

## Symposium Article

# Europe: The quiet superpower

Andrew Moravcsik

Woodrow Wilson School of Public and International Affairs, Princeton University,  
443 Robertson Hall, Princeton, NJ 08544-1013, USA.

E-mail: amoravcs@princeton.edu

Website: www.princeton.edu/~amoravcs

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**Abstract** This article challenges the conventional view that Europe's global influence is declining. Since 1989 realists have predicted Europe's demise, as well as greater intra-European and transatlantic conflict. The reverse has occurred. This outcome suggests the superior predictive power of liberal international relations theory, which stresses the importance of the varied national interests of states, reflecting specific social coalitions, patterns of global interdependence and domestic institutions. According to a liberal analysis, Europe is and will foreseeably remain the only superpower besides the United States in a bipolar world – and its relative power is rising. Europe is the world's pre-eminent civilian power, and its second military power, far more influential than China or India. None of this is likely to change much, because Europe's influence rests on stable factors such as high *per capita* income, long-term institutional advantages and convergence of underlying national interests between European countries and other great powers, notably the United States.

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## Introduction

Among the numerous intellectual strands of Stanley Hoffmann's varied scholarship, some of the most significant have been the study of power in the context of European foreign policy, transatlantic relations and America's

shifting role in an increasingly interdependent world. His exploration of these substantive geopolitical issues propelled him to a position as a theoretical pioneer in conceptualizing power and influence in world politics. While he has consistently taken a respectful attitude toward the role of traditional military power, a legacy inherited in part from Raymond Aron, he presaged most of the major non-realist trends in international relations theory over the last half-century, including the renewed interest in interdependence, domestic politics, international regimes and law, and the role of values and ideas in policy-making (Hoffmann, 1987a, b). While giving realism its due, Stanley's fundamental commitments in theorizing international power and influence are those of a liberal – theoretically as well as normatively.

In speaking of 'liberal' theory, I do not mean to designate a theory of international relations that stresses the role of international law and institutions, though Stanley does consider such things important. Nor do I mean a commitment to normative ideals of tolerance, equality and freedom, or to left-of-center American politics, though Stanley also promotes non-utopian formulations of such ideals in his writings. Nor, finally, do I mean a commitment to normative utopianism or an unbounded belief in *laissez faire* economics; Stanley has always been quite critical of both. At the core of the liberal paradigm is rather the view that the varied fundamental social interests of states – stemming from socio-economic interdependence, cultural values and domestic institutions – fundamentally shape their behavior and their influence in world affairs (Moravcsik, 1997, 2008). At the core of Stanley's understanding of international relations, I believe, is his rejection of the realist contention that states are billiard balls that act similarly whether they are Communist or capitalist, dictatorial or democratic, Gaullist or Socialist, autarkic or open. Instead, Stanley believes that the varied social interests of states are fundamental to their behavior. This is why he stresses, for example, the role of national ideology in foreign policy, why he has written on interdependence and domestic politics, why he works at the intersection of comparative and international politics, and why he has always been committed to maintaining a measure of area studies within international relations (Hoffmann, 1987a, b). This characteristic in his thought has been recognized, and strongly criticized, by neo-realists such as Kenneth Waltz (1979, pp. 43–49). It is Stanley's enduring legacy in international relations, furthermore, to have had many students – including some represented in this volume – who have focused on similar issues.

In tribute to Stanley, this essay deploys liberal theory to re-examine European power in the twenty-first century in light of the massive shifts in interdependence and ideology since the fall of the Berlin Wall in November 1989. The



conventional wisdom has it that the global influence of Europe is in decline. This essay argues, to the contrary, that Europe remains the only other global superpower besides the United States. It is the world's second military power and pre-eminent civilian power. Its power is, in fact, rising. For the foreseeable future it is likely to remain one of two superpowers in a bipolar world.

## **The Conventional Wisdom: A Pessimistic Prognosis for Europe**

How many times have we read that the global system in the twenty-first century will be dominated by the United States and Asia? That, in President Obama's words, 'the relationship between the United States and China will shape the 21st century' (2009)? That the 'rise of the rest' is the great phenomenon of our time (Zakaria, 2008)? Much of this is based on the belief not just that Asia and the rest are rising, but that Europe is in relative decline. Such pessimistic prognoses rest on Europe's reputation for economic sluggishness, demographic lethargy and military weakness. A study by the Organization for Economic Cooperation and Development (OECD, 2005) predicts that Europe faces a demographic collapse: without fiscal and labor market reform, European economic growth will halve by 2030.

At best, so the conventional wisdom continues, Europe can resurrect itself only if it can unify into something resembling a nation-state, build up its defense and collaborate with the United States. Yet none of this is likely. Since the collapse of the Soviet Union, most critics – led by balance-of-power realists – have predicted that Europeans and Americans, lacking a common Soviet threat to unite them, will drift apart: the continent will become unruly, NATO and European Union (EU) cooperation will wither, and relations between the United States and the EU will become tense (Mearsheimer, 1990; Walt, 1998; Waltz, 2000; Kupchan, 2002). The Iraq war seemed to confirm this prognosis; many spoke of European 'balancing' – perhaps 'soft' rather than hard – against the United States. For Europe to re-establish itself as a major global force, many believe that serious European defense cooperation and a European defense build-up would be required – perhaps as a means of efficiently generating defense assets, perhaps as a prudent hedging strategy against a wayward United States, which might abandon Europe or act at cross purposes (Kupchan, 2002; Witney, 2008). So, the US National Intelligence Council (2008, p. 32) predicts that in 2050 Europe will be 'a hobbled giant distracted by internal bickering and competing national agendas and (even) less able to translate its economic clout into global influence'. In sum, concludes Mark Leonard (2005, p. 2): 'The conventional wisdom is that Europe's hour has come and gone. Its lack of visions, divisions, obsession with legal frameworks, unwillingness to project military power, and sclerotic



economy are contrasted with the United States ... We are told that if the American Empire is set to dominate the next fifty years, it is the Chinese and Indians who will take over the baton and dominate the second half of the century'. The 'Old Continent' is a spent geopolitical force.

This pessimistic view about European decline is not atheoretical. It is based, at its heart, on an explicitly realist theory of international relations. In this view, power is linked to the relative share of aggregate global resources and countries are engaged in constant zero-sum rivalry. To secure more of what they want, countries must seek a higher position in a global hierarchy of power, which requires a predominance of coercive (military and economic) power, which stems ultimately from control over gross demographic and economic resources. This is why decline in aggregate economic and demographic performance matters. Europe's global influence – its ability to get what it wants – will decline proportionately with its percentage of aggregate global power resources. Other traditional realist predictions about international politics follow. Realists believe, for example, that countries husband coercive power as if it were money, exploiting concentrations in their favor to extract concessions from others, and balancing against opposing concentrations of power to avoid the possibility that others will extract concessions from them. External threats generate cooperation; the lack of threats generates discord and disorder.

Realists such as John Mearsheimer, Kenneth Waltz, Stephen Walt and Charles Kupchan have consistently predicted that the decline of an immediate common Soviet threat will undermine transatlantic and European cooperation, sowing discord among Western powers, and ultimately weakening NATO and undermining European cooperation. The Iraq crisis, with its illusion of 'soft balancing', seemed to confirm this prognosis. For slightly different reasons, having to do with new ideological challenges coming from autocracies like Russia and China, as well as Islamic radicals, neo-conservatives predict disorder, believing that 'the 21st century will look like the 19th' (Kagan, 2008). Neo-conservatives share the realist view that, without greater military power projection capability, Europe will not be taken seriously in the contemporary world. Yet this view is held not just among realists, neo-conservatives and military planners in Washington or Beijing, but by centrist European analysts like Charles Grant, who recently wrote: 'These days ... few governments elsewhere view the EU as a rising power. They regard it as slow-moving, badly organised and often divided. They are particularly scornful of its lack of military muscle' (2009). Some take the realist balancing theory to its logical extreme, predicting the emergence of a Euro-Chinese alliance against the United States: two 'multipolar' powers opposing the potentially 'unilateralist' United States (Shambaugh, 2004). All this follows directly and logically from the premises of realist international relations theory.



## The Failure of Realist Predictions and the Liberal Alternative

Rarely have a set of short-term predictions about world politics been as widely and unambiguously set forth – and rarely as clearly disconfirmed. After 1989 there was a brief period of localized conflict in the Balkans, but – in striking contrast to circumstances preceding 1914 – it had little impact on the great power balance of power. Thereafter, the European continent has become ever more pacific, civilian power has gained in utility *vis-à-vis* hard military power, European integration has deepened, the United States and Europe have drawn closer, and no Euro-Chinese alliance has emerged.

Since 1989, Europe and the EU have enjoyed two decades of extraordinary success. Europe has established itself as the world's 'second' military power, with 50 000–100 000 combat troops active outside of home countries for most of the past two decades – working almost always in close cooperation with the United States. During the same period, the EU has enjoyed an extraordinary rise. Among other things, it completed the single market, established a single currency, created a zone without internal frontiers ('Schengen'), launched common defense, foreign and internal security policies, promulgated a constitution (that is now finally close to passage), and, most importantly, expanded from 12 to 27 members, with a half dozen more on the list. It has emerged as the most ambitious and successful international organization of all time, pioneering institutional practices far in advance of anything viewed elsewhere. Europe's distinctive instruments of civilian influence have seemed to gain in utility *vis-à-vis* hard military power. Today, as a result, there are two global superpowers: the United States and Europe. European nations, singly and collectively, are the only other states in the world today, besides the United States, to exert global influence across the full spectrum from 'hard' to 'soft' power. Insofar as the term retains any meaning, the world is *bipolar*, and is likely to remain so over the foreseeable future, as the world becomes more interdependent, networked and free of overt rivalry. Europe is the 'Quiet Superpower' (Moravcsik, 2002).

To understand why Europe has risen rather than declined, been peaceful rather than discordant, and befriended rather than competed with the United States, it is helpful to examine the underlying theory that best explains all this: a liberal theory of international relations. In contrast to realists, liberals do not assume zero-sum interstate rivalry but, as we have seen, view the fundamental social interests of states as variable rather than a constant. From this perspective, zero-sum security rivalry is exceptional, based on rare and predictable circumstances in which social interests are extraordinarily conflictual. Liberals attribute it to fundamental ideological conflict, and economic resources more efficiently appropriable by force than trade, non-democratic government, and capture by special interests. Most international interactions, by contrast, have a positive-sum component in which the interests, and thus the increasing

influence, of more than one country or region are complementary, resulting in positive-sum or mixed-motive interactions (Moravcsik, 1997). Thus, the use of military force is only one among a number of possible instruments of international influence, and the use of such instruments in such a way as to exhaust aggregate resources – the ideal-typical ‘total war’ scenario in which aggregate resources precisely dictate outcomes – is extremely rare (Moravcsik, 1997). Particularly where underlying preferences converge due to trade, democracy and ideological convergence – trends we have observed over the past two decades – we should expect to see widespread cooperation, with civilian instruments of influence playing a more important role.

For liberals, the most striking change since 1989 has been the underlying trend toward greater economic interdependence, democratization and ideological homogeneity in the developed and developing worlds, which has led to a convergence of interest among most great powers. This trend toward more ‘positive-sum’ interactions has created enormous advantages for Europe, in particular establishing an advantageous environment for the deployment of the ‘civilian power’ instruments in which Europe enjoys a comparative advantage. Europe’s great successes, notably the spread of European integration in its region and of multilateral norms worldwide, are evidence of this. This helps explain why – in contrast to realist predictions – the European Union has been *rising* in influence over the past 20 years, and is likely to continue to do so.

The remainder of this article examines three implications of this trend. It first examines Europe’s residual military influence, then its pre-eminent civilian power, and finally turns to the reasons why the post-1989 environment has been favorable to European global influence and the reasons why such influence is unlikely to decline quickly. The conclusion provides a brief discussion of why regional unity is not necessarily required for European influence to be deployed effectively, and of broader implications for liberal international relations theory.

## **Europe: The World’s Second Military Power**

Many observers write off European military power entirely. Robert Kagan has argued that Europe ‘lost [its] strategic centrality after the Cold War ended [because] outside of Europe ... the ability of European powers, individually or collectively, to project decisive force into regions of conflict beyond the continent [is] negligible’ (2002, p. 4). Such rhetoric is misleading. As a whole, Europe still accounts for 21 per cent of the world’s military spending, compared to 5 per cent for China, 3 per cent for Russia, 2 per cent for India, 1.5 per cent for Brazil. These forces are among the best-equipped in the world.



The production of the world's most advanced weapons is dominated by US and European firms. Taken together, France and Britain spend 60 per cent more on defense than China, with a long-range nuclear arsenal substantially larger than that of China or any other third country.<sup>1</sup>

Europeans do not just equip forces; they use them. European countries have had 50 000–100 000 troops stationed in combat roles outside of their home countries for most of the past two decades – the bulk of non-American troops in global operations. Despite unjustified criticism of Europeans for their failure to do more in Afghanistan, in fact 24 allied countries, of which 21 are European, are engaged in Operation Enduring Freedom, and 40 per cent of the 1327 military fatalities to date have been non-American – nearly a third of them European.<sup>2</sup> Europeans not only fight and die, they lead. Since the United States has generally refused to lead UN peacekeeping operations, for example, this task has often fallen to Europeans in places as disparate as Sierra Leone, Lebanon, the Congo, Ivory Coast, Chad and Afghanistan. Their comparative advantage has been in policing, low-intensity operations and peacekeeping. Studies conclude that Europe-led peacekeeping operations are more efficiently and effectively run than American operations (Dobbins *et al*, 2008).

No region or country, save the United States, possesses capabilities comparable to those of Europe. Nor is any likely to soon. The Chinese People's Liberation Army, for example, while increasingly and admirably involved in minor ways in UN peacekeeping operations, remains essentially a landlocked, labor-intensive military force. While there have been recent rumblings about the future threat of a Chinese blue-water navy, as well as cyber- and anti-satellite capabilities, there is no evidence of an autonomous regional, let alone global, power projection capability. Chinese power remains focused on, and largely limited to, the difficult task of projecting power a few hundred miles offshore in the case of a crisis in Taiwan – a unique piece of territory that is, after all, so close to China as to be considered part of it – and the country's immediate coastal waters. The last major war China fought with a smaller power it lost badly; some doubt that it could decisively win a confrontation over Taiwan, even without US intervention (O'Hanlon, 2000; Ikenberry 2008). At best, such capacities might compete with a single European country; they cannot compete with Europe as a whole, let alone Europe and the United States (Moravcsik, 2008; Ikenberry, 2008). Currently they have little global impact.

## Europe: The World's Pre-eminent Civilian Superpower

Despite its substantial military assets, Europe's true geopolitical comparative advantage lies in projecting civilian influence: economic influence,

international law, ‘smart’ and ‘soft power’ (Cooper, 2003; Nye, 2004, 2008, p. 94). Europe today is more effective at projecting civilian power than any other state or non-state actor. Some of these instruments are wielded by a unified Europe, some by European governments acting in loose coordination, some by European governments acting unilaterally. Let us consider the different varieties.

### *EU enlargement*

Accession to the EU is the single most powerful policy instrument Europe possesses and, arguably, the most cost-effective instrument for spreading peace and security that any Western country has wielded since the end of the Cold War. Since 1989, Europe’s ‘power of attraction’ has helped to stabilize the politics and economies of over a dozen neighboring countries (Cooper, 2003). There is substantial evidence that enlargement creates a focal point and set of incentives around which moderate domestic forces have organized, thereby stabilizing fledgling democratic and capitalist systems (Vachudová, 2005). The effects are visible well beyond the 12 new members who have joined most recently, with powerful influence in Croatia, Serbia, Montenegro, Albania, Macedonia and even Turkey. European leaders continue to pursue EU enlargement in the face of low – in some countries single-digit or low double-digit – public opinion support. The United States, China, India, Japan and other major powers enjoy no comparable instruments for projecting regional influence.

### *Neighborhood policy and global diplomacy*

Europe pursues an active ‘neighborhood policy’, intervening diplomatically to resolve conflicts and promote political and economic reform, or policy reversals, in its neighborhood, backed by European economic, financial, legal and military might. European diplomats have taken the lead in recent successful diplomatic initiatives with regard to many neighboring countries, not just those that are candidates for membership, such as Macedonia, Montenegro, Serbia, Albania, Croatia and Turkey. Even where membership is only a distant possibility, as with Ukraine, Moldova or Albania, or an essentially non-existent one, as with Morocco or Libya, there is evidence that EU initiatives have had an immediate impact. European governments were, for a substantial period, the only Westerners speaking with Teheran, and negotiated a ceasefire in Georgia – only two of many informal diplomatic initiatives undertaken by Europeans every year. There is little doubt that Europe would play an essential role in any Palestinian settlement. Europe is the leading diplomatic force in Africa, an important player in Latin America, is a





leading force on many specific functional issues, and has established direct relations with other regional bodies.

### *Multilateralism, international law and functional issues*

European governments are the strongest and most consistent supporters of international law and institutions. Europeans fund more than two-fifths of UN peacekeeping and about half of all contributions to UN funds and programs.<sup>3</sup> EU member states are signatories of almost all international treaties currently in force (Läidi, 2008). The power of example, many feel, has influenced other regional efforts at integration.

### *Trade, investment and finance*

In trade and investment affairs, Europe is a global superpower larger than the United States and far ahead of countries such as China or India. Europe dominates its neighborhood, trading more with each Middle Eastern country (except Jordan), and nearly all African countries, than any other trading partner. Even excluding intra-regional trade, the EU is the world's largest exporter and importer. Of the top nine exporters in the world, five are European: Germany, France, Italy, the United Kingdom and the Netherlands.<sup>4</sup> Germany alone exports roughly as much as China every year, and its goods have far more value added. Europe trades more with China than the United States, and its bilateral balance is stronger.<sup>5</sup> With all the buzz about Asia, it is easy to overestimate developing country impact on the global trading system. True, US trade is shifting toward Asia, but trade is not the primary measure of economic importance. The more important measures are investment, US affiliate sales, foreign assets, and research and development, and by these standards, transatlantic economic exchange remains far more robust than transpacific exchange. Europe accounted for over 57 per cent of total US foreign direct investment from 2000 to 2008, whereas total US investment to all the BRICs (Brazil, Russia, India, China) was only 14 per cent. US firms invested US\$ 26.4 billion in China between 2000 and mid-2008, less than US investment in Belgium and less than half of US investment in Ireland. In 2007, corporate Europe accounted for 71 per cent of total foreign direct investment in the United States (\$ 2.1 trillion) (Hamilton and Quinlan, 2009).

The EU's common currency, the euro, is the only serious alternative to the dollar as a global reserve currency. Although the euro will not supplant the dollar any time soon, due primarily to first-mover advantages of the dollar and the greater depth of American capital markets, it has established an important secondary position (Eichengreen, 2009). At the end of 2008, some

45 per cent of international debt securities were denominated in dollars compared to 32 per cent in euros. The dollar was used in 86 per cent of all foreign exchange transactions compared to 38 per cent in which the euro was used, and 66 countries used the dollar as their exchange-rate anchor, compared with 27 that used the euro. The EU and the European Central Bank also play a key role in financial stabilization efforts even outside the euro zone (Moravcsik, 2009).

This unique economic position translates into political influence. European policy on tariffs and other basic trade issues is unified, due to the EU's status as a customs union. The EU negotiates as a bloc at the World Trade Organization (WTO) (Meunier, 2005). While it is true that developing countries are playing a stronger role these days, and the trading world is slowly growing more multipolar, the EU and the United States remain dominant forces within the WTO. China, by contrast, has accommodated itself in order to enter the trading system on Western terms (cf. Eglin, 1997). The Common Agricultural Policy (CAP), for better or worse, is probably the most influential single trade policy in the world today – and Europeans have been tenaciously successful in defending it. Trade also serves as a foundation for effective EU enlargement and neighborhood policies.

### *Aid*

Even with a recent increase in US aid, in 2007 European Union member states and the European Commission together dispensed about 50 per cent of the world's foreign aid while the US share amounted to about 20 per cent.<sup>6</sup> Europe is second to none at delivering development services. Contrary to popular belief, the EU even exceeded the United States regarding the disbursement of private aid flows. In 2007, EU private citizens sent \$170 197 million abroad compared to \$105 282 million from US citizens. Both the EU and the United States have contributed about 33 per cent of all foreign aid delivered to Afghanistan over the last five years. Most aid to the Palestinians has come from Europe. It is understood that no Middle East settlement would be viable without European aid to areas to which the United States is politically unwilling to provide resources.

### *Political and social values*

Global polling and the practice of governments both suggest that European social and political models are more attractive worldwide than US alternatives. While the United States remains a salient symbol of democracy and free markets in countries that have neither, as well as in a handful of specific outlier



countries (India, Poland, Philippines), in most countries European models are considered more attractive. This is because most publics around the world favor generous social welfare and health policies, parliamentary government, adherence to international human rights standards, and a smaller role for money in politics, all associated with Europe, rather than libertarian social policies and incomplete health coverage, separation of powers systems, idiosyncratic national human rights definitions without international oversight, and a wide role for money in politics, associated with the United States (Moravcsik, 2008). This is why very few countries in the ‘third wave’ of democracies have copied major elements of the US Constitution. Instead, major constitutional-drafters in the last two generations have tended to model their work on the German, South African or Canadian constitutions. The one institutional exception to this rule proves it: the one distinctively American practice that has spread throughout the world since the end of World War II is that of constitutional ‘judicial review’ in accordance with a written bill of rights. Yet, ironically, the United States is now the leading developed-country opponent of the nearly universal form this institution has taken in the modern world, namely the incorporation of international standards of human rights and humanitarian law into national constitutions (Moravcsik, 2003). This places it alongside countries such as China, Somalia, Russia and Saudi Arabia in debates over global legal values.

In projecting civilian influence by these means, Europe enjoys a clear comparative advantage not just over China, India and other ‘rising’ powers but in most respects over the United States. Thus it deserves to be considered a civilian superpower. Taken together with its military activities, these impressive civilian capabilities demonstrate that Europe is a full-spectrum power, wielding all types of instruments for regional and global influence.

### **Why Europe’s Global Influence is on the Rise**

The source of Europe’s ‘civilian power’ lies ultimately in two factors: its distinctive institutions and its highly productive economy. There is little likelihood that the distinctive EU and domestic institutional structure of Europe will be replicated elsewhere any time soon. To be sure, insofar as European power depends on continued economic prosperity, many have asked whether sluggish demographic and economic growth rates might undermine Europe’s role in the world.<sup>7</sup> Yet this conventional pessimistic critique of Europe’s future is questionable, for three reasons.

First, *demographic and economic measures of European decline are exaggerated*. Even evaluated by the traditional measures of aggregate population and GDP (Gross Domestic Product), Europe’s relative slice of global activity is relatively

stable. Even the most dire demographic and economic prognoses only project Europe's share declining from 22 per cent to 17 per cent of global GDP over the next generation, hardly catastrophic (Brown, 2005, p. 4). And this assumes the historically unprecedented prospect of current Asian growth rates continuing at 10 per cent for 50–75 years, particularly unlikely given the demographic, environmental and political hurdles likely to face Asian societies (Pei, 2009).

Second, the conventional view of European decline is incorrect because *population and GDP are crude and misleading indicators of global power and influence*. The linear relationship between gross population, GDP aggregates and global power is an analytical anachronism of the nineteenth and twentieth centuries. To be sure, for most of human history, the simpler *Realpolitik* proposition may have held. As Anne-Marie Slaughter puts it, 'territory and population translated into military and economic power' and 'military power depended on the number of soldiers a state could put into the field, the amount of territory an enemy had to cross to conquer it, and the economy's ability to supply the state's army' (2009, p. 101). Yet today this sort of thinking is *passé*, because the primary imperative for most governments – including those in Beijing, New Delhi, São Paulo and in other major emerging country capitals – is to maintain legitimacy by providing adequate economic growth, social mobility and public services. Such governments need to assure internal stability and openness in order to prosper. A strong military and active foreign policy has become, in the modern world, a luxury good. Under such circumstances, a large population is as much of a burden as a benefit. As Slaughter has argued:

Demography is often cited as the chief factor behind the relative decline of the West. China and India make up over a third of the world's population, while Europe and Japan are actually shrinking and the United States is suddenly a relatively small nation of 300 million. This argument, however, rests largely on assumptions formed in the nineteenth and twentieth centuries. ... Although the United States and the Soviet Union, two great continental powers, dominated the second half of the 20th century, the countries that grew the richest were often the smallest. In 2007, the ten countries with the highest *per capita* GDPs all had populations smaller than that of New York City, with one notable exception: the United States. In the 21st century, less is more. Domestic markets must be big enough to allow national firms to obtain a foothold so as to withstand international competition (although such markets can be obtained through free-trade areas and economic unions). But beyond this minimum, if trade barriers are low and transportation and communication are cheap, then size will be more of a burden than a benefit ... It will remain the responsibility of government, however, to



provide for the less productive members of society, namely, the elderly, the young, the disabled, and the unemployed – think of them as national overhead costs'. (2009, pp. 100–101)

Consider the case of China. Whereas one often reads alarming statistics about the sheer size of the Chinese population, economy or military, China would in fact be much more capable internationally without the political imperative of caring for 700 million poor Chinese in the hinterland. This is because their welfare constitutes the paramount political issue for any Chinese leader (Shirk, 2007). Were this not enough of a headache, Chinese and Indian leaders face opposition from unruly national minorities across their vast multicultural spaces. The need to devote resources to internal priorities imposes a fundamental constraint on military spending and foreign policy adventurism. In contrast to Cold War Soviet military spending rates of 15 per cent of GDP, Beijing spends 1–3 per cent.

This is not to say that population and aggregate GDP are irrelevant to global influence. Clearly, the relative size of the United States, China and Europe counts for something. Yet a far more critical factor in measuring global influence is *high per capita income*.<sup>8</sup> *Per capita* income not only measures the existence of a surplus that can be used to fund international power projection, but indicates (in non-resource-based economies) the complexity and modernization of the society about to support sophisticated civilian power instruments. Effective forms of global influence these days – not just advanced military technology, but sophisticated legal mechanisms of cooperation, education, foreign aid, complex trade and investment arrangements, advanced political institutions, insertion into a favorable division of labor, effective diplomatic engagement and inward immigration – all presuppose (and support) high *per capita* income. The long-term endurance of the advantage in *per capita* income is the main reason why Europe's civilian and military advantages will not be eclipsed any time soon.

The third and most important reason why the conventional view of European demographic and economic decline is misleading is that outcomes in international relations are decreasingly linked to traditional material power capabilities of any kind. Instead, a critical factor is the underlying level of convergence of interest between countries. Trends in this area benefit Europe, because *there is decreasing material and ideological conflict between Europe and other countries, great and small*. The Cold War is over. Fundamental ideological alternatives to regulated capitalism are disappearing. Democracy is spreading. Nationalist conflicts are disappearing, particularly in the immediate proximity of Europe. In part as a result, interstate war is becoming rarer, particularly among great powers (Human Security Brief, 2007). As relations in the world become more positive-sum, and great power war becomes rarer,

Europe reaps advantages. These include a multiplication in the value of Europe's portfolio of civilian power instruments.

The convergence of national interests among an increasing number of great powers across the globe has multiplied Europe's international influence in three specific ways.

### *A quiet region*

Owing to the spread of democracy, trade, nationally satisfied states and regional integration – in large part due to explicit Western and EU policies – the European continent itself is now almost entirely pacified. As a result, European countries face an ever smaller number of security threats within their region. After dealing with the Balkans, the closest live security threats are now in the Caucasus. This permits European governments to focus efforts 'out of area' – whereas Asian powers face a far more hostile immediate environment, which saps resources (Pei, 2009, p. 33).

### *Positive social evolution*

Many European policy goals involve encouraging long-term reform of countries in the direction of democracy, economic development and cooperative international relations. Even countries like China and Russia, for all their problems, have made enormous strides in the past quarter-century. European preferences on major global issues are increasingly compatible with median views of the global community – which means they should find themselves closer to the consensus of most global bargains. As more countries trend toward market-oriented, democratic and non-expansionist norms, we should expect Europe's policies to be better suited to advancing its regional and global interests.

### *US-EU convergence*

Europe's relationship with the United States is less conflictual than at any time in recent memory. In contrast to realist predictions, European and American interests tend to be more closely aligned than during the Cold War. Important though such topics may be in principle, for contemporary Western leaders a world in which the United States and Europe can think of nothing more serious to argue about than international human rights law, genetically modified food, fingerprint scanning at airports, global warming and, as ever, the subsidization of wheat, is a luxury of which our Cold War predecessors could only dream.



This is particularly true in the area where one might expect there to be the least transatlantic agreement, namely military intervention ‘out of area’. Far from being a source of greater transatlantic conflict compared to the Cold War, as realists and neo-conservatives alike claim, military intervention today is in fact a matter of broad Euro-American consensus. One can see this from the obvious fact that a broad coalition of Europeans and Americans fight together in places like Afghanistan – including countries like Germany never involved during the Cold War. This never occurred during the Cold War after the onset of the Vietnam War. Even more striking is the high level of current transatlantic consensus about the proper purposes of such intervention. Since the end of the Cold War, of well over a dozen military interventions by Western powers, fundamental disagreement arose on *only one*: Iraq in 1998–2003.<sup>9</sup> Iraq is, moreover, an exception that proves the rule, since it is now widely viewed in retrospect as an unsustainable policy error. It is a case in which the United States pursued a policy that many Europeans opposed for reasons unrelated to the extent or nature of US power, or its unilateral deployment. Regime change is in any case unsustainable as an everyday US policy instrument.

This cooperative transatlantic relationship contrasts quite strikingly with relations during the last 25 years of the Cold War, during which the United States and Europe disagreed on *nearly every major military unilateral intervention* outside of Europe after Korea.<sup>10</sup> In many cases the Europeans voted against US allies in the UN or even funded those US enemies, as in Latin America. Recent transatlantic squabbles over Yugoslavia, Kosovo or even Iraq pale in comparison to the sustained Cold War battles over Suez, Algeria, *détente*, *Ostpolitik*, Vietnam, Cuba, French withdrawal from NATO, the Euro-missiles, the construction of NATO, Euro-communism, the bombing of Libya, Reagan’s policy in Latin America and Africa, and such. US deployments are becoming more multilateral over time (Brooks and Wohlforth, 2005; Kreps, 2008–2009). The post-Cold War improvement in relations flatly contradicts the explicit predictions of realists. The convergence of European and US policy absent the Soviet threat provides the clearest possible confirmation of liberal predictions about the importance of preferences *vis-à-vis* the predictions of realists.

One final implication of the liberal view – which, again, undermines the conventional wisdom – is that the projection of European power internationally often does not necessarily require the centralization of power. To be sure, in some areas – trade, enlargement, certain regulatory policies – centralization has added to EU impact. But the high level of consensus in Europe means that European officials can sometimes use tight networks of cooperation to organize ‘coalitions of the willing’ more efficiently than if policy-making were more tightly centralized. Again the



expectations of realist theory, in which alliance cooperation is the model, can be misleading. NATO defense against the USSR required credible common positions, with the result that alliance decision-making placed a heavy premium on credible pre-commitment, coordinated planning, tripwire defense and coherent declaratory policy.<sup>11</sup> In most post-Cold War security challenges, by contrast, the challenge is to encourage a subset of countries to deploy a modest force against a smaller enemy in pursuit of a secondary security concern. Under such circumstances, flexible, overlapping ‘coalitions of the willing’ may be a superior, or at least more realistic, alternative. This may help explain the very high level of European military engagement in the post-Cold War world.

## Conclusion

The world is bipolar. We have seen that there are, and will remain for the foreseeable future, two global superpowers: the United States and Europe. Only these two actors are consistently able to project a full spectrum of ‘hard’ to ‘soft’ power internationally. In particular, European countries possess a range of civilian instruments for international influence unmatched by any other country. Because the post-Cold War world is continuously becoming a more hospitable place for the exercise of distinctively European forms of power, and because Europe favors the substantive outcomes of such trends, the rise of European influence has been facilitated over the past two decades. Asian powers such as China and India can expect to wait several generations before generating the sort of *per capita* income, convergence of preferences, domestic institutions and experience required to project power in this way. There is thus every reason to believe that Europe’s rise in power will continue.

This is not to deny, however, that a number of other great powers – the United States, China, India among them – are also on the rise. To some this may seem contradictory: how can most great powers be ‘rising’ powers? Yet this is puzzling only for realists, who assume that international relations is a realm of incessant rivalry, in which the aims of governments inherently conflict in a zero-sum fashion. From a liberal perspective, by contrast, the notion that more than one country can gain influence at the same time is quite natural, to the extent that their aims are compatible and the environment is essentially positive-sum. Increasingly, though of course not entirely, the post-Cold War period has been such an environment. It has opened up a possibility for most great powers in the world system to increase their influence over global outcomes all at once – because their preferences converge more fully than they did previously, and because deepening interdependence generates greater potential for common problem-solving. As social evolution trends in





the direction of supplanting zero-sum conflicts with positive-sum conflicts, we need to begin to think of global influence in positive-sum terms as well: getting things done rather than triumphing over foes.

Yet even those who eschew realism often continue to fall into the old zero-sum habits of mind, assuming that the rise of one great power's influence must inevitably mean the decline of the others. Thus the rise of Chinese economic power must imply the decline of the United States, or the rise of US military prowess must mean the decline of Europe. One need look no further than Europe to see how misleading this can be. The post-Cold War has proven to be an era in which Europe has assumed a unique place, pre-eminent in certain civilian forms of influence, working in a complementary fashion with the United States in certain military activities, and increasingly integrated, socially, economically and culturally, into an increasingly peaceful and cooperative global system. The rise of other powers – the economic success of China, the military prowess of the United States, the emergence of new partners along Europe's borders – has not undermined Europe's rise; it has enhanced it.

Stanley Hoffmann's work on the critical importance of national values, interests and institutions in setting the foundation for understanding global power is a critical basis for any such analysis. To be sure, Stanley – who follows the late Judith Shklar in being ever attentive to the ironies of those who predict a triumph of optimism – would probably not fully subscribe to what I have written here. It is perhaps too sanguine for his taste. The glass is a bit too full. He would sympathize, I suspect, with many of the premises of the argument, not least the critique of realism, which, after all, follows from premises he has laid down over the years (Hoffmann and Bozo, 2004). Yet the slow, steady, unspectacular successes of Europe and the EU have surprised the conventional thinkers – even Stanley – before, and I suspect they will again.

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## Notes

- 1 Center for Arms Control and Non-Proliferation (2009). Even corrected for purchasing power parity, these numbers would show a substantial advantage for Europe: [http://en.wikipedia.org/wiki/List\\_of\\_countries\\_by\\_military\\_expenditures](http://en.wikipedia.org/wiki/List_of_countries_by_military_expenditures).



- 2 <http://www.icasualties.org/oef/>, accessed 20 August 2009.
- 3 [http://ec.europa.eu/europeaid/who/partners/international-organisations/index\\_en.htm](http://ec.europa.eu/europeaid/who/partners/international-organisations/index_en.htm), accessed 23 August 2009.
- 4 <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2078rank.html>, accessed 23 August 2009.
- 5 In 2008, the EU's exports to China amounted to €78.4 billion and its imports to €247.6 while US imports from China were worth \$69.7 billion and its exports \$337.8 (EU Commission [http://ec.europa.eu/trade/issues/bilateral/countries/china/index\\_en.htm](http://ec.europa.eu/trade/issues/bilateral/countries/china/index_en.htm), accessed 23 August 2009, and US Census Bureau International Trade Statistics <http://www.census.gov/foreign-trade/balance/c5700.html#2008>, accessed 23 August 2009).
- 6 OECD database: <http://stats.oecd.org/qwids/#?x=1&y=6&f=4:0,2:0,3:0,5:0,7:0&q=1:2+2:1+4:1+5:3+3:51+6:2003,2004,2005,2006,2007,2008+7:1>, accessed 23 August 2008.
- 7 The US National Intelligence Council has suggested: 'The drop-off in working-age population will prove a severe test for Europe's social welfare model, a foundation stone of Western Europe's political cohesion since World War II. Progress on economic liberalization is likely to continue only in gradual steps until aging populations or prolonged economic stagnation force more dramatic changes. There are no easy fixes for Europe's demographic deficits except likely cutbacks in health and retirement benefits. Defense expenditures are likely to be cut further to stave off the need for serious restructuring of social benefits programs. The challenge of integrating immigrant, especially Muslim, communities will become acute if citizens faced with a sudden lowering of expectations resort to more narrow nationalism and concentrate on parochial interests, as happened in the past. Europe's strategic perspective is likely to remain narrower than Washington's. Divergent threat perceptions within Europe and the likelihood that defense spending will remain uncoordinated suggest the EU will not be a major military power by 2025' (National Intelligence Council, 2008, pp. 32–33).
- 8 This is a historical generalization. In the days of British imperialism, the Empire's population and economy, and the GDP and population of single portions of it, such as India, were far larger than that of Britain itself. This did not matter: critical was the disparity in *per capita* GDP, control over technology, administration, knowledge, finance and allies.
- 9 I set aside tactical disagreements over the timing and mode of Bosnian intervention, eventually resolved.
- 10 The only consistent exceptions were the Western interventions in Lebanon.
- 11 During the Cold War years, the NATO alliance against the USSR can be modeled as something akin to an *n*-country prisoner's dilemma game in which individual governments had an incentive to defect by not contributing full military effort to collective defense, or by resisting controversial steps toward that defense, such as missile deployment (Sandler and Hartley, 1999, pp. 225–226).

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