



# BULLETIN

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Editors: Marcin Zaborowski (Editor-in-Chief) • Katarzyna Staniewska (Managing Editor)  
Jarosław Ćwiek-Karpowicz • Artur Gradziuk • Piotr Kościński  
Roderick Parkes • Marcin Terlikowski

## “Global Race” vs. “Global War of Succession:” How Europe Is Split about How to Compete

Roderick Parkes

*There is real urgency in the EU to become more internationally competitive, but also a growing gulf in the discussion about how to achieve it. Britain promotes the idea of a “global race”—that Member States should undertake difficult economic reforms and adopt their competitors’ strengths. Poland, a key architect of the EU’s Eastern policy, argues that the EU must instead reinforce its own socio-political model. The next stage of the EU’s development will depend on whether the bloc adopts Britain’s economic recipe or Poland’s geopolitical alternative. For Warsaw to drive the debate, it needs to engage with, and outflank, London.*

**British Thinking.** Poles returning home from the UK for Christmas would have been subject to both sides of the debate about Europe’s lack of competitiveness and how to fix it. The source of discussion this time was the EU’s effort to bind Ukraine and its other eastern neighbours to it, a policy which, in British eyes, suffered from a basic birth defect: if the EU is not achieving economically at home, it cannot hope to be attractive abroad.

This simple fact explained the poor take-up of the EU’s offer in Ukraine. Despite all the talk of “pro-Europeans demonstrating in Kiev,” it was said these were in fact second-wave protests—protests against the government’s earlier mistreatment of the small numbers of pro-Europeans. Nothing could disguise the fact that Ukrainians had been left cold by an offer of trade liberalisation that entailed difficult economic reforms without the guarantee of a vibrant market to sell to.

With the EU’s failings once again confirmed, attention turned instead to a prediction by the Centre for Economic and Business Research that the UK would emerge as Europe’s largest economy by 2030. Thanks to an appetite for low tax, flexible labour conditions and a reorientation of its exports to emerging economies, Britain would rejoin its Anglo-Saxon partners in the global race, an idea first popularised by the eurosceptic Conservative MP and former Foreign Office man Dominic Raab.

This idea of a global race is becoming a key tenet of British policy, both at home and in Europe. “Western democracies,” argues the British Chancellor, “are being outworked, outcompeted and outsmarted ... And the truth is, some... won’t keep up, they won’t make the changes needed.” Coupled with his comments about continental Europeans taking the short-cut to growth by stealing away the UK’s financial sector, the contours of British thinking are clear.

**Polish Thinking.** In Poland, the concern about the EU’s waning attractiveness was echoed. Yet, the prescribed response was very different. Whereas in the UK, the solution lay in the Member States adopting the salient features of international competitors, for Poland, it was to deepen the European model. For the UK, the diagnosis is that the EU has failed. For Poland it is that it has been too successful.

That may sound odd to British ears, but the thinking is straightforward. Each stage of global political history has been driven by a new form of state—from fiefdoms to kingdoms to constitutional monarchies to nations to empires to the EU. In the 1990s and early 2000s, the EU was quite simply the most successful and advanced political formation in the world. But others have now taken on its strongpoints, aping the European mix of technocracy and trading power.

Thus Russia, in its efforts to win back its near abroad, was using a bastardised form of EU methodology, offering partners access to the “Eurasian Union”—a trading bloc underpinned by the free movement of people. And, thanks to an authoritarian streak, it was able to override intense anti-immigrant sentiment at home in a way that the EU—no matter its “democratic deficit”—could not have done.

Poland’s prime lesson from the Ukrainian debacle is therefore that the EU needs to promote core socio-political values not covered by its imitators, rather than ditching them. This lies at the root of Poland’s acknowledgement that it functioned as a bridgehead for Ukrainian interests in Brussels in the run-up to the Vilnius summit, when it should have been acting as an inspirational model of socio-economic transformation in Ukraine.

**Worsening Divisions within the EU.** London seems intent on putting its trademark on the concept of “competitiveness” in the EU debate, convinced that it, alone of the European governments, sees the need to react to rising powers. With London thus presenting its version of competitiveness as the only version, the debate is effectively ended. Indeed, to British ears, calls to reinforce the “European model” simply sound like calls to deepen welfare spending.

And yet, the substantial differences between the UK and Poland are in some respects quite negligible—both would subscribe to the goal of making the EU a more democratic, open, economically vibrant bloc and both make the connection between material wealth and international power. This is no surprise. Both countries have always minimised social regulation in the EU, promoted economic liberalism and kept decisions at the lowest political level.

But then that is the point of comparing Poland and the UK, rather than say interventionist France and the UK: it highlights the growing importance of differences of style. Unlike Warsaw, London’s starting assumption is that the EU is unable to make these changes and, moreover, that this is not necessarily a bad thing: another trait of the global race idea is that countries stand in an essentially competitive relationship to each other, even their closest neighbours and partners.

The growing British readiness to go it alone matters to Poland. It was the EU’s lack of cohesion that transformed Russia’s earlier paranoia about Western power into a growing assertiveness. Having for years pushed for reform of the Euro-Atlantic security architecture, and been rebuffed, Moscow now feels it has the necessary clout to assert its own alternative vision. Its creation of a Eurasian Union has been about establishing a bipolar European space.

**The West Divided.** The implications are broader still. They affect the EU’s political and economic reform agenda. They impinge upon key aspects of EU international policy (whether to treat the neighbourhood as the locus of competition with global powers, or to look beyond the neighbourhood and treat those powers as markets; with whom to sign trade deals, and for what ends, be they economic or political). But, most importantly, they reflect an emergent division throughout the global West.

The reaction to Ukrainian President Viktor Yanukovich’s approaches to Moscow and Beijing was instructive in this regard. For Anglo-Saxons, his behaviour confirmed that the world is indeed a multipolar economic contest. For Continental Europeans, by contrast, it showed an emerging cleavage in world affairs, with the West pitted against a certain kind of “Rest”—mercantilist emerging powers that promote international “plurality” to accommodate domestic authoritarianism.

Continentalists convinced about the need for the West as a whole to stand and reinforce its model are thus concerned about the Anglo-Saxon readiness to ape their economic competitors. Is the U.S. becoming a hydrocarbon state, seeking quick-fixes in the Middle East only so as to hasten its withdrawal? Is New Zealand lining up a trade deal with Russia’s customs union? And did the Anglo-Saxon “five eyes” spy for economic reasons at the expense of underlying political values?

Moreover, British ideas are what resonate internationally. U.S., Canadian and Australian audiences receive much of their coverage of the EU through British media and, when viewed through the prism of the “global race,” the bloc’s readiness to compete may indeed seem woeful. Continental notions of a “war of succession” between Western incumbents and global contenders, meanwhile, hold little traction abroad, even as institutions such as the UNSC or WTO subtly change their nature.

**Recommendations.** Western countries are still looking for an organising logic for their international relations, and so these two competing narratives are significant. At the still primitive stage of the debate, Poland and the UK may be well placed to overcome any emergent divisions and misunderstandings—with Poland making clear that Europe is aware of its decline and is ready to compete. In this, Warsaw may have an unexpected interlocutor: the UK’s right.

Until the 1980s, support for the EU in Britain was entrenched on the right, whilst the left was Eurosceptic. That pattern reversed when the EU moved from being an economic bloc to one with a firm social agenda. It may now shift again. British commentators have already noted that the Merkel reforms are liberalising the EU economically and that sociopolitical interventions are not social meddling but geopolitical positioning. This is alienating the left, but winning over the right.