



CEPS POLICY BRIEF

A 'MIDDLE POWER COALITION' AND WHY THIS HAS BECOME A GLOBAL NECESSITY

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SUMMARY

At Davos in January 2026, Canadian Prime Minister Mark Carney gave a widely applauded speech, arguing that the world's democratic 'middle powers' could work together to counter the disintegration of the world order. This CEPS Policy Brief is the second in a duology that addresses the fundamental issues for Europe posed by Donald Trump's second presidency. More broadly all three so-called great powers – the US, China and Russia – are failing the world.

If Carney's idea is to progress, the EU and its Member States will have to play a major part in restoring a rules and values-based world order, together with other like-minded states including Canada and several others. There is a crucial set of policy domains where the middle powers could be – or are already – crafting progressive policies, and where a credible and trusting core group of like-minded countries could give structure to a better world order.



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INTRODUCTION

Mark Carney's [speech](#) at Davos 2026, advocating that 'middle powers' should stand up to define a normatively desirable world order, has been viewed very positively in Europe, is a starting point for an idea potentially of great strategic significance.

The overarching motivation for this initiative is the current spectacular situation where all three so-called great powers, each in different ways, are failing the world:

- The United States, which under President Trump is shattering the norms and rules of the old Western alliance,
- Russia, 'great' only in its nuclear arsenal and land surface, now in its fifth year of war attempting to destroy Ukraine, and shattering the [10 Helsinki principles](#) of the European security order negotiated between the Soviet Union and the West,
- China, more careful in its diplomacy, but failing to devise a macroeconomic policy to limit its soaring trade surplus, which is destroying industry around the world, and [ruthlessly threatening retaliation](#) against trade partners such as the EU that try to curb China's surplus bilaterally.

The speech didn't attempt to sketch out how his idea could work in practice but his [subsequent address](#) to the Australian Parliament on 5 March listed five sectoral examples on how it could be developed further. Consistent with these examples we can imagine a more extensive set of ten concrete topics, as outlined below.

Carney's speech referred to the contributions of Alexander Stubb, President of Finland, which the latter reciprocated in [his major speech in New Delhi](#) on the same day, 5 March, following Carney's visit to India just three days earlier. Stubb's New Delhi speech added further examples to the agenda that could be acted upon.

This informal Carney-Stubb double act is even more welcome from a European standpoint as the EU institutions haven't yet explicitly entered this debate, while the content of both the Carney and Stubb speeches are entirely consistent with EU values and practices.

Carney connects with European thinking in favouring 'variable geometry' rather than a single institutional model for concrete actions undertaken by the 'like-minded', which as a label fits Europe more easily than the term 'middle power'.

Three basic questions help us explore how the Carney-Stubb double act might advance:

- Which countries might be involved?

- What could they do together?
- How might they organise themselves?

The EU has a special responsibility for taking up a leading role, given that its Member States and the EU institutions themselves must be at the core of any middle power grouping and have the potential – but only when united – to add up to a leading global power.

For this reason, the ‘middle power’ label is a less comfortable fit with Europe than the ‘like-minded’ – but that shouldn’t get in the way of practical steps ahead.

WHICH COUNTRIES MIGHT BE INVOLVED?

Participating countries would most plausibly be democratic, have advanced economies and support a reformed world order that would be based on values, norms and rules. To be practical, the democracy criterion would need to be applied with a light and somewhat flexible touch, given [the erosion of the quality of democracy](#) in quite a few states, from Hungary (under Viktor Orban before his recent demise) to India under Narendra Modi.

One convenient answer to which countries might be included are those that are members of the OECD, except for the US under its current administration (thus OECD-1). As can be seen in Table 1, while the OECD was originally a European initiative it now has 38 members (excluding the US), who span the globe from Australasia, Asia and Latin America, with a combined population of 1.6 billion.

A much more compact set of OECD-1 states, with a cut-off point of having a population of at least 20 million people, would see the number drop to 14 with a population of 844 million. However, this would exclude a considerable number of smaller states, such as the Nordics, which punch above their weight in supporting a normative, rules-based international order.

Another approach could be to start with the OECD-1 states that are members of the G7-1 or – to be more globally representative – the G20-1, which would then number six and 10 countries respectively.

Going beyond OECD membership there are three special cases: Ukraine, as a candidate country for EU membership; Brazil which isn’t an OECD member and is also a border-line case between being a middle or very large democracy; and India, even though it has experienced considerable democratic backsliding under Modi, has the world’s largest population.

Brazil and India are also key swing states in the BRICS group. While the [quality of India's democratic status](#) is contested, it's still way apart from the categorically authoritarian BRICS leaders, China and Russia. Carney, Stubb and the EU have already carried their ideas to New Delhi and a key objective would be for any middle power initiative to appeal to the big democracies of the 'Global South'.

Four existing structures are set out in Table 1 below, illustrating where the 'variable geometry' idea can lead:

- The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) is a relatively compact free trade agreement with 12 member countries, including Australia, Canada, Chile, Japan, Mexico and South Korea, with the UK's recent accession signalling that it views its geographic identity is flexible. The EU has bilateral free trade agreements with all CPTPP countries.
- The 'Coalition of the Willing' for militarily supporting Ukraine has 34 member countries, mainly European, but also including Australia, Canada, Japan and New Zealand.
- Through the [Global Health Strategy](#), the European Commission supports a group of experts that has prepared options for 11 EU Member States and five non-EU states (Australia, Canada, Japan, Norway and the UK) to strengthen global health policies, which includes reforming the World Health Organisation (WHO).
- The EU's Horizon Europe research and innovation programme, the largest of its kind in the world, includes many associated states, both non-EU European countries such as Norway and the UK, and non-European states, such as Australia, Canada, Japan, New Zealand and South Korea.

Also of interest was the [eighth meeting](#) of the European Political Community in Yerevan on 4 May 2026, with 47 members from all of Europe (except Belarus and Russia), and which included Prime Minister Carney as a special guest. This was the first time a non-European country participated, a testimony to the close relationship now established between Canada and Europe.

Table 1. OECD-1 countries and like-minded middle powers

| OECD-1 member states | Population in millions | Population above 20 million | G20-1 | CPTPP Trans-Pacific | Coalition of the Willing/ Ukraine | Global Health Initiative | Participates in Horizon Europe research |
|----------------------------|------------------------|-----------------------------|--------------|---------------------|-----------------------------------|--------------------------|---|
| Australia | 27 | X | X | X | X | X | (X) |
| Austria | 9 | | | | X | | X |
| Belgium | 12 | | | | X | X | X |
| Bulgaria | 7 | | | | X | | X |
| Canada | 41 | X | X | X | X | X | X |
| Chile | 20 | X | | X | | | X |
| Colombia | 52 | X | | | | | X |
| Costa Rica | 5 | | | X | | | X |
| Croatia | 4 | | | | X | | X |
| Czechia | 11 | | | | X | | X |
| Cyprus | 1 | | | | X | | X |
| Denmark | 6 | | | | X | X | X |
| Estonia | 1 | | | | X | | X |
| Finland | 6 | | | | X | | X |
| France | 67 | X | X | | X | X | X |
| Germany | 84 | X | X | | X | X | X |
| Greece | 10 | | | | X | | X |
| Hungary | 10 | | | | | | X |
| Iceland | 0.4 | | | | | | X |
| Ireland | 5 | | | | X | X | X |
| Israel | 10 | | | | | | X |
| Italy | 59 | X | X | | X | X | X |
| Japan | 123 | X | X | X | X | X | X |
| Korea S. | 52 | X | X | | | X | X |
| Latvia | 2 | | | | X | | X |
| Lithuania | 3 | | | | X | | X |
| Luxembourg | 0.7 | | | | X | X | X |
| Mexico | 128 | X | X | X | | X | X |
| Netherlands | 18 | | | | X | | X |
| New Zealand | 5 | | | X | X | | X |
| Norway | 6 | | | | X | X | X |
| Poland | 38 | X | | | X | | X |
| Portugal | 10 | | | | X | X | X |
| Romania | 19 | | | | X | | X |
| Slovakia | 5 | | | | | | X |
| Slovenia | 2 | | | | X | | X |
| Spain | 48 | X | | | X | X | X |
| Sweden | 11 | | | | X | X | X |
| Switzerland | 9 | | | | | X | X |
| Turkey | 88 | X | X | | X | | X |
| UK | 69 | X | X | X | X | X | X |
| EU | (450) | X | X | | X | X | X |
| Total, millions | 1.060 | 844 | 738 | 413 | 849 | 522 | 1.060 |
| number of countries | 38 | 14 | 10 | 7 | 34 | 12 | |
| Ukraine | 40 | X | | | X | | X |
| Brazil | 211 | X | X | | | | |
| India | 1,476 | X | X | | | X | (X) |
| <i>+ other CPTPP</i> | | | | | | | |
| Peru | 34 | X | | X | | | |
| Vietnam | 102 | X | | X | | | |
| Malaysia | 34 | X | | X | | | |
| Singapore | 6 | | | X | | | |
| Brunei | 0.5 | | | X | | | |
| Total, millions | 2.964 | 2.741 | 2.425 | 590 | 903 | 1.998 | 2.585 |

Notes: Albania and Montenegro are members of the Coalition of the Willing. Balkan candidate states participate in Horizon Europe; Australia and India are negotiating associate status.

Source: Author's own elaboration.

If one is looking for a **potential core grouping of like-minded middle powers that already have experience in working well together**, the above examples are all pointing to the **larger EU Member States** (Germany, France, Italy, Spain and Poland), **the EU itself** and **Australia, Canada, Japan, New Zealand, Norway, South Korea** and the **UK**.

However, with both the largest EU Member States and the EU itself included, the 'middle power' label doesn't actually fit Europe as well as it does for Canada. It also signals that **this grouping could add up to a major global power if united**, with a population of OECD-1 amounting to 1.6 billion – and even more so if their partnerships with India and Brazil could be deepened.

WHAT COULD THEY DO TOGETHER?

First, they could work on international policy issues where the Trump administration has withdrawn from or been uncooperative, and where the middle powers might coordinate and act together. When speaking to the Australian Parliament, Carney mentioned five sectoral topics and building multiple 'coalitions of the willing' based on different topics.

His five examples (defence, rare earths, trade, digital/AI and financial markets) are reviewed below with five others that would surely be included in a more complete proposal, which include Alexander Stubb's ideas. These 10 policy domains¹ add up to almost all that is important in international affairs, pointing to the initiative's potential strategic significance.

1. STRATEGIC SECURITY & DEFENCE

The 10 principles of the [1975 Helsinki Final Act](#) (which include refraining from the threat or use of force, the inviolability of frontiers, the peaceful settlement of disputes and non-intervention in internal affairs) have now been massively abused by both Russia and the US. These principles may warrant a fresh review, and in any case deserve wider support beyond Europe, as already seen with the non-European participants in the 'Coalition of the Willing'.

Formed in 2025 to help Ukraine, the Coalition of the Willing is an example of how like-minded countries can undertake joint action without relying on an existing institution. Led by France and the UK, it has become a 35-state coalition. Its European participation goes beyond the EU to include Norway and Turkey, while excluding the dissident Hungary (which may change due to the recent transition to a new government) and Slovakia. Its

¹ Some of these domains have been comprehensively covered in a [new study](#) by the SWP in Berlin with the suggestive title 'With, Without, Against the United States'.

non-European participants are Australia, Canada, Japan and New Zealand. Meanwhile the US has been reducing its military support for Ukraine, supplying only military equipment paid for by Europe. Its mediation has been heavily biased in Russia's favour.

2. TRADE POLICY

The US has weaponised trade policy with grandiose bullying and by forcing the world to accept its unilateral tariff increases with threats to counter any retaliation with redoubled tariff increases; until Trump's initiatives were [ruled illegal](#) by the Supreme Court. Consequently, there's now a moderate 10 % extra tariff for 150 days until July 2026.

Trump has all but withdrawn from the WTO, breaking its most fundamental rules by imposing increased tariffs unilaterally on the rest of the world, while [blocking](#) the WTO's dispute settlement system. At the WTO's most recent ministerial meeting in Yaoundé in March, the US sought a permanent extension of the existing ban on tariffs on digital trade. On digital trade the EU supports free data flows but with safeguards to protect its regulatory sovereignty. The meeting [ended in an impasse](#), with the US trade representative, Jamieson Greer, declaring '*I have always been sceptical of the value of the WTO*' and that it will play only a 'limited role' in trade policy in the future.

The US was a founding member of the Trans-Pacific Partnership (TPP) but Trump withdrew from it during his first term. No other state withdrew and the initiative it was renewed under its new name, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), now with 12 members (Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, Vietnam and the recently acceding UK).

The EU already has free trade agreements with all CPTPP countries except Malaysia and Brunei, with which it's currently negotiating. It held a first dialogue meeting with the CPTPP in Australia at the end of 2025 and at the WTO's Yaoundé ministerial this dialogue advanced significantly with [the adoption of a Joint Declaration](#) aimed at 'urgent, deep, comprehensive and inclusive reform of the WTO' and 'enhance(d) cooperation among like-minded WTO members... to drive better outcomes for the broader membership'.

A joint EU-CPTPP agenda could adopt common positions on concrete trade policy issues. Even discussing scenarios for common retaliatory actions against unduly aggressive policies (by the US or China, for example) could have a disciplining impact. The EU and CPTPP combined equal 30 % of the world's trade and over 50 % of the US' total trade.

Tables 3 and 4 illustrate how far trade policies converge in the matrix of relationships between the middle power states with a population of over 20 million. The overall picture is that the EU alone has free trade agreements with all the above-20 million OECD-1

countries. Other countries in this group have concluded some free trade agreements with their closest partners. Brazil and India's trading relationships are mostly limited to WTO rules and only the EU has free trade with all three, together with the post-Brexit UK, which has carried over some of the EU's trade agreements (Trade Continuity Agreements - TCAs).

A major task for the middle powers (except for the EU) would be to improve their trade relations with Ukraine, Brazil and India.

Table 2. Trade relations between middle powers (above 20 million population)

| | Australia | Canada | Chile | Japan | Korea | Mexico | Turkey | UK | EU |
|-----------|-----------|--------|-------|-------|-------|--------|--------|-------|-------|
| Australia | ----- | ----- | ----- | ----- | ----- | ----- | ----- | ----- | - |
| Canada | CPTPP | ----- | ----- | ----- | ----- | ----- | ----- | ----- | - |
| Chile | FTA | FTA | ----- | ----- | ----- | ----- | ----- | ----- | - |
| Japan | CPTPP | CPTPP | CPTPP | ----- | ----- | ----- | ----- | ----- | - |
| Korea | FTA | FTA | FTA | WTO | ----- | ----- | ----- | ----- | - |
| Mexico | CPTPP | USMCA | FTA | EPA | FTA | ----- | ----- | ----- | - |
| Turkey | WTO | WTO | WTO | WTO | WTO | WTO | ----- | ----- | - |
| UK | FTA | TCA | TCA | EPA | FTA | TCA | WTO | ----- | - |
| EU | FTA | FTA | FTA | FTA | FTA | FTA | CU | FTA | ----- |

Notes: FTA = Free Trade Area; CU = Customs Union; EPA = Economic Partnership Agreements; TCA = Trade Continuity Agreement (the UK post-Brexit largely carries over EU FTAs); CTPPT = Comprehensive and Progressive Agreement for Trans-Pacific Partnership.

Source: Author's own elaboration.

Table 3: Trade relations between middle powers and Ukraine, Brazil and India

| | Ukraine | Brazil | India |
|-----------|---------|--------------|-------|
| Australia | WTO | WTO | FTA |
| Canada | FTA | WTO | WTO |
| Chile | WTO | FTA Mercosur | WTO |
| Japan | WTO | WTO | WTO |
| Korea | WTO | WTO | WTO |
| Mexico | WTO | FTA Mercosur | WTO |
| Turkey | WTO | WTO | WTO |
| UK | TCA | WTO | FTA |
| EU | DCFTA | FTA | FTA |

Notes: FTA Mercosur = Free Trade Agreement with Mercosur

Source: Author's own elaboration.

While Trump has been most explicit and aggressive in attacking the rest of the world with his tariff bullying, China with its huge trade surpluses, has been far more invasive in practice. This poses the issue over whether the middle powers should try to devise common policies towards China.

3. CLIMATE POLICY

In January 2026, the US formally withdrew from the Paris Agreement and the UN Framework Convention on Climate Change (UNFCCC), including the annual Conference of the Parties (COP), along with 64 other international initiatives, 31 being UN-based.

By contrast there are groups of countries in favour of more ambitious climate policies than what is possible at the annual COP conferences. The first of the two most active and significant groups is the ['Belém Declaration Coalition'](#), which sought to drive the COP30 agenda in 2025 towards a global commitment to transition away from fossil fuels. It was signed by 43 countries and the EU. The second is the ['High Ambition Coalition'](#) (HAC), which is a large and diverse group that has been pushing for more ambitious [Nationally Determined Contributions](#) (NDCs).

4. GLOBAL PUBLIC HEALTH

The US withdrawal from the World Health Organisation (WHO) left the organisation with a USD 1.28 billion hole in its budget as detailed in a [recent CEPS study](#). It's not yet clear how far this loss will be compensated by others, while China is reported to have [pledged](#) a fresh USD 500 million contribution.

In February 2026, the European Commission published a [detailed report](#) on how the global health agenda might be advanced. Here the EU, 11 Member States and five non-EU countries (Australia, Canada, Japan, Norway and the UK) took the initiative to identify options over how to advance reform of the global health architecture (see Table 1 for the countries involved).

The process engaged 490 diverse stakeholders, almost half coming from sub-Saharan Africa. The report set detailed operational recommendations and contains a comprehensive list of current international initiatives (in its Box 2). This includes the WHO's decision to host an overarching process to support its own reform as well as the [Wellcome Trust regional dialogues](#) and the Africa Centres for Disease Control and Prevention.

The ['GAVI' Vaccine Alliance](#) is of particular interest, receiving pledges from 10 European states, including France, Germany, Italy, Spain, the UK and Norway plus the European Commission. Australia, Canada, Japan and South Korea are among the traditional donor states, plus India and Indonesia. The US government is not contributing. The system is a public-private partnership, functionally linked to the WHO, while institutionally independent.

5. DIGITAL/AI POLICY RESEARCH AND REGULATION

The EU stands out in this fast-moving policy domain, having the most comprehensive and binding regulatory model in the world, consisting of the AI Act, the Data Protection Regulation (GDPR), the Digital Service Act (DSA), the Digital Markets Act (DMA), the Data Act, Cyber Resilience Act, etc. The AI Act specifically has a layered risk-based system, with 'unacceptable risks' prohibited, 'high risks' subject to strict obligations, followed by 'limited' and 'minimal' risk categories.

The US system consists mainly of guidance, with an emphasis on innovation. It seeks to influence other countries to converge on the US model. The UK regime is a halfway house, more structured than the US but more flexible than the EU. Canada has equivalents of the AI Act and Data Act, which are more structured than Japan's softer legal systems.

All the above align with the [OECD AI principles](#) but these avoid regulatory prescriptions and have no binding force. The [G7 Hiroshima AI Process](#) began in 2023 and aims at

systems convergence but isn't binding. Its original G7 membership has now been extended to 56 countries.

6. FINANCIAL MARKETS

The main international regulatory action takes place through the Financial Stability Board (FSB) created under the G20, with support from the Bank for International Settlements (BIS), which produces the 'Basel' standards (Basel III, IV). The Financial Stability Board's staff is located at the BIS but are independent of it. Basel standards heavily influence the EU's regulatory regime with its comprehensive institutional setup, namely the European Central Bank's Single Supervisory Mechanism, the European Securities and Markets Authority (ESMA) and the European Banking Authority (EBA).

The US is represented at Basel by the Federal Reserve Board, i.e. not by the federal government/Treasury. This enables the BIS system to avoid the politicisation of its technical work. The Basel standards are applied by the EU, US, Canada and Japan, with relatively marginal differences in how they are implemented.

7. RARE EARTHS AND CRITICAL MATERIALS

Mark Carney highlighted that both Canada and Australia have considerable rare earth resources, while the EU is keen to secure diversified supplies from reliable sources. The G7 have developed a [critical minerals alliance](#), which Australia has [now also joined](#). This means that the door is wide open for further developments and cooperation. Rare earths already feature on the bilateral EU-Canada agenda.

8. INTERNATIONAL TAX POLICY

The OECD has successfully negotiated an [important initiative](#), in which a minimum corporation tax rate of 15 % is applied to all corporations with annual revenues over USD 750 million, coming into force in 2024. Around 140 states signed up, however the US subsequently withdrew in 2025. Yet demands for more cooperation over international tax issues won't go away and the OECD should be encouraged to evaluate its corporation tax initiative, as well as to broaden the agenda for further tax cooperation.

9. REGIONAL INTEGRATION

Alexander Stubb [advocates](#) the further development of regional integration organisations, citing the African Union, Mercosur, Asean and the Gulf Cooperation Council – as well as the EU. The 2025 US National Security Strategy explicitly criticises the EU and advocates a general return to national competences favoured by far-right 'patriotic' parties. However, the EU, with its wealth of experience of the challenges

involved in far-reaching integration, is well placed to advise on and support other regional integration projects.

10. UN REFORM

Ahead of his New Delhi speech, Stubb [promoted ideas](#) at the 2025 UN General Assembly taken from his book '[The Triangle of Power: Rebalancing the New World Order](#)'. Key points would be expanding the UN Security Council, with additional seats for Africa and Latin America, a permanent seat for India and the abolition of veto powers.

He also calls for enhanced participation for the 'Global South' in the governance of the IMF and World Bank. In short, this largely overlaps with what many 'Global South' countries have long been advocating. There is an official UN reform agenda (the '[UN80 Initiative](#)'), launched in 2025 alongside the 80th anniversary of the UN's foundation, but alas its progress has been slow. On top of this, Trump created his very own '[Board of Peace](#)' alternative to undermine the UN system.

KEY TAKEAWAYS

In all 10 cases except for one, the US has either withdrawn from existing multilateral organisations or has adopted other negative positions. The single exception is over financial market regulatory policies, but here the US is represented by the independent Federal Reserve Board, not the federal government/Treasury.

Box 1. Summary positions of the US regarding the 10 policy areas

1. Defence/Ukraine: Absent from the Coalition of the Willing; pro-Russian bias.
2. Trade: Massive disrespect of WTO rules; sceptical over its future role.
3. Climate policy: Withdrew from the Paris Agreement; climate sceptic.
4. Global public health: Withdrew from the WHO.
5. AI: Critical of strong EU policy.
6. Financial markets: Only marginal differences with the EU.
7. Rare earths: Aggressively pursues own interests.
8. International tax policy: Withdrew from OECD minimum corporation tax.
9. Regional integration: Seeks to undermine the EU.
10. UN reform: Disregards, creates own Board of Peace.

The US withdrawal from the WHO raises the question of which countries could financially compensate international organisations for its absence, with no concrete answer to this question yet. More broadly USAID's abrupt closure has left a big hole in budgets dependent on foreign aid. Here, a [CEPS study](#) has highlighted that many European countries are also cutting their aid budgets, if not as drastically as the US.

Since Europe would be contributing a large number of middle power states (two-thirds of the OECD-1), recent developments in the Canada-EU relationship should also be noted as a possible template; the last year saw [two significant steps](#) with the New EU-Canada Strategic Partnership of the Future and the EU-Canada Security and Defence Partnership (SDP).

This is on top of the existing Comprehensive Economic and Trade Agreement (CETA), Canada's participation in Horizon Europe and ongoing negotiations for a Canada-EU Digital Trade Agreement to align standards on AI, cybersecurity and digital identity. The Canada-EU model could lead to such agreements being extended to other non-European states.

HOW MIGHT MIDDLE POWERS ORGANISE THEMSELVES?

Mark Carney's starting point is a multiple set of diverse but overlapping institutional arrangements (which he calls 'variable geometry'), including reforming existing multilateral organisations. At the time of writing, a new institution hasn't been proposed.

However, the idea would surely be to look for synergies between multiple initiatives with the familiar argument that the whole should be more than the sum of its parts. This poses the question of how to ensure effective coordination and leadership of the 10 wide-ranging set of initiatives described above. A minimalist approach would be to rely on the network of bilateral diplomatic relations but that would be a weak formula. Some kind of steering group for coordination appears to be needed.

The EU is a natural hub as an actor in all 10 sectors with a varying range of exclusive and shared competences, as well as having the most extensive set of free trade agreements in the world. **The question is whether the EU is willing and able to take up a hub role, where various EU regulations and policies would be a central point of reference and how far the non-EU states would accept this.** Another option could be to use the developing EU-Canada relationship described above as a model. There have been few signs of the EU being proactive, although the recent EU-CPTPP joint declaration is a notable advance.

On more formal organisational structures, the BRICS group and Shanghai Cooperation Organization both started with summit meetings comprising only a small number of

countries. The BRICS began with just Brazil, Russia, India and China, later expanding to include South Africa, Egypt, Indonesia, Iran and United Arab Emirates. Newcomers must request to join and this must be agreed unanimously by the existing membership. But due to their diversity, these organisations find it very difficult to develop common positions.

'Variable geometry' is often practiced by the EU. This allows wide variations in terms of which countries are members of which initiatives, yet the above review tends towards identifying a core group comprising the EU, its main Member States, some non-EU Europeans (Norway and the UK), and a solid grouping of non-European states (Australia, Canada, Japan New Zealand and South Korea).

While there's currently no impetus to formalise such a group, there is much to be said in favour of recognising a flexible but strong core of like-minded states which engage in multiple overlapping initiatives, all favouring a progressive international order with clear normative foundations.

RECOMMENDATIONS

- 1) **The EU – both its institutions and Member States - should join with Canada in promoting a middle power initiative.** It's uniquely well placed to do this, given its most extensive set of free trade agreements with other middle powers and a very substantial set of progressive regulatory policies in other domains. **Canada and the EU should invite a core group to come together and they should take the lead in drafting a set of summary principles covering the ten headings above, to be published as a manifesto,** which should be relatively open-ended to allow other states to join.
- 2) EU policymakers **should engage with their like-minded counterparts through an overarching consultative and coordinating framework to test new ideas and new ways to collaborate.** There should also be efforts to engage with Brazil and India, allowing any middle power initiative to avoid the often-derogatory 'West' label.
- 3) **EU policymakers should seek deeper collaboration with the Trans-Pacific Partnership (CPTPP),** going potentially way beyond the dialogue process that's already begun. In future there could be more substantial common positions and even common retaliatory actions against illegal policies committed by third parties.

CONCLUSIONS

Carney's speech at Davos 2026, with his subsequent diplomatic efforts in India, Australia and Japan, have opened up the question over what the like-minded middle powers could and should do independently of the world's current great powers.

Fundamentally this initiative has become a global necessity because all three so-called great powers are failing the world. Trump and Putin are destroying any semblance of an enlightened world order (this Policy Brief's accompanying Explainer reviews the Trump phenomenon in detail). China, for its part, ruthlessly pursues global economic hegemony, threatening anyone (like the EU) that seeks to reduce its soaring trade surpluses.

There isn't yet any official process of identifying which countries would be the 'middle powers' to form such a coalition. Carney stresses the 'variable geometry' concept, which Europe is well familiar with. In any measure Europe, the EU itself and its Member States would comprise a substantial number of the 'middle powers'. One can observe in the policy domains reviewed above the makings of a core group consisting of the large EU Member States with the EU itself, a few non-EU European states (such as Norway and the UK) and several states from other continents (Australia, Canada, Japan, New Zealand and South Korea), who could form an informal community of the like-minded.

The like-minded middle powers do already or could advance progressive policy agendas in as many as 10 major sectoral policy domains that the US has either withdrawn from or adopted aggressive positions. These policy domains account for almost everything of importance in world affairs.

A core grouping of like-minded countries could lead to a renewal and re-invigoration of the world order.



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