

Opinion **Geopolitics**

The world's democracies need to stick together

Maintaining a united front on Ukraine and on China is getting harder

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In 2022, something good came out of something bad. Russia's invasion of Ukraine led to a remarkable display of unity and determination from the democratic world.

The US, the EU, the UK, Japan, South Korea, Canada and Australia imposed unprecedented economic sanctions on Russia. Ukraine was provided with billions of dollars of military and economic support. In Europe, Germany promised to make historic [shifts](#) in its defence and energy policies. Finland and Sweden applied to join Nato.

China's hostility towards Taiwan and its announcement of a "no limits" partnership with Russia also sparked a reaction in the Indo-Pacific. Japan announced a major [increase](#) in military spending. The Philippines tightened its ties with America. The Quad nations — India, Japan, Australia and the US — held a summit.

Democracies in Europe and Asia also began to work more closely together. For the first time, Japan, South Korea and Australia [attended](#) a Nato summit.

This year, it will be considerably tougher to maintain the unity of the advanced democracies. Active and engaged US leadership has been crucial to the democratic

democracies. Active and engaged US leadership has been crucial to the democratic world's response to the Russia-China partnership. But serious tensions are emerging between Washington and its allies.

In Europe, the key issues are both strategic and economic. The western alliance is openly divided over future military aid to Ukraine. Those divisions were on full display at an allied meeting in Ramstein on Friday, when Germany [resisted](#) intense pressure to allow the transfer of Leopard tanks to Ukraine.

While the headlines after the Ramstein meeting focused on Germany's isolation, the divisions within the western alliance are more complex than that. There is a hawkish wing that includes Poland, the Nordic countries, the Baltic states and the UK, and is pressing for the rapid transfer of more advanced weaponry, including tanks, to Ukraine.

The US is somewhere in the middle between the hawks and the ultra-cautious Germans. The hawks worry that the Biden administration has allowed itself to be spooked by the threat of nuclear war and so been too timid about the delivery of advanced weaponry, such as longer-range missiles. But the criticisms are muted because the US is by far the largest donor of military and financial aid to Ukraine.

These divisions are manageable for now. But, if the war turns against Ukraine this spring, the recriminations could get nasty.

The tensions between the US and Europe also have an economic dimension — with many in the EU [accusing](#) Washington of protectionism, by providing large subsidies to green industries and electric vehicles inside the US.

The common US response — that Europe should simply provide its own subsidies for green tech — may be unrealistic. Letting states subsidise their own industries might blow up the EU single market, while a unified EU subsidy regime would immediately spark arguments about how the money was raised and where it was spent.

Lurking behind this is a growing fear that the US is pulling ahead of Europe economically — and that the Ukraine war is hastening this process. European industrialists point to key advantages enjoyed by the US: cheap energy, plentiful land, technological leadership and the world's reserve currency.

Then there is China. Confrontational language and attitudes towards Beijing are now routine in US politics. Most European and Asian governments are still hedging. China is now the largest potential faultline in the relationship between America and its Asian allies. Japan, Australia, South Korea and the Philippines are treaty allies of the

US and agree on the need to increase military deterrence of China. But all are wary of how far America may go with economic decoupling.

I noticed that division of opinion while chairing a [session](#) on Japan at the World Economic Forum last week. An American participant, Stephen Pagliuca, the outgoing co-chair of Bain Capital, argued that the world's democracies would increasingly trade among themselves — and cited the Ukraine war as a warning about becoming too economically dependent on an autocracy. Tak Niinami, the chief executive of Tokyo-based drinks group Suntory Holdings, was wary of that argument — and welcomed the fact that Japan's trade with China was increasing.

The Singaporeans — key US partners on both trade and security — are openly alarmed about the wide scope of America's restrictions on tech exports to China. They worry that they will lead to a further, dangerous spike in US-China tensions. There are also concerns that US efforts to “friend-shore” supply chains will make industry less efficient and fuel inflation.

All these tensions could spell trouble for efforts to keep democracies in Europe, Asia and the Americas working together over the coming year. But while the splits within the “global west” are discernible, they can be narrowed by intelligent policy shifts. US policymakers are increasingly aware of European angst about the Inflation Reduction Act — and may try to tweak the law. A more tightly defined US policy on tech exports to China would also reassure allies.

Above all, the Nato allies need to agree a common position on weapons supplies to Ukraine — and do so fast, before fighting intensifies this spring. The unity between democratic allies that was achieved in 2022 was a precious thing. It should not be frittered away in 2023.

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