

Project Title: Between Power and Plenty: Economic Statecraft of the EU and the US in Dealing with China's Technological Rise

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Research Summary:

The global landscape is undergoing profound changes driven by accelerated technological advancements and an intensifying geopolitical power shift. At the core of these developments is China's technological rise, which presents both opportunities and strategic challenges for the world's leading economic and political actors. For the European Union (EU) and the United States (US), China's ambitions in cutting-edge technologies such as artificial intelligence (AI), semiconductors, and quantum computing are not merely a technological or economic matter but a geopolitical one. While technological leadership can bring economic prosperity, it is also an instrument of strategic power that shapes global influence, military capabilities, and supply chain security.

Against this background, where technological leadership increasingly defines economic security and geopolitical power, this project investigates how the EU and the US navigate the balance between power and plenty—that is, how the EU and the US use economic statecraft to respond to China's growing technological influence while safeguarding their own economic interests and security.

In particular, the research focuses on the development of industrial policy, investment screening, and export control policies of the EU and the US to investigate the extent to which these policies reflect a shift toward geopolitical competition.

Drawing eclectically on different strands of IR and IPE theorising, such as economic realism, neorealism, and economic interdependence and on the literature on economic statecraft, this study explains the diverging motivations and economic statecraft approaches of the EU and the US.

Research Methodology: Qualitative study; Comparative analysis, and Process tracing