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Golden Age of Middle Powers?

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In the coming decades the role of the middle powers in the international arena is most probably going to increase substantially. However, the scope of their influence as well as the type of their political behavior will most of all depend on their ability to democratize and modernize themselves, and thus guarantee their internal stability. Increasing importance of the middle powers could potentially have two consequences: rising rivalry among them as well as between them and the great powers or a development of regional cooperation between them. Growing competition will pose a serious threat to the EU because it would take place mostly in its neighborhood. On the other hand, the development of regional cooperation will provide the EU with a chance to come back to the global great game in the role of midwife of that process. Nevertheless, the largest opportunity gives the EU the necessity of the political and economic transformation of the middle powers. The Union could become a key source of support and inspiration for them in this area.

Over the last couple of years the acronym BRIC, whose members Brazil, Russia, India and China are recognized as emerging world powers, has made a furore in the world. This group s rise has caused a tectonic shift in the balance of power in the international arena. It brought the world s growing multilateralism and relative weakening of the West (the USA, the EU, Japan). The global economic crisis, which especially seriously hit European states, Japan and the USA, only strengthened that belief. China, definitely the most powerful among the BRIC countries (China s economy measured by the purchasing power is bigger than Brazil s, India s and Russia s put together), is already being called a second superpower capable of playing with the US almost on the equal terms. Focusing on the superpowers, we should not forget about a new phenomenon: the growing importance of the middle-weight countries (size of economy and population). This phenomenon is emerging out of three tendencies on a global scale:

- **A more pluralistic nature of international order in general (economic and demographic weakening of the West and Japan, increasing potential of China, India or Brazil);**
- **Increasing economic and demographic potential of the middle powers;**
- **The decline of the US's -global 'policeman' role as well as China's reluctance to undertake global leadership creates room for manoeuvre in the international arena for the other actors.**

Obviously, the middle powers differ greatly based on their population, size of their economies, GDP (PPP) per capita and political systems. There are, however, a few significant factors that unite them. A potential tangible economic and demographic growth, along with aspirations to catch up with the West are among their common features. The vast majority of the middle powers are democracies with defects, recognized as partly free or free, however, obtaining worse scores than Western democracies in the Freedom House ranking (e.g. problems with freedom of speech). The growing potential of the middle powers is fostered by their increasing ambitions and assertiveness on a regional and global level.
According to Price Waterhouse Coopers and Goldman

Sachs, the pace of economic growth of the middle powers is going to be higher than that of Russia or Brazil and not much slower, and sometimes even faster, than China s or India s. Some of the middle powers have the potential to become the most populated nations in the world. For instance, the population of Nigeria is supposed to grow 2.5 times in 2010-2050 and reach 400 million. This could potentially make it the third most populated country in the world after China and India. As a result, some middle powers will be able to occasionally punch with the great powers in the heavyweight category. Thanks to their rising influence in strategic regions, they will be able to play a key role of the lynchpin in the superpowers games. Consequently, the 21st century brand might be not only China but as well Turkey or Indonesia. The significant growth of the middle powers' influence in the coming decades would make the world much more pluralistic and flat than it seems at the moment. However, the successes of the middle powers apart from South Korea will depend on their effective modernisation and solving of their internal problems, which they copy with to a different extent (defective democracy or a lack of democracy; corruption, economic stratification, organized crime, poverty, lower literacy rates, internal ethnic, religious and racial tensions, discrimination of women).

There are two globally strategic regions that are also most important concentrations of the middle powers. Those are the Near East and South East Asia. The former is the arena for a beginning rivalry among the middle powers and between them and the giants , whereas the latter is an area of relatively advanced regional cooperation. The emergence of a world of middle powers will have especially serious consequences for the EU s international position. Its major players (France, Germany and the UK) aspire to perform in the first world league. Yet each of them has a much smaller economy than China or even India (measured in the GDP (PPP) terms), not to mention the USA. According to Price Waterhouse Coopers, in the coming decades non-European middle powers might get really close and in some cases even outrun these economies based on the GDP (PPP). Some of the former (Turkey, Mexico) can even approach the European troika based on their GDP (PPP) per capita, thus joining the club of the most developed countries in the world. Negative and positive consequences of the growing assertiveness of the middle powers will have important ramifications for the EU. The scenario of confrontation between the middle powers would constitute the negative outcome, whereas the positive one would be the intensification of regional cooperation among them. Finally and most importantly for the EU, the middle powers are often on the track of political and economic transformation and are often longing for inspiration and assistance from abroad.

Ordre de bataille

The most visible manifestation of the emergence of the middle powers on a global scale is the establishment of the G-20, the emergence of new terms or abbreviations covering emerging middle-sized powers (CIVETS, MIST, Next-11) as well as the recent enlargement of the BRIC to include South Africa. Established in 2009, G-20 is not only an organization for western countries and the emerging great powers (Brazil, China, India). A significant part of its members is comprised of middle powers (Argentina, RSA, Saudi Arabia, Indonesia, South Korea, Mexico, Turkey). The MIST abbreviation created by Goldman Sachs includes Mexico, Indonesia, South Korea and Turkey. Their economies based on their purchasing power are definitely the biggest among the middle powers. Those states in total have the same population as the EU. Their GDP (PPP) is almost 5.5 billion USD. Potentially it is bigger than the EU locomotive formed by France and Germany, and it is much larger than the Brazilian and Russian economies put together. South Korea is the least typical emerging middle power. Having successfully finished the process of emergence, it can be called an ideal type or the 20th century anticipation of the 21st century phenomenon. South Korea is different from the rest of the middle powers, because its GDP (PPP) per capita it is already almost at the average level of the EU, and its population is going to decrease not much though in the coming decades. On the other hand, South Korea is an example for the rest of the middle powers, because they are trying to catch up with the developed Western countries through robust economic growth and blitzkrieg modernization, as South Korea has done. Once this target is achieved, their aim will be, following the example of South Korea, to assure faster pace of growth compared to the West. Next-11 group (a term created by Goldman Sachs) consists of eleven countries: Bangladesh, Egypt, the Philippines, Indonesia, Iran, South Korea, Mexico, Nigeria, Pakistan, Turkey, and Vietnam. It is worth pointing out, that the majority of the Next-11 group is comprised of Muslim countries. Vietnam, Nigeria and Philippines especially are said to be in the future very dynamic economies. According to the forecasts of economic agencies, these states will develop the fastest in the world among the biggest world economies (growth even around 7-9% on average annually) and in 2050 (something hard to believe at the moment), each of them separately will have a GDP (PPP) bigger than Italy. In 2009 the Economist Intelligence Unit created an abbreviation CIVETS comprising Columbia, Indonesia, Vietnam, Egypt, Turkey and the RSA. However, a number of the emerging middle powers exceeds CIVETS, Next-11, G-20 and MIST. The criteria used to recognize them as members of that group cover also Malaysia, Thailand and Venezuela.

Country	GDP (PPP) (bn USD)	Population
Argentina	711	41
Bangladesh	283	167
Columbia	468	46
Egypt	516	80
Indonesia	1122	240
Iran	930	76
Malaysia	447	29
Mexico	1659	110
Nigeria	489	175
Pakistan	465	177
the Philippines	394	96
Saudi Arabia	677	28
South Africa	555	50
South Korea	1556	49
Thailand	623	64
Turkey	1054	72
Venezuela	369	29
Vietnam	300	89

Data for 2011, Source: IMF, World Economic Outlook September 2011

From the perspective of international order, the most important is the classification which divides the middle powers into those playing an important regional role, and those which despite a big potential, are not able to completely stretch out their wings because their geopolitical environment or serious internal weaknesses make it hard for them to achieve that goal. Argentina is an example of the second group, being situated on the periphery of South America and next to a significantly bigger Brazil. Mexico, theoretically the biggest among the middle powers, is having a hard time trying to step out of the US s the number one superpower – shadow The latter has significant influence in the Mexican neighborhood (Central America). Additionally, Mexico is weakened by the ongoing bloody war against drug gangs. Equally geopolitically challenging is the position of Pakistan, squeezed between giants, namely India and China. In consequence Islamabad has been involved for decades in a conflict with India and dependent on the support of China. Pakistan along with Nigeria is also a good example of a middle power, which due to serious internal shortcomings is not capable of playing as tangible role in the region as it could. For the most part, those middle powers, which are undergoing the process of modernisation and democratisation, show the ability to use soft power in their foreign policy, develop regional cooperation as well as build at least proper relations with the West are more successful in building their own zones of influence in their surroundings. Nevertheless, this rule is not without exceptions. Some autocratic middle powers are able to obtain negative leverage though not comparable to the influence players using soft power have. Based on their internal and external characteristics, the middle powers which have the biggest regional weight can be divided into four groups:

- **Free market economies, which despite some shortcomings, are associated with the West, but provide independent foreign policy based first of all on soft power. Their political and economic stability is on a comparatively high level. They have been democratised over the last couple of decades but with ups and downs. These countries are usually popular on the social level within their surrounding regions (The Republic of South Africa and to a lesser extent, Turkey);**
- **Etatistic autocratic regimes currently in a conflict with the West, that lead highly ideological foreign policy, based rather on hard than soft power instruments. They have several regional allies, which have similar political systems and identities. They struggle with internal political tensions and economic problems. Their regional ambitions are often contested by their neighbors. Autocratic tendencies within those countries have being growing over the last couple of years (Iran and to a lesser extent Venezuela);**
- **A combination of the previous two groups: a free market autocratic regime that has good relations with the West and strong internal legitimacy, combines soft and hard power in its external policy. This country is successful in the promotion of regional integration in their neighbourhood (Saudi Arabia);**
- **Middle powers that are similar to the countries from the first group. However, they have given up a part of their individual ambitions for the sake of the regional cooperation, which constitutes the main source of their power (Indonesia, Malaysia, Thailand, the Philippines).**

Soft power players

The Republic of South Africa (RSA) has the biggest economy in Sub-Saharan Africa, high national income for African standards, and considerable deposits of raw materials. Culture and ethnicity link the RSA with all of its neighbors. Most of the people living in South Africa either have their ethnic homeland across the border (Lesotho, Swaziland, Botswana) or belong to a bigger ethnic groups residing in an adjoining states (Namibia, Mozambique, Zimbabwe). Furthermore, the RSA is a very important investor and a key trading partner for almost all of the African states located south of Congo and Tanzania. Over two million people from neighboring countries work in the RSA. The remittances they send play a significant role in the economy of their homelands. The RSA is a very important educational centre for the whole of Sub-Saharan Africa. Every fifth African student, studying abroad, attends the RSA s universities. These students constitute an important part of the continent s elite. The RSA is the main promoter of continental (African Union) as well as regional (Southern African Customs Union, Southern African

Development Community) cooperation. Pretoria has developed good bilateral relations with the most important African states. Consequently, several times it has successfully played a mediating and stabilizing (peacekeeping missions) role in Africa. On the other hand, the RSA is often criticized for a rather conservative and cautious policy of avoiding the confrontation with dictators (for instance in Libya). According to the Economist, the economic giant is still a political pygmy . Moreover, there are serious social challenges facing the country. The RSA is a fast developing country with good economic forecasts. However, the average life expectancy is steadily falling. Over the past fifteen years it has decreased from around 65 to less than 50 years. Financial stratification is deepening and is among the highest in the world (Gini coefficient of around 0.7). It is much bigger than in the Latin America. Despite a significant decrease in crime rates, they are still among the highest in the world (34 murders for 100 thousand; to compare, in Mexico struggling with the drug gangs this number does not exceed 20).

The next soft middle power, the most important one for the EU, which has managed to increase its regional importance over the last couple of years is Turkey. Its sphere of influence encompasses Southern Caucasus, Central Asia, the Balkans and the Near East. Turkey s strong position is based on its strategic geopolitical location (Bosporus Strait the gate to the Black Sea; Anatolia as a bridge between Asia and Europe, situated near Africa) which gives it an advantage compared to other middle powers; good pace of economic growth and maneuvering between different international players (Russia, the EU, the USA, China, Iran, Saudi Arabia). Starting from 2002, Ankara has been implementing the strategic depth concept as part of its foreign policy. The doctrine, tackled by the MFA Ahmet Davutoglu, aims to establish Turkey as a stabilizer of its neighboring regions. It envisages the use of soft power (trade, construction contracts, investment, tourism, development aid, scholarships, popular culture, etc) in a process of building the network of interdependencies. This engagement is justified by historic and cultural arguments (the Ottoman Empire s legacy). The Strategic depth concept is to a large extent inspired by the European Neighborhood Policy (ENP) and is also linked to Turkey s European aspirations. On the one hand, Ankara wants to strengthen its candidate appeal. On the other hand, it is building an alternative to its membership, in case the integration process fails. Over the last years, Ankara managed to considerably improve its relations with several states. Turkish loyalty to the Sunni Muslim tradition has not been an obstacle for its good relations with its Shi a and Christian states. Quite a few times Ankara has successfully played the role of mediator. Turkey signed free trade agreements and established a visa-free regime with numerous states within the strategic depth framework. Turkey s share in some states trade volume reaches 7-15% (e.g. Azerbaijan, Georgia, Iraq, Kosovo, Syria, Turkmenistan, Tajikistan). The country is an important foreign investor for countries/entities such as Albania, Azerbaijan, the Federation of Bosnia and Herzegovina, Georgia, the autonomous Iraqi Kurdistan and Syria. Turkish construction companies contracts, signed over the last decades, are worth 200 billion USD. Turkish companies occupy key positions in the construction sectors of states such as Afghanistan, Kazakhstan, Libya, Turkmenistan and Iraq. A number of Turkish universities and secondary schools operate in Central Asia, the Balkans and Iraqi Kurdistan. A lot of Turkmen and Azeri students receive their degrees in Turkey. Ankara is an important development aid donor in Central Asia and the Black Sea region. It also promoted regional (Organization of the Black Sea Economic Cooperation, Economic Cooperation Organization: Central Asia, Azerbaijan, Iran, Turkey, Afghanistan and Pakistan) and multilateral (troika Turkey-Syria-Iraq, Syria, Lebanon and Jordan, troika Turkey- Bosnia and Hercegovina-Serbia) cooperation. Ankara s huge popularity in the Arab world can be considered its biggest success. Arab countries ruled by post-Islamists see democratising and fast developing Turkey as a source of inspiration. Due to the Turkish capabilities-ambitions gap, as well as the mistakes committed by the Turkish elite, the strategic depth policy has certain shortcomings. Turkey s promotion of a reformative agenda, which its neighbors seriously need, has been rather ambiguous. As a rule, it has not moved further than simple rhetoric. The pro-democracy discourse in Turkey s foreign policy was the strongest during the golden period of Turkey-EU relations (2002-2005). However, a slowdown of the accession process was followed by the weakening of this trend. Implementation of a zero problems with neighbors principle has also brought rather dubious results. Maintaining good relations with all its partners, which themselves might have been in a tense or even conflicted relationship, was not possible due to Ankara s bias . Attempts to improve relations with some states led to deterioration of cooperation with others or failed in improving its aspirations with the third. Bad relations with at least one player in every region (Israel in the Near East, Uzbekistan in the Central Asia, Armenia in Caucuses, Republika Srpska in the Balkans) is Achilles heel of Turkey. No clear hierarchy within the foreign policy vectors and hence equal treatment of everyone seems to be a key weakness of the strategic depth . The European direction should be clearly prioritized, because it has the largest potential for steering modernisation and democratisation in Turkey, which will strengthen the Turkish potential in general and as a result its position in the region.

The Arab spring has turned Turkey s foreign policy upside down, causing a very significant reconstruction of the strategic depth concept. Turkey has assigned democratisation a central place in its foreign policy. Such a turn back has caused a deterioration of relations with Iran and Syria, but at the same time led to a significant rapprochement with Egypt. Nowadays Turkey aspires to become a source of inspiration for the other Arab countries on their way to democratisation. Staying on the track to democratisation itself is, however, key to the Turkish appeal for other Islamic states. The only way to ensure Turkey s position as the best pupil in the class is to become a genuine liberal democracy governed by the rule of law. Unfortunately, we now observe a country where the deterioration of freedom of speech and escalating armed conflict with the Kurdish guerillas go along with an idea of liberalisation of the constitution. In this context Turkey s EU accession process is of the upmost importance, as fully-fledged democratisation will be very hard to achieve without European prospects. Unlike in the RSA, in Turkey the political challenges (the Kurdish issue as the most important one) are more important than the social problems. With regard to the latter ones there have been observed some positive developments such as considerable improvement of the quality of education (the PISA results), increasing life expectancy and amelioration of the position of women in politics and education.

The Arab spring might also cause a change in the balance of power in the region. Mubarak s departure has opened a possibility for Egypt to live up to its potential and become along with Turkey, Iran and Saudi Arabia one of the most influential players in the Near East. Being already the most populated country in the Arab world (soon almost 85 million people, more than the entire Maghreb), Egypt is going to experience a bigger increase of population compared to Iran or Turkey. According to the forecast it will have 125 million inhabitants by 2050. Furthermore, according to the Goldman Sachs and Price Waterhouse Coopers prognosis, in the long term the Egyptian economy is going to grow substantially faster than the economies of Turkey, Iran or Saudi Arabia. Control over a strategic trade route (the Suez canal), an influential position of the Egypt-originated Muslim Brotherhood in the Arab world, Egyptian representation within the intellectual elites of some Arab countries and the legacy of Pan-Arabism, which is now becoming more and more popular with the help of Al-Jazeera and the Arab spring, are also among Egypt s strong points. Turkey is a country that could geopolitically benefit the most from the transformation of Egypt. The foreign policy of the new Egyptian government, which listens to its people more than ever before, indeed resembles the Turkish one (aspirations to maintain independence from the West, icy relations with Israel, together with cold relationship with Teheran, but better than the Iranian-Saudi relations). A Cairo-Istanbul alliance could become a key axis in the region, but its establishment will depend on an ability of both sides to compromise on their ambitions. If they fail the region will face the return of the Turkish-Egyptian competition. Egypt s strong position depends, however, on the success or failure of the revolution that erupted on Tahrir Square almost a year ago. A stable political situation, empowerment of civil society, significant reduction of corruption and liberalisation of the economy are of key importance for its success.

Tough guys

Iran represents the other side of the coin if compared to Turkey or especially South Africa. Its position highly depends on hard power and thus has a destructive rather than constructive potential. This has led to tense relations with a number of states. Iran is perceived as a threat by many countries. The best example of Iran s unpopularity was the UN General Assembly voting on Iran s membership in the Security Council in 2008. Iranian candidature got 32 votes, whereas Turkey was supported by 152 states. Research of public opinion in the Arab world shows a significant worsening of the image of Iran among the Sunni Arabs in the recent years. Iran s assertive policy at the Near East and its nuclear ambitions are the reasons for its very bad relations with the West. Iran s position is based on its fairly high economic potential in the region (economy is a bit smaller than Turkish; GDP (PPP) per capita is bigger than in a lot of neighboring states), enormous energy resources, geopolitical location (Strait of Hormuz, borders with Caucasus, Central Asia, the Persian Gulf, Mashreq, Afghanistan and Pakistan). Additionally, Iran is perceived as a Shi a patron in the Near East, often discriminated minority. It comes as no surprise then, that Iran is the most influential amongst countries where Shi a or related groups (Alavis) are in strong positions. These include Iraq, Syria (especially now, when Assad is internationally isolated because of the ruthless fight against uprising) and Lebanon (the government is dominated by pro-Iranian Hezbollah). Using the conflict with Israel and the promotion of a model of a confessional state, Iran is aspiring to expand its influence over Sunni as well. For instance, it is the main supporter of Hamas. However, the devil is in the detail. Iran does not have a very big share in the trade volumes or the foreign direct investment stocks of any of its neighboring states. On the other hand, lack of investment in Iran caused that oil and gas production is much lower than the Iranian potential allows for. Iraq, despite being rule by Shi a, tends to avoid very close relations with Teheran and distinguishes its political system from the Iranian model (clergy do not have direct political power). Furthermore, there are aspirations in Iraq to become an alternative centre for the Shi a in the Near East. Stabilization of the situation in Iraq might strengthen this tendency. Close identification with the Shi'a version of Islam alienates Iran from the Sunni, who constitute the vast majority of the population in the Near East. Growing authoritarianism also hampers Iran s image in the democratising region. Nevertheless, if Iran gains access to nuclear weapons, its influence in the region as well as fear of it will increase significantly. On the other hand, taking into consideration the current situation (Arab spring, difficult economic situation) a certain liberalisation of the regime in Teheran should not be excluded in the medium term. This might lead to a more pragmatic foreign policy. In the case of this scenario, Iran, following Turkey, could increase its influence by using not just hard power, but also, soft power.

A soft version of Iran in South America is Venezuela, ruled by Hugo Chavez an authoritarian populist who has a certain level of popularity in Latin America. Venezuela is an example of how the domination of the giants in the region still leaves space for the middle powers to build their own 'micro' sphere of influence. Venezuela s position is based on a rather high GDP (PPP) (the forth economy in the Latin America), including per capita income (third place in South America) and a high energy potential (very huge deposits of oil and gas). Its anti-American foreign policy is the reason behind its confrontations with Columbia, the U.S s main ally in South America (support for the Maoist guerilla, border incidents). Caracas within the framework of its anti-American crusade went global and established close relations with Belarus, China, Iran and Russia. Venezuela has managed to gather South American states which are united by their authoritarian inclinations and dislike of the U.S.A (Bolivia, Ecuador, Cuba, Nicaragua). Together they have created a regional organisation named rather bombastically Bolivarian Alliance for the Peoples of Our Americas (ALBA). Saint Vincent and Grenadines together with Dominican Republic have joined the organisation as well. None of the members of ALBA have common borders. This situation severely constraints the possibilities for economic integration within the Alliance. Furthermore, the future of the organisation is very uncertain, at the end of the day an anti-American stance and authoritarian populism might be too weak glue to keep the ALBA states together. Any political changes in the member states might lead to a quick necrosis or even dismantlement of the ALBA. Nevertheless, Venezuela by establishing the ALBA demonstrated that it can be successful in the negative sense. This decision inflicted serious damage on the Andean Community, a regional organisation composed until recently of Bolivia, Columbia, Ecuador, Peru and Venezuela. Chavez left the Community and convinced Ecuador and Bolivia to substantially limit their engagement with it.

Hybrid

The Iranian threat contributes to the strengthening of Tehran s main protagonist s position in the region namely Saudi Arabia. Paradoxically, its rise partially derives from the fact that its internal political conditions remained stable despite the Arab Spring. Perceived as a Sunni protector, Riyadh is popular within the Arab world. Inspite of the use of soft power (e.g. development aid, proselytizing, investments, foundations), Saudi Arabia is still a rather hard player compared to Turkey. It lobbies for a preventive attack on Iran in the USA and other Arab countries, considerably increases its military potential, buying American weapons. Over the last years it has undertaken military interventions in Bahrain and Yemen. Iran's assertiveness caused tighter cooperation among the Persian Gulf monarchies within the Gulf Cooperation Council (GCC) framework. Saudi Arabia plays a key role in the GCC. Such close cooperation, however, is based not only on the Iranian threat, but also political, cultural, social and economic similarities (authoritarian monarchies, fear of the consequences of the Arab spring; key importance of energy and financial sectors, very conservative Islam, large immigrant communities, high level of economic freedom). As a result, the GCC has become the only successful regional organization in the Near East. It is looked upon as a good example to follow in other parts of the region, e.g. in Maghreb. Over the last few months, the growing influence of the GCC and, consequently, of Saudi Arabia as its leader has been visible through a number of its actions. The GCC mediated between the government and the opposition in Yemen, supported the Libyan rebels, and established a common position on the Syrian problem. The two left monarchies of the Arab world Jordan (highly probable accession) and Morocco (little chance for accession) were invited to join the Council. Finally, a common intervention in Bahrain saving the Sunni sheikh against the Shi a protesters, has been undertaken. Presumably the more consistent the GCC position will be the more powerful Saudi Arabia will become. The GCC countries have economical (GDP (PPP)) and demographic potential similar to Spain and according to the forecasts, they will soon catch up with Italy. The GCC s fundamental strength is their deposits of gas and oil which are the biggest in the world. Moreover, the GCC countries are also the wealthiest in the Arab world. Consequently, they are very important investors in the other Arab countries, especially in Mashriq. Thanks to financial and structural support for the fundamentalist milieau, the GCC countries' influence is prominent all over the Arab world. Integrism promotion along with an over-representation of radicals from the Gulf in terrorist organizations, however, resulted in negative attitude of some political actors towards the GCC countries engagement. The internal situation in Saudi Arabia and other Gulf states is quite stable at the moment. The Tunisami has not reached the region. Nevertheless, from long-term perspective, religious integrism, the lack of democracy, demographic challenges and mono-character of the economies will create the Gordian knot. If the GCC countries do not manage to cut it, they will have difficulties living up to their full potential.

Team sport

Southeast Asia is a region where an especially dense concentration of the middle powers has led to a relatively advanced regional cooperation resembling obviously, tout propotions garde the EU at an early stage. In a geopolitical dimension Southeast Asia has an extraordinarily high importance as:

- **A region located between China and India on a key trading route (Strait of Malacca);**
- **Exceptional crossroad of four main religions (Islam, Christianity, Buddhism, Hinduism);**
- **Unique playground with a global dimension, where all the major world players (China, the USA, Japan, the EU and India) are active;**
- **A region which initiates pan-Asian and Pacific basin cooperation.**

Economic benefits and aspirations to counterbalance the great powers influence (especially China's) are the main factors that contribute to the development of regional cooperation. A key regional organization is the Association of Southeast Asian Nations (ASEAN). It comprises ten countries, which together have a population of 600 million and the GDP (PPP) of more than three billion USD. Indonesia is the most important member state. Having a 240-million population (the 4th place in the world), it is the biggest country among the few Muslim states recognized as fully free by the Freedom House. The Indonesian population constitutes 1/3 of the ASEAN inhabitants and its GDP (PPP) stands for as much as 1/3 of the region s GDP. Indonesia s potential counterbalances a couple of middle powers (Thailand, Vietnam, the Philippines, Malaysia). It is of the key importance for the ASEAN survival, that Indonesia has chosen cooperation over attempts to dominate the region. The level of economic integration in the region is rather high. For instance, the trade balance among the member states reached a level of 25-30% and is growing steadily, yet slowly. To compare, the trade balance within the Arab Maghreb Union is no more than a couple of percent. Foreign direct investment, especially from countries such as Singapore, Malaysia and Thailand into the neighboring states, is also substantial. The states in the region also have close ethnic ties. On the one hand, people of the same nationality residing across the borders sometimes contribute to bilateral tensions. On the other hand, they create the platform for regional cooperation. The best example is the Malays. They are in majority in Malaysia and Brunei. Additionally, a lot of Malays live in Singapore, Thailand and some regions of Indonesia. Last but not least, Bahasa Indonesia, Indonesia's official language, originates from the Malay dialect. The vitality of the ASEAN was proved by its enlargement, when the countries of Indochina and Burma/Myanmar joined the organization in the 90s. During the Cold War these states were on the opposite side of barricade as the founding countries. The ASEAN plans to establish an Economic Community by 2015. These plans are probably too ambitious. Nevertheless, the international integration of ASEAN is evolving together with the growing importance of the Association in Asia and the Pacific basin. Over the last years the ASEAN has signed free trade agreements with the most important Asian states: China, India (agreement of similar nature to the FTA) and Japan. Consequently, Tokyo and Delhi perceive the ASEAN as the driving force for a potential Asian economic community. In 2005 the ASEAN set up the East Asia Forum. It is the only body in Asia connecting China, Japan and India. The USA and Russia have recently joined it. Furthermore, established in the 90s by the ASEAN Regional Forum is the only Asian platform dealing with the security issues of the whole continent. Judging from high developing dynamics of the region, the importance of ASEAN on a global scale is most certainly going to rise. According to economic predictions, some of the states from the region (Vietnam) are going to be the fastest developing countries in the world (around 9% annually), while others (e.g. Indonesia or the Philippines) will develop at not much slower rate (6-7% annually). The region s rather high level of innovation compared to its GDP (PPP) per capita is its strong side. According to the Global Innovation Index, Malaysia, being more than twice as poor as Spain, is more innovative that the 5th economy of the EU. Whereas Vietnam, which GDP (PPP) per capita is no more than 3000 USD, has a higher level of innovation compared to Mexico or Russia which are almost five times richer. This situation could be explained by the relatively high level of education in the region. In the TOP 500 Universities ranking the best Thai and Malaysian universities get better scores than the best institutions of Spanish or Finish higher education. However, deep internal economic and political diversification of the member states is a serious challenge for the ASEAN. Singapore s GDP (PPP) per capita is 50 times higher than Burma s. According to the Doing Business ranking, Singapore is one of the most economically free states in the world, whereas Laos is on one of the last places. In the political dimension totalitarian and authoritarian dictatorships (Burma, Cambodia, Laos, Vietnam) exist along with defective democracies (Indonesia, Thailand, Malaysia, the Philippines). Unfortunately, some member states have serious bilateral problems, which sometimes lead to military clashes (e.g., Thailand vs. Cambodia). Almost every country in the region has high internal ethnic and religious diversity, often causing tensions and misused by extremists to steer conflicts. Summing up, democratisation and the dissemination of the free market would definitely increase cohesion of the ASEAN and create a common integration framework. A window of opportunity constitutes a recent political liberalization in Burma.

The giants and the middle powers

The nature of the relationship between the giants and middle powers again proves the increasing importance of the latter. Every superpower (the EU as an economic giant) has to deal with a middle power in its closest neighborhood (China-ASEAN, the USA-Mexico, the EU-Turkey). It seems like among these three the USA is the most successful in dealing with its neighboring middle power. On the global scale, however, the USA has to compete with China in the realm of close cooperation with middle powers, whereas the EU despite often strong economic ties with them lags behind Washington and Beijing in the political dimension (military and strictly political alliances).The foundation of the Mexican-US relations is the North American Free Trade Agreement (NAFTA). Thanks to this Agreement, the US has a huge share in Mexican trade and investment balances. The American market is also of key importance to Mexican investments. Mexican and American ties are unusually strong due to over 30 million Mexicans (accounting for almost 10% of the US is no more than a couple of percent. Foreign direct investment, especially from countries such as Singapore, Malaysia and Thailand into the neighboring states, is also substantial. The states in the region also have close ethnic ties. On the one hand, people of the same nationality residing across the borders sometimes contribute to bilateral tensions. On the other hand, they create the platform for regional cooperation. The best example is the Malays. They are in majority in Malaysia and Brunei. Additionally, a lot of Malays live in Singapore, Thailand and some regions of Indonesia. Last but not least, Bahasa Indonesia, Indonesia's official language, originates from the Malay dialect. The vitality of the ASEAN was proved by its enlargement, when the countries of Indochina and Burma/Myanmar joined the organization in the 90s. During the Cold War these states were on the opposite side of barricade as the founding countries. The ASEAN plans to establish an Economic Community by 2015. These plans are probably too ambitious. Nevertheless, the international integration of ASEAN is evolving together with the growing importance of the Association in Asia and the Pacific basin. Over the last years the ASEAN has signed free trade agreements with the most important Asian states: China, India (agreement of similar nature to the FTA) and Japan. Consequently, Tokyo and Delhi perceive the ASEAN as the driving force for a potential Asian economic community. In 2005 the ASEAN set up the East Asia Forum. It is the only body in Asia connecting China, Japan and India. The USA and Russia have recently joined it. Furthermore, established in the 90s by the ASEAN Regional Forum is the only Asian platform dealing with the security issues of the whole continent. Judging from high developing dynamics of the region, the importance of ASEAN on a global scale is most certainly going to rise. According to economic predictions, some of the states from the region (Vietnam) are going to be the fastest developing countries in the world (around 9% annually), while others (e.g. Indonesia or the Philippines) will develop at not much slower rate (6-7% annually). The region s rather high level of innovation compared to its GDP (PPP) per capita is its strong side. According to the Global Innovation Index, Malaysia, being more than twice as poor as Spain, is more innovative that the 5th economy of the EU. Whereas Vietnam, which GDP (PPP) per capita is no more than 3000 USD, has a higher level of innovation compared to Mexico or Russia which are almost five times richer. This situation could be explained by the relatively high level of education in the region. In the TOP 500 Universities ranking the best Thai and Malaysian universities get better scores than the best institutions of Spanish or Finish higher education. However, deep internal economic and political diversification of the member states is a serious challenge for the ASEAN. Singapore s GDP (PPP) per capita is 50 times higher than Burma s. According to the Doing Business ranking, Singapore is one of the most economically free states in the world, whereas Laos is on one of the last places. In the political dimension totalitarian and authoritarian dictatorships (Burma, Cambodia, Laos, Vietnam) exist along with defective democracies (Indonesia, Thailand, Malaysia, the Philippines). Unfortunately, some member states have serious bilateral problems, which sometimes lead to military clashes (e.g., Thailand vs. Cambodia). Almost every country in the region has high internal ethnic and religious diversity, often causing tensions and misused by extremists to steer conflicts. Summing up, democratisation and the dissemination of the free market would definitely increase cohesion of the ASEAN and create a common integration framework. A window of opportunity constitutes a recent political liberalization in Burma.

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population and more than 25% of Mexico) living in the US. In the coming decades the Mexican share of the American population is going to reach 20%. This will let it play a key role of the golden share in the American political system. Such numerous connections have helped Mexican democratisation in the late 90s. Obviously, the bilateral relations are not perfect. Nowadays, the most important challenges are illegal migration, Mexicans status in the US and the existential Mexican problem   the war against drug gangs.
Turkey is sometimes said to be the European Mexico. Unfortunately, EU-Turkey relations are weaker and much worse than US-Mexican ones. Investments from the EU account for the biggest share in Turkish foreign direct investment stock, which have unprecedentedly increased since 2005. Still, foreign direct investment plays a significantly less important role within the Turkish economy than it does in Mexico. Around 6 million Turks and Turkish Kurds (less than 10% of the Turkish population) live in the EU. This community is the biggest among the non-union minorities and surpasses the population of several member states. Nevertheless, the EU s share in Turkey s trade turnover has decreased from 50% to 40% over the last couple of years. The question of Turkey s accession is a paradoxical expression of the exceptional potential of the Brussels impact on Turkey and at the same time striking evidence of its constraints. In 2001-2005 the European perspective had changed Turkey to a much higher extent than actions undertaken by the US towards Mexico. However, the Union s inability to come to consensus about the Turkey s membership has been its Achilles heel. French and to a lesser extent German resistance to Turkey s accession has caused a deadlock in the negotiation process and serious tensions in Turkey-EU relations. This stalemate is strongly related to unresolved problem with Cyprus, that substantially limits the possibilities of Ankara s cooperation with the EU within the framework of the CFSP.
China also faces troubles concerning its closest middle powers. Over the last decade it has significantly increased its share of trade and investment balance in the ASEAN member states. China uses its over 30-million diaspora, comprising a considerable part of the population in some countries, to strengthen its position in the region. On the one hand, Beijing tries to develop cooperation with the ASEAN as an organisation. On the other, it uses divide et impera principle setting the countries up against each other and strengthening its influence in the weakest states (Burma, Cambodia, Laos). The Chinese vision of the ASEAN envisages Beijing as its major partner and a weak institutionalisation within the organisation. In Beijing s opinion, the ASEAN member states sooner or later have to accept the fact that China will always be their neighbor, whereas the presence of America or Japan is an open question. This is why China opposed Indian and US membership in the East Asia Forum. China has in recent years become too self confident and as a consequence too assertive towards the ASEAN countries. Territorial disputes with some of the ASEAN member states (islands in South China sea) constitute serious challenge for China s image in the region. In 2010 Beijing recognized for the first time that South China sea is of key-significance to its national interests as well as Taiwan, Sinkiang or Tibet. This stance resulted in a couple of serious incidents taking place on the sea between China and the ASEAN countries. The assertiveness of China caused the deterioration of relations with the ASEAN countries and hence have been counterproductive, resulting in closer cooperation within the ASEAN and between it and the USA, India, Japan. In the Near East the USA has very bad relations with Iran. Iranian influence is counterbalanced by cooperation with Saudi Arabia, Turkey and Egypt. Turkey s tough stance towards Israel though has been a great challenge for the US. Nevertheless, despite certain tensions, Turkey is still a very important ally to the US in the Near East. Ankara s agreement to build an anti-missile radar system against Iran proves very well this assessment. The US enhances its ties with Turkey through NATO and cooperation in Iraq and Afghanistan. In South America, the US acts in a similar way: they counterbalance the Venezuelan influence with close cooperation with Columbia. Cooperation between America and the ASEAN countries is an example of the most successful American policy towards the middle powers. The US exploited China s hegemonic aspirations to intensify its relations with the ASEAN countries in the fall of 2010. Washington conducted unprecedented navy exercises with Vietnam. President Barack Obama signed an agreement on a comprehensive partnership with Indonesia, which formed a base for the considerable intensification of economic, military and educational cooperation. In 2010 for the first time in history the US took part in the ASEAN East Asia Summit. Starting from November 2011 it is its permanent member. In March 2011 the first ambassador of the US to the ASEAN took office.

China tries to use its close relations with the anti-American middle powers (Iran, Venezuela) in its global game against the US. Meanwhile, it applies the same strategy towards India in Asia, cooperating with Pakistan and Bangladesh. The latter are also used to obtain alternative communication routes to the Indian Ocean. China uses the internal weaknesses or international isolation of these states, and develops economic and military cooperation with them. Consequently, Bangladesh and Pakistan have much closer economical connections to China than India. Nevertheless, China s support for the middle powers is not unconditional and is in fact instrumental in nature. In 2010 China voted for sanctions against Iran in the UN Security Council, hence setting its relations with the US above its status as Iran s protector. An important middle power not yet used by China as a tool of pressure on the US and India is the RSA. Over the past years China has become Pretoria s main trade partner. China signed an agreement of strategic partnership with the RSA in 2010. It was also the main promoter of South Africa s membership in the BRICS. Such close cooperation with the most important African state is linked with a fast growing Chinese engagement in the Sub-Saharan Africa. The EU has significant economic stakes in certain middle powers. Furthermore, from an economic point of view some of them are of higher importance to the EU than Brazil or India. Unfortunately, there is still a lot to be done in the political dimension as well as when it comes to the institutionalisation of relations with regional organisations. The EU s cumulative direct investment in the ASEAN countries is around 170 billion euro with a trade balance of around 160 billion euro. The stocks of European direct investment in the ASEAN is much larger than in China (including Hong Kong). The comparison between the Union s relations with ASEAN and India demonstrates even better the importance of the former to the EU. Only in Malaysia has the EU invested almost as much as in India. The weak point of the EU in South East Asia is lagging behind other big players with regard to development aid and scholarships for local students. Unfortunately, unlike China, India, Japan, Australia and South Korea, the EU has not signed a free trade agreement with the ASEAN. Following two years of negotiations (2007-2009) the EU decided to start such talks with Malaysia and Singapore only. The ASEAN affair is not a precedent. Brussels has been negotiating a free trade agreement with the Gulf countries for ten years now. Unlike Russia and the US, the EU is not a participant in the ASEAN East Asia Summits. Strategic partnership, similar to that signed by the US was not established with Indonesia, the most important middle power of South East Asia. On the other hand, the Union s relations with the RSA are pretty comprehensive. Brussels signed an agreement of strategic partnership with Pretoria in 2007. The EU share in the RSA s trade balance is 1/3. It is decisively proportionally the biggest share in the trade volume of most important partners of the EU located outside of its neighborhood. The EU is also the most important investor in the RSA. The Union s direct investment in this state is almost three times bigger than in India and almost the same as in Japan.

Two scenarios

The high jump of the middle powers in the 21st century could potentially end in failure for some of them. Although they have a lot of potential, they might not be able to overcome their own weaknesses, which exist within each of them to a greater or lesser extent. However one should prepare for a scenario in which the world will become more pluralistic, not only due to the increasing significance of China or India, but also Turkey or Indonesia, the two most important countries amongst the middle powers in terms of their potential influence in neighboring regions, the power of balancing the great powers and impact on the nature of world order. Moreover, Turkey, within the EU and Indonesia as part of a better integrated ASEAN would also be given the unique opportunity to overcome their weaknesses. The growth of middle powers could potentially take place according to two scenarios, that could take place to different degrees, in various parts of the world:

- **The „Belle Epoque” scenario – the development of regional cooperation between middle powers, enlarging their influence on a global scale, due to the strengthening of their internal stability based on successful modernisation and democratisation;**
- **The „Mad Max” scenario - rivalry amongst middle powers as well as between them and the great powers, the transfer of their internal problems to their surrounding areas, the importance of middle powers stemming paradoxically from their shortcomings.**

The first scenario would lead to the strengthening of integration within the ASEAN and the development of similar regional organizations in other parts of the world, especially in the Middle East and Latin America. In the case of the Middle East a significant external promoter of cooperation would be the EU. Greater internal cohesion within the ASEAN, linked to the progress of democratisation and modernisation would lead to the balancing out of China s attempts at domination in the Far East and also to the ASEAN obtaining the ability to initiate integration policy in a continental dimension. For the latter an economic basis already exists. It would then become apparent that the role of the founding father of the Asian Union belongs to the middle powers, and not to China or India. Continental integration could begin with further strengthening of relations between ASEAN and closer to them in size then China or India, countries of Asia and the Pacific: Australia, South Korea and Japan. The progress of regional integration would increase the rate of economic growth in South East Asia. In consequence, ASEAN would become one of the engines of economic development facilitating the overcoming of stagnation by Japan. In the case of the Middle East three issues are of key importance when it comes to the realisation of the Belle Epoque scenario; political reform in Iran, the future of Turkey s relations with the EU as well as the democratisation of the Arab World. The coming to power of pragmatic political elite in Iran would create a real chance for the formation of a modus vivendi between Turkey and Iran, the basis for which would be economic cooperation, especially in the energy sector (Anatolia being the main transit path for the export of Iranian gas to Europe). Even today Turkey is one of Iran s most important trading partners. The liberalization of Iran would most likely lead to a significant growth in trade between Turkey and Iran, the opening of Iran s economy to investments from Turkey, especially in the construction sector as well as the expansion of tourism. If both countries accepted their own geopolitical limitations in the Middle East (Iran-Shias, Turkey-Sunnis), took under consideration the similarity of own potentials and highlighted their mutual religious and ethnic ties (25% of Iran is Turkic speaking, 20% of the population of Turkey are close to Shia Islam, Alevis, a significant part of the population of both countries are Kurds) then economic ties and pragmatism of both countries could in the long term lead to a strategic partnerships in Eurasia. It could potentially have significantly consequences for other players. For the Middle East this partnership would have similar consequences, to those that the rapprochement between Germany and France after the Second World War, had for Europe. Among the major powers, it seems that a Turkish-Iranian partnership would have a significant impact especially on Russia, whose position in the energy market as well as in the post Soviet area would be significantly weakened. The future of relations between Turkey and the EU is incredibly important, due to the fact that forming a truly democratic country on the Bosphorus will be much harder without a European perspective. The Achilles heel of Turkey is the Kurdish problem. The integration of Kurds in Turkey, which has a key external dimension (the large Kurdish communities in neighboring countries) would considerably increase the potential impact of Ankara in the Middle East. Turkey s European integration extends the path of regional integration to the Middle East. This region lacks a country which would have the potential to play a role of the engine of regional integration and the promoter of cooperation between the Middle East and the EU. A strong democratic and European Turkey, which even today can boast about its successes in developing multilateral cooperation in neighboring countries, could become a reality. A Turkey integrated with the EU could also have a positive impact on the development of the post Soviet region, including Russia. Russian s demographic and economic predominance over Turkey, most likely will start decreasing considerably in the upcoming decades. Turkey on the other hand will obtain a valid instrument of influence on Moscow thanks to strong growth of Russian Muslim community mainly of Turkic origin, which will constitute up to 30% of Russia's population around 2050. In effect the democratisation and modernisation of Russia could come not only from Europe, but also- which at the moment is very hard to believe from the Islamic world. Turkey as an EU member could also be a more attractive partner for Turkic countries, who are aiming to avoid the domination of China in Central Asia. The Arab Spring has meant that for the development of regional cooperation in the Middle East and North Africa, the new key challenge is the division of the countries of this region in to four groups: countries, which survived the revolution maintaining status quo, the ones which started evolutionary top-down reforms, states which underwent revolutions and are now trying - often with great difficulty - to built democratic political systems and countries finding themselves in turmoil. It would be easier to overcome these challenges in the case of Arab countries, if positive political reforms were to take place in Turkey and Iran. The connection between democracy and regional cooperation is also evident in the case of Venezuela. The democratization of Venezuela could considerably improve its relations with the West and individual Latin American countries. Rapprochement between Colombia and Venezuela has great importance of continent because they are two key middle powers in the northern angle of Latin America. Changes in Venezuela could also have a positive spillover on its allies, namely Ecuador and Bolivia. The next step would be the revitalization of the Andean Community, thanks to the return of Venezuela, reengagement of its allies and the accession of Chile.

The consequences of the Mad Max scenario would be most dramatic in the Middle East, and the Indian peninsula. However, the key long term consequence for the global balance of power will be the sequence of events in South East Asia. If integration within the ASEAN framework considerably slows down or regresses, the region will become an arena for rivalry between member states, which in addition will not be able to handle their internal problems. In consequence, China's regional influence will grow considerably. Taking into consideration the significance of this region on a global scale, the strengthening of China s position in this part of the world could have serious consequences for the balance of power by strengthening Beijing at the cost of the US, Japan, India and the EU. On the Indian peninsula the Mad Max scenario would lead to confrontation between Pakistan and India, which in turn would result in the taking over of power in Islamabad by Islamic radicals. They would try to cover up internal problems with a conflict with India, which due to both countries possessing atomic bombs, could have unthinkable consequences. In the worst case scenario, a fully–fledged Pakistani-Indian war would break out, the most important benefactor of which would again be China, as the conflict would weaken India, Beijing's most important rival in Asia. The nuclear factor could also play a significant role in the case of the Middle East. Iran, which possesses the technology allowing it to produce nuclear weapons could become more assertive in the region by instigating Shia rebellions, supporting extremists in Arab countries and provoking conflict between Israel and Hezbollah and Hamas. The next stage of the destabilisation of this region would be an arms race, namely countries such as Saudi Arabia would start possessing nuclear weapons. The Mad Max scenario in the Middle East would enhance another Arab -Israeli conflict and cause confrontation between Israel, backed by the U.S, and Iran. This course of events would put in jeopardy democratic processes in the Arab world as well as create a serious challenge for the enhancement of cooperation between Turkey (anti-Israeli and Western backlash in the society) and the West. For the deepening of the latter, the second obstacle could be increasing rivalry between France and Turkey in the Arab World. Searching for an external enemy as a focus for countries struggling with internal problems is not only a Eurasian specialite de la maison. It cannot be disregarded that Hugo Chavez will provoke a confrontation with Columbia , the most pro American country in South America, in order to draw the public s attention away from the economic crisis and political internal problems. Caracas could widen the scope of this conflict, involving Ecuador, its prot g . It is certain that Chavez would try to destabilize Columbia through a common front with Maoist guerrillas who for years have been fighting against the government in Bogota. The internal destabilization of Columbia would lead to an increase in the production of cocaine which would worsen, the already difficult situation of Central American countries and Mexico, which lie on the main smuggling route to the U.S.A.

The rise in significance of middle powers on the international arena is extremely significant for the EU which borders directly with the Middle East and possesses significantly smaller political potential compared to China or the U.S. The Belle Epoque scenario is a big opportunity for the EU, whilst the Mad Max scenario on the other hand is a nightmare. If the former scenario prevails then the EU could become a key source of inspiration for emerging regional powers on the matter of democratisation, modernisation and regional integration. In this case despite the relative weakening of its international position, the EU would maintain its significance in the world of the 21st century because it will be characterised by the regional cooperation of democratic middle powers. In fact this world would be to large degree an extension of the EU. In Europe there are serious concerns that the EU with a loose relationship with the 27 countries is not able to play the role of global actor on par with the USA and China. However in a world in which modernising and democratising medium-sized countries will play a greater role it could become apparent that the EU, not the USA and especially not China has an extraordinary knowhow strengths when it comes to simultaneous regional integration, democratization and modernization. In this area, the greatest success of the EU is the process of enlargement, being the most effective combination of these three elements. Yet this tool is not, apart from Turkey, possible to use by the EU in other regions of the world. However, currently the EU uses similar tools, namely political conditionality and regional cooperation to shape its neighbourhood. The success of these efforts will be of key importance for the EU s ambitions to export their model to more distant regions of the world. Last but not least, the size of the Union s middle powers and the character of the EU- the most advanced regional organisation in the world- would make it easier for the EU countries than for the US or China to find a common language with their emerging relatives . The EU also has unique opportunity to include one of the middle powers (Turkey) in its club, which could facilitate cooperation on the global scale with similar actors. Indeed, the matter of Turkey- s membership in the EU includes all crucial challenges facing the EU s relations with middle powers: the ability to cooperate with emerging and assertive regional powers, promoting European integration as a source of inspiration for the latter and support for their political, social and economic transformation. In case of the Mad Max scenario of rivalry among the middle powers as well as between them and the great powers Europe would becomes a source of inspiration for the middle powers, but in negative sense, namely as an arena of bloody wars between regional and global powers lasting for centuries until the establishment of the EU. In this case the EU would also be the most debilitated of the global actors, as the main stage for the above mentioned rivalry would become the Middle East- the EU s direct neighborhood. The destabilisation of the Mediterranean basin could pour out into Europe through the Muslim diaspora living on the Old Continent. Moreover, France would engage, certainly to a larger extent then now, in the rivalry between the Middle Eastern middle powers. It s worth reminding that one of France s main rivals in the Mediterranean is Turkey. In effect the EU willy-nilly would also be involved. The permanent stalemate in Turkey s integration process would most likely exacerbate confrontation between Ankara and Paris. This situation would lead to sharp cleavages within the EU concerning its policy towards the Middle East.

Four recommendations for the EU

1. Brussels should make the paradigm of democratisation, modernisation and regional integration, currently used towards EU s neighbours, the key foundation of its policy concerning middle powers in general. The EU for the sake of strengthening regional integration amongst middle powers, ought to make multilateral talks on the FTAs with regional organizations such as the ASEAN, MERCOSUR, the Andean Community or the GCC, a priority. Today, too often the EU takes a short cut by choosing bilateral talks with the easiest partners, for instance by resigning from negotiations with ASEAN in favour of talks with Singapore and Malaysia. An effective method of enhancing cooperation between the EU and middle powers and the promotion of the EU as a model would be common projects on development aid, foreign investment (including construction contracts) as well as scholarships and overseas education. Malaysia, Turkey and South Africa are amongst the middle powers that are able to boast about having the greatest success in these areas (when it comes to development aid the most effective is by far Ankara). Cooperation between the EU and these countries should have as an aim increasing their constructive engagement in the surroundings and in effect enhancing regional stability. It should be based on a EU- middle power- smaller neighboring countries triangle.

2. Members of the EU which support the accession of Turkey and who are in significant majority in the EU (about 20 countries), should make the political gesture of supporting the reactivation of Turkey s membership negotiations through vocally supporting the opening of some chapters which are currently blocked by Cyprus. The evolution of EU policy towards Kosovo (lack of recognition of its independence by five members of the EU, unanimity when it comes to the conditionality of the start of negotiations with Serbia on the normalization of relations with Kosovo) shows that semi-breakthroughs are possible, even on difficult matters. The unanimity rule will mean that the initiative would not instantly succeed. However, it would allow the largely si-

lent majority to speak up and express its strategic support for Turkey s accession prospects. The main arguments should be the growing convergence of interest between Turkey and the EU in the Middle East, energy issues (the southern corridor) and the significant influence of Ankara in the Arab and Turkic world.

3. From the perspective of the sequence of events in the Middle East, the future of the political system in Iran, regional player number two, is of greatest importance to the EU. The most important aim of the Union s policy towards Iran, should be leading to its political liberalisation. The key tools should be sanctions aimed at the regime and not at the society, close cooperation with other countries of the region and most importantly determined backing for the opposition and civil society in Iran. The weakening of Iran's influence in the Middle East and the success of the Arab Spring, especially in Egypt, will depend on the conclusion of the Arab-Israeli conflict. The EU has up till now agreed to play a secondary role in the peace process in the Middle East. The engagement of EU countries in the Arab Spring and intervention in Libya mean that the EU, under the condition of maintaining basic unity, can become a front row player in this process. Indeed, the EU is more predisposed to this then the U.S.

4. South East Asia, due to its demographic and economic potential, strategic position as well as the engagement of the world s most powerful players is the region, which should be a top priority for EU policy, apart from the Middle East. The EU should return to negotiations of an FTA with the ASEAN after it relaunched talks with the MERCOSUR in 2010. Brussels should also nominate the EU special representative to the ASEAN. Following Russia and the US, the EU should submit an application concerning its membership in the East Asia summit. Brussels should follow the model of its partnership with South Africa as well as the recent American-Indonesian agreement and make an arrangement with Indonesia which will establish a strategic relationship between Jakarta and Brussels. Whilst enhancing relations with the ASEAN, the EU should intensify cooperation in the region with Japan, the US, Australia and South Korea, countries especially interested in strengthening the ASEAN. South East Asia is a part of the world where hard power still counts. Therefore, it is very important for the EU, through the development of the CSDP, to be able to establish partnerships with countries in the region in the military sphere (common maneuvers and participation in peace missions, contracts for military equipment, the cooperation of the arms industry).

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