

## THE US, CHINA, AND THE EU IN A NEW GLOBAL ORDER: A World of Two or Three?

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*Is there a place for the EU in the world of old-fashioned power politics now organized around confrontation between Washington and Beijing? Brussels needs to learn to balance and counterbalance the two world powers but also to find the way and the means to defend its own approach, matching narratives and actions. A strong political figure like Josep Borrell can help to overcome institutional inertia and could also undertake policy priorities whereby the EU's external action might really make a difference.*

**U**rsula Von der Leyen wants the new European Commission to be geopolitical and strategic. This idea was expressed during Josep Borrell's European Parliament confirmation hearing, where the EU High Representative and Vice-President stated that the global order is moving away from a ruled-based multilateral order back into one of old-fashioned power politics, organized around confrontation between Washington and Beijing. Thus, amid this shift, the EU needs to "learn the language of power" to assert its own independent voice and to avoid being squeezed by a new clash of titans. In a world marked by increasingly less concealed hostility and open disagreement on basic principles, the EU should reassess its global role and avoid joining the game of either of the other two superpowers, particularly when Donald Trump's US has ceased to be a fully reliable partner. Four features would define the EU's way to go in a world of three, not two.

### **A mismatch between narratives and reality**

Are we living through a new Cold War-style confrontation, as suggested by some of the narratives presently being put forward? The 2017 US National Security Strategy and Xi Jinping's speeches on the occasion of the 70<sup>th</sup> Anniversary of the PRC would seem to suggest so. Once-smooth commercial relations are affected by political setbacks after different packages of sanctions have been passed by both governments in the last three years. However, a closer look shows that sanctions represent *only* around 2%

of the combined GDPs of China and the US (roughly \$700bn since 2017). Tough words have not really led to any grave escalation and both powers keep affirming their willingness to reduce tensions. It is difficult to accept that this world resembles the Cold War milieu that permeated global politics for four decades. This does not mean that a new G-2 cannot fall back into bipolar confrontation, though today's dense network of global interdependences suggests that it remains a distant scenario. However, behaving as if bipolar confrontation was a preponderant factor also risks contributing to a self-fulfilling prophecy.

### **A real distance?**

The new Commission's agenda to act strategically suggests that the EU might, at times, distance itself from the US—quarantining the traditional 'special relationship'—and approach China when necessary. To become an independent geopolitical actor, Brussels needs to learn how to balance and counterbalance the two world powers. This inevitably raises an unresolved question: can the EU really distance itself from Washington? Decoupling security structures and reducing economic and trade dependency is not only a colossal challenge but also a costly and divisive business for the EU. Since the publication of the EU Global Strategy in 2016, praise for Europe's "strategic autonomy" has gained momentum in both Brussels and other European capitals, particularly Paris. However, in his hearing, Borrell claimed the need to strengthen relations with NATO, while shifting from a logic of "strategic autonomy" to one of "collaborative autonomy". With this, he might have signalled that the capacity for and inclination towards moving away from the US are limited. Distancing narratives trace a direct connection between the return of geopolitics and Donald Trump's period in office, so there is deep understanding that the geopolitical breakdown is temporary, at least in the short term. If Trump is the one to blame, it is logical to expect that the US will return to business as usual once this president is gone, and also that it will be sceptical about any fast-paced untangling. Whether the US further distances itself from Europe—and vice-versa—in the next decade remains to be seen.

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### **A renewed capability-expectations gap**

The higher the stakes, the greater the need for fulfilment. EU foreign policy and defence has traditionally been characterized by Christopher Hill's capability-expectations gap, which illustrates how grand narratives about the EU's role in world affairs usually falls short of expectations due to limited instruments and internal divisions. In times of increasing geopolitical rivalry, the champion of cosmopolitan ideas and

normative power has not chosen to stand aside but, rather, to be seduced by geopolitical logics. So, if this new world is not the one “the European Union wanted”, as Borrell put it in his hearing, can the EU translate its narrative into action? “Strategic autonomy” has been coupled with remarkable advancements in European defence, the most significant being Permanent Structured Cooperation (PESCO), while other efforts include increased EU-NATO cooperation, and the possibility of using European money to fund defence capabilities through the European Defence Fund (EDF). These initiatives are not free of criticism. Some observers have noted that there are too many member states participating in PESCO and that its projects are too wide-ranging to make a real difference in defence integration. Whether these initiatives can substantially increase the EU’s independence *vis-à-vis* the US, let alone become a *tour de force* in a more geopolitically contested world, is unclear. The killing of Iranian general Qassem Soleimani showed how difficult it is for the EU to openly confront the US and to avoid being seen as a geopolitical bystander in major conflicts and the confrontations of power politics. The many communiqués released by the new European leaders in response to the first major crisis since they took office have only offered calls for restraint and engagement.

### **The recurrent quest for policy coherence**

A geopolitical Union requires simultaneous use of many policy instruments to achieve a commonly defined political goal. EU foreign policy has traditionally failed to bring together the intergovernmental features of its Common Foreign and Security Policy (CFSP), the Common Security and Defence Policy (CSDP), and external relations in the hands of the European Commission (development cooperation, aid, energy policy and, above all, trade). Borrell, as a double-hatted figure, should have increased capacity for coherent mobilization of resources at both ends of the institutional spectrum: those of the Council in the hands of member states and those of the Commission’s supranational powers. However, his oversight of policy portfolios in the new European Commission is limited and, in any case, similar to that of previous HR/VPs. External action has not been placed at the top of Von der Leyen’s organization chart although it is a priority for some executive vice-presidencies. But a strong political figure like Borrell can help to overcome institutional inertia and could also undertake policy priorities whereby the EU’s external action might really make a difference.

Europe’s southern neighbours offer a promising testing ground. In security, development or migration, there is increasing evidence that the EU’s purview does not stop at the southern borders of North African and Middle Eastern countries. Today, sub-Saharan Africa and the Sahel are more present than ever in the political dynamics of the countries with which the EU has established long-standing relations since the launch of the Barcelona Process in 1995. Euro-Mediterranean relations must become more encompassing today and must broaden to become an EU-Mediterranean-Africa triangle, where territorial links diminish the physical distance imposed by the Mediterranean Sea. This political priority, matched with relevant and coherent policy instruments, could well embody a priority of the new HR/VP and the Commission on the occasion of the 25<sup>th</sup> anniversary of the Barcelona Process in November 2020.