the United States for decades. It calls for joint training and exercises, joint research and weapons development and intelligence sharing — all to fight ‘the lopsided battle with terrorism, drug and human trafficking and cross-border crimes.’”<sup>574</sup>

While the China-Iran agreement, at least publicly, has not been finalized, it raises significant issues as to the willingness of China to work toward a revised JCPOA which could include constraints on Iran—such as on ballistic

568 Daniel Hurst, “Australia insists WHO inquiry into Covid origin must be robust, despite China tensions,” *Guardian*, December 28, 2020, <https://www.theguardian.com/world/2020/dec/29/australia-insists-who-inquiry-into-covid-origin-must-be-robust-despite-china-tensions>.

569 Damien Cave, “The World in a Vise: Sounding the Alarm on China, Then Running for Shelter,” *New York Times*, December 1, 2020, updated December 7, 2020, <https://www.nytimes.com/2020/12/01/world/australia/china-australia-morrison-tweet.html>.

570 Vivien Wang, “Chinese Citizen Journalist Sentenced to 4 Years for Covid Reporting,” *New York Times*, December 28, 2020, updated January 14, 2021, <https://www.nytimes.com/2020/12/28/world/asia/china-zhang-zhan-covid-convicted.html>; Amy Qin and Javier C. Hernández, “A Year After Wuhan, China Tells a Tale of Triumph (and No Mistakes),” *New York Times*, January 10, 2021, updated January 14, 2021, <https://www.nytimes.com/2021/01/10/world/asia/wuhan-china-coronavirus.html?searchResultPosition=1>.

571 Qin and Hernández, “A Year After.”

572 Associated Press, “China: WHO experts arriving Thursday for virus origins probe,” January 11, 2021, <https://apnews.com/article/pandemics-coronavirus-pandemic-wuhan-china-united-nations-82f38100db0fa1462ec3ae74fc74cf09>. The delegation subsequently concluded that the COVID virus was unlikely to have leaked from a Chinese research lab.

573 John Ruwitch, “China Plans To Sell COVID-19 Vaccines To Other Countries,” NPR, January 21, 2021, <https://www.npr.org/2021/01/11/955720013/china-plans-to-sell-covid-19-vaccines-to-other-countries>; Jon Cohen, “With global push for COVID-19 vaccines, China aims to win friends and cut deals,” *Science*, November 25, 2020, <https://www.sciencemag.org/news/2020/11/global-push-covid-19-vaccines-china-aims-win-friends-and-cut-deals>.

574 Farnaz Fassihi and Steven Lee Myers, “Defying U.S., China and Iran Near Trade and Military Partnership,” *New York Times*, July 11, 2020, updated November 30, 2020, <https://www.nytimes.com/2020/07/11/world/asia/china-iran-trade-military-deal.html?auth=login-email&login=email&searchResultPosition=1>.

missiles—that were not present in the original agreement. Similarly, while China has been party to UN resolutions regarding North Korean nuclear weapons, its enforcement of those resolutions has been called into question.<sup>575</sup> China's willingness to take new steps is quite uncertain in light of such factors as China's worsened relationship with the United States and recent increased North Korean bellicosity toward the United States.<sup>576</sup>

International peacekeeping is another area where potential cooperation has been discussed. China currently provides about two thousand five hundred peacekeepers to UN peacekeeping missions—China is the tenth-highest troop contributor and second-largest financial supporter—but the United States (the UN's largest financial supporter) only provides about thirty troops, limiting opportunities for cooperation.<sup>577</sup> China has been a constructive participant in maritime activities off the east coast of Africa but has not actually joined existing task forces.<sup>578</sup> Finally, in Afghanistan, Iraq, and Syria, where the United States has been actively engaged, there seems little prospect for Chinese peacekeeping forces.

A final area where there may be valuable opportunity for at least parallel actions by the transatlantic nations and China is that of economic development. There are multiple fora for the United States, China, and Europe to work together when it comes to international development economics. China is an active member of the major multilateral development banks and founded the Asian Infrastructure Investment Bank. These institutions offer the prospects for collaborative actions. US, European, and Chinese counterparts can work with these organizations and shared development partners to empower greater cooperation across a range of objectives, including especially infrastructure but also others

such as enhancing data for decision making and statistical capacity building, improving food security, and championing education for women and girls. China also undertakes very large amounts of foreign direct investment abroad—in 2019, approximately \$117 billion (down from approximately \$196 billion in 2016).<sup>579</sup> These are unilateral investments, not necessarily subject to cooperation. Moreover, as discussed above, China's Belt and Road Initiative (BRI) (under the auspices of which many of the investments are made) has significant deficiencies, including a lack of transparency and overbearing terms. However, a transatlantic focus on ensuring that recipient nations, including developing nations in the Indo-Pacific, Africa, and elsewhere, have full understanding of the terms in the agreements being proposed by China would be significantly important to avoid the downsides of Chinese investments.<sup>580</sup> The United States has established the Blue Dot Network to create “shared standards for global infrastructure development.” That and similar approaches would enhance the value of parallel overseas investment by China.

As transatlantic partners develop common positions to confront Chinese behavior on an array of issues described in this study, it will also be important to find opportunities for transatlantic cooperation with China. A dual approach will make it easier to gain transatlantic cooperation and may help offset China's close relationship with Russia. Climate change, global health, nuclear nonproliferation, international peacekeeping, and global economic development are areas where some mutual interest exist that could lead to greater cooperation. But China's track record on implementation in these areas is not good. As transatlantic partners proceed to seek cooperation in these areas, they must develop mechanisms to ensure that Chinese promises are indeed implemented.

575 David Brunnstrom, “U.S. accuses China of ‘flagrant’ N. Korea violations, offers \$5 million reward,” Reuters, December 1, 2020, <https://www.reuters.com/article/usa-northkorea-china/u-s-accuses-china-of-flagrant-n-korea-violations-offers-5-million-reward-idUSKBN28B540>; Choe Sang-Hun, “Defying U.N. Ban, Chinese Ships Pay North Korea to Fish in Its Waters,” *New York Times*, July 22, 2020, updated August 14, 2020, <https://www.nytimes.com/2020/07/22/world/asia/north-korea-squid-sanctions-china.html>.

576 Justin McCurry, “North Korea set for collision course with US as Kim Jong-un solidifies one-man rule,” *Guardian*, January 12, 2021, <https://www.theguardian.com/world/2021/jan/12/north-korea-set-for-collision-course-with-us-as-kim-jong-un-solidifies-one-man-rule>.

577 Richard Gowan, “China's pragmatic approach to UN peacekeeping,” Brookings Institution, September 14, 2020, <https://www.brookings.edu/articles/chinas-pragmatic-approach-to-un-peacekeeping/>; United Nations Peacekeeping, *Troop and Police Contributors*, <https://peacekeeping.un.org/en/troop-and-police-contributors>.

578 Jérôme Henry, *China's Military Deployments in the Gulf of Aden*, IFRI Center for Asian Studies, November 2016, 13, [https://globalmaritimehub.com/wp-content/uploads/attach\\_785.pdf](https://globalmaritimehub.com/wp-content/uploads/attach_785.pdf).

579 Statista, *Annual outflow of foreign direct investment (FDI) from China between 2009 and 2019*, accessed January 12, 2021, <https://www.statista.com/statistics/858019/china-outward-foreign-direct-investment-flows/>.

580 It will be important to avoid European countries being overly influenced by either the BRI or the 17+1 initiative (as discussed in the economics section).