

policy areas. Among other things, it has unmasked strong dependencies in the supply chains of critical technologies, as well as gaping inequalities and their detrimental effects on global crisis resilience.

Both the pandemic and recent geopolitical power moves have brought vulnerabilities in the technology sector into focus ([Chapter 6](#)). The ongoing global semiconductor supply bottleneck exemplifies what can happen when supply chains depend on “single points of failure” and geopolitically fraught supply sources. Due to the strategic importance of tech supply chains, the risk to them is only growing in an era of systemic competition. This realization has spurred a rethink on industrial policy in the US, Europe, and other high-tech economies. Meanwhile, China has had a head start as its comprehensive approach to economic planning has long focused on boosting its indigenous tech sector. However, approaches based on “onshoring,” the shifting of supply from foreign soil to within national borders, are clearly limited. Accordingly, the focus for policymakers has shifted to achieving supply chain cooperation between like-minded partners to collectively become more resilient.

Covid-19 has brutally exposed inequalities that exist within and across states ([Chapter 7](#)). Pandemics are not the only grave threat facing humanity today that is inseparably tied to global divides. Climate change is, too. These threats to our health and habitats deepen existing disparities; and they will also defy successful containment if current levels of inequality persist. As long as the coronavirus rages on in other parts of the world, no country will be safe from the Covid-19 pandemic. And if less developed countries lack the resources to embark on low-carbon pathways, global warming cannot be effectively limited. It is becoming increasingly clear that improving global resilience in the face of present and future threats requires renewing social contracts, both within and between countries. Getting back on track to reach the UN Sustainable Development Goals would be the first important step.

Despite these and the many other challenges on the agenda of this year’s Munich Security Conference, there is still good reason to believe that “unlearning helplessness” is possible. For this, transatlantic leaders need to revive the optimism and momentum palpable in the early days of the Biden administration and demonstrate that both democracy as a system and alliances based on liberal values can deliver for their states’ citizens and the world at large. Collectively, they have the chance to turn the tide. Individually they risk being swept away.



1 Turning the Tide – Unlearning Helplessness

Is the world at the edge of an abyss? Is humanity losing control over its own fate? What can be done to overcome a widespread feeling of helplessness in the face of crises that reinforce each other? Are liberal democracies – and the transatlantic partners in particular – able to unlearn helplessness and turn the tide of mounting crises?