



FURTHER READING

For a sharp, incisive treatment of twenty-first century security debates, see Dannreuther (2007). Cottey (2007) links these debates to European and EU security more specifically and Howorth (2007) offers what is, to date, the best and most comprehensive treatment of CSDP. Smith's (2008) volume on EU foreign policy has good sections on the Union's policy instruments, its conflict prevention efforts, and its fight against international crime. For an up-to-date treatment of internal security policy, see Lavenex (2010). A comprehensive analysis of EU asylum and immigration policies is given by Geddes and Boswell (2011). Kaunert (2011) gives a timely account of the dynamics towards supranational governance in JHA.

Cottey, A. (2007), *Security in the New Europe* (Basingstoke and New York: Palgrave).

Dannreuther, R. (2007), *International Security: the Contemporary Agenda* (Cambridge and Malden MA: Polity).

Howorth, J. (2007), *Security and Defence Policy in the European Union* (Basingstoke and New York: Palgrave).

Geddes, A. and Boswell, C. (2011), *Migration and Mobility in the European Union* (Basingstoke and New York: Palgrave).

Kaunert, Christian (2011), *European Internal Security: Towards Surpanational Governance in the Area of Freedom, Security and Justice* (Manchester and New York: Manchester University Press).

Lavenex, S. (2010), 'Justice and Home Affairs: Communitarization with Hesitation' in H. Wallace, M. A. Pollack, and A. R. Young (eds.), *Policy-Making in the European Union*, 6th edn. (Oxford and New York: Oxford University Press).

Smith, K. E. (2008), *European Union Foreign Policy in a Changing World*, 2nd edn. (Cambridge and Malden MA: Polity).



WEB LINKS

- The best and most useful website for current research related to CSDP is that of the Paris-based Institute for Security Studies (<http://www.iss.europa.eu/>), which formally became an autonomous European Agency in 2002. The Council also maintains a comprehensive site on the CFSP at: <http://www.consilium.europa.eu/showPage.aspx?id=261&lang=en>. The European Defence Agency has its own website at: <http://www.eda.europa.eu/>; so do Frontex at <http://www.frontex.europa.eu/> and Europol at <http://www.europol.eu/> (a humorous list of portrayals of Europol in films and novels is available at: http://www.europol.europa.eu/ataglance/Fictionalapperances/Fictional_apperances_of_Europol.pdf). A comprehensive and critical databank on EU internal security cooperation is provided on <http://www.statewatch.org/>.



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CHAPTER 10

The EU as a Global Actor

John Peterson

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Summary

The European Union's ambitions to be a global power are a surprising by-product of European integration. Students of European foreign policy focus on EU trade, aid, and the Common Foreign and Security Policy (CFSP), but cannot neglect the extensive national foreign policy activities of its member states. On most economic issues, the EU is able to speak with a genuinely single voice. It has more difficulty showing solidarity on aid policy, but is powerful when it does. The Union's external policy aspirations now extend to traditional foreign and security policy. But distinct national policies persist and the EU suffers from weak or fragmented leadership. Debates about European foreign policy tend to be about whether the glass is half-full—with the EU more active globally than ever before—or half-empty, and mainly about disappointed expectations.

Introducing European Foreign Policy

One of the founding fathers of what is now the European Union (EU), Jean Monnet, once described European integration as a 'key step towards the organization of tomorrow's world' (quoted in Jørgensen 2006: 521). Nevertheless, Monnet and the other founders of the original European Economic Community (EEC) had little ambition to create a new kind of international power. In fact, the EEC was initially given explicit external powers only to conduct international trade negotiations, since a common **market** could not, by definition, exist without a common trade policy. Yet the Community's trade policy quickly produced political spillover: trade agreements with whom? What about sanctions against oppressive or aggressive states? Member states soon felt the need to complement trade policy (and the external aspects of other EC policies) with political criteria that they laid down in what was at first a separate, informal framework of 'political cooperation' and then later became a formal treaty objective of a common foreign and security policy.

The European Union now aspires to be a global power: that is, a major international actor that can, like the United States (US) or China, influence developments anywhere in the world, and draw on its full range of economic, political, and security instruments. It can be argued that 'foreign policy has been one of the areas in which European integration has made the most dynamic advances' (Tonra and Christiansen 2004: 545). Still, the EU is a strange and often ineffective global actor. Distinctive *national* foreign policies endure in Europe and show few signs of disappearing. The notion of 'European foreign policy', comprising *all* of what the EU and its member states do in world politics, collectively or not, has gained prominence (see Carlsnaes 2006; Hill and Smith 2011).

Debates about European foreign policy tend to be about whether the glass is half-full or half-empty. On one hand, the EU has used enlargement as a tool of foreign policy and dramatically transformed the regions to its east and south (see Chapter 8). The Union is an economic superpower. It is gradually developing a military capability for crisis management or humanitarian intervention (see Chapter 9).

On the other hand, the EU suffers from chronic problems of disunity, incoherence, and weak leadership. European foreign policy can be undermined by all manner of rivalries: between its member governments, between EU institutions, and between them and national foreign ministries. The EU was entirely sidelined during the 2003 war in Iraq because it could not come even remotely close to agreeing a common policy (see Peterson 2003/4). The Union stood accused of providing 'far too little leadership far too late' to the aborted 2005 effort to reform the United Nations (UN) (Laatikainen and Smith 2006: 21–2).

Sometimes, the same international event or issue can be used to defend either the half-full or half-empty thesis. Consider the call by the head of a leading non-governmental organization, Human Rights Watch, for the EU to 'fill the leadership void' on human rights post-Iraq, after the US was widely viewed as flaunting them. Here, we might see

the Union as a beacon of hope for a more progressive, humane international order. Or, we might share the despair of the issuer of the plea at how the EU continues to 'punch well beneath its weight' on human rights (Roth 2007). The EU consistently fails to meet expectations while never ceasing to develop new ambitions.

How it developed

The EU's international ambitions have their origins in the 1960s. In particular, American disregard for European preferences in Vietnam and the Middle East presented the European countries with incentives to defend their interests collectively, and thus more effectively, in foreign policy. According to a logic known as the 'politics of scale', the whole—the EU speaking and acting as one—is more powerful than the sum of its parts, or member states acting individually (Ginsberg 2001).

By 1970, a loose intergovernmental framework, **European Political Cooperation (EPC)**, was created to try to coordinate national foreign policies. Linked to the European Community, but independent of it, EPC was very much dominated by national foreign ministers and ministries. Member governments identified where their national interests overlapped, without any pretension to a 'common' foreign policy. The European Commission was little more than an invited guest, and the Parliament largely excluded.

Nonetheless, EPC fostered consensus on difficult issues in the 1970s and 80s, including the Arab–Israeli conflict and relations with the Soviet bloc (through what became the **Organization for Security and Cooperation in Europe (OSCE)**; see Box 10.1). EPC also became the vehicle for the Community's condemnation of South Africa's apartheid system. Europe was mostly limited to saying things—issuing diplomatic *démarches*—as opposed to doing things via EPC. But increasingly it backed up EPC positions with European Community actions using economic aid or sanctions (which were applied to Argentina during the Falklands War).

EPC's perceived successes led to claims that Europe could become a 'civilian power' (see Galtung 1973). That is, the EC could emerge as an alternative to the two Cold War superpowers, uphold multilateralism, liberalism, and human rights as values, and be an advocate for peaceful conflict resolution. EPC was given treaty status and formally linked to the activities of the Community in the 1986 Single European Act.

Yet, the geopolitical earthquakes that shook Europe beginning in 1989 exposed EPC as weak and unable to foster collective action. The idea of strengthening foreign policy cooperation in a new 'political union' was given impetus by the dramatic transitions in Central and Eastern Europe, the Gulf War, the collapse of the Soviet Union, and war in Yugoslavia. Thus, the 1992 Maastricht Treaty grafted a new **Common Foreign and Security Policy (CFSP)**, along with a new Justice and Home Affairs (JHA) policy) onto the existing Treaty of Rome, resulting in the European Union's then three-pillar structure. There is no question that the EU became far more active

BOX 10.1 Key concepts and terms

The **Common Foreign and Security Policy (CFSP)** was created by the 1992 Maastricht Treaty as a successor to the European Political Cooperation mechanism. It has been embellished by successive new Treaties and given (by the Treaty of Nice) a Brussels-based Political and Security Committee to prepare Foreign Ministers' meetings and (by Lisbon) a 'new look' High Representative and the EEAS.

The **Cotonou agreement** was agreed in the African state of Bénin in 2000 and then revised repeatedly (lastly in 2010). It is the successor to the Lomé Convention and is claimed to be a 'comprehensive partnership' between former European colonies and the EU.

The **European External Action Service (EEAS)** was created by the Lisbon Treaty and became active in 2010. It works under the authority of the High Representative and brings under one roof EU (Commission and Council) and national diplomats. One intended effect of the EEAS is to make the Union's missions in foreign capitals more like real embassies, with clout and resources.

The **OSCE**—the **Organization for Security and Cooperation in Europe**—brings together 56 (as of 2011) states from Europe and beyond in what is the world's largest regional security organization. It claims to take a 'comprehensive approach to security', extending especially to human rights. The OSCE works on the basis of unanimity and its decisions are politically, not legally, binding. It thus is criticized as toothless, even though its predecessor—the Conference on SCE—was important in putting into motion the changes that led to the end of the Cold War.

internationally in the years that followed. There is considerable debate about whether it also became more effective.

The basics

The EU aspires to international power for two basic reasons. First, even the Union's largest states are medium-sized powers compared to, say, the US or China. All European states, especially smaller ones, seek to use the EU as a 'multiplier' of their power and influence. There is controversy about whether the Union is a truly global, as opposed to a regional power (Orbie 2008; Krotz 2009). However, its largest member states—France, UK, Germany, and Italy (the first two being members of the UN Security Council)—give the Union a 'pull towards the global perspective which many of the [other member states] simply do not have as part of their foreign policy traditions' (Hill 2006: 67). New EU military and civilian missions in Africa and Afghanistan, as well as the Balkans and Middle East, illustrate the point.

Second, the Union's international weight increases each time it enlarges or expands its policy competence. The twelve countries that joined after 2004 were all (besides Poland) small and (mostly) pro-American states with limited foreign policy ambitions. But EU membership allowed them to distance or defend themselves from the US on issues such as Russia or trade policy, while making the Union a potentially more powerful player on these and other international issues. Meanwhile, the EU has accumulated new foreign policy tools, beginning with aid programmes for Africa in 1963 and most recently a Common Security and Defence Policy (CSDP; see Chapter 9). It also has created, via the Lisbon Treaty, new figures to represent the Union externally: a 'permanent' European Council President and a High Representative for Foreign Policy who is also Vice-President of the Commission. Lisbon also gave birth to the European External Action Service (EEAS), potentially a nascent EU foreign ministry. But whatever institutions it creates, the EU is powerful internationally above all because it presides over the world's largest **single market** (including nearly 500 million consumers, or around 40 per cent more than the US).

Still, European foreign policy is hindered by three basic gaps. One is between task expansion, which has been considerable, and the integration of authority, which has been—at least prior to the Lisbon Treaty—limited. Before the creation of the EEAS, the total number of European diplomatic staff worldwide (EU plus national officials) was more than 40,000 diplomats in 1,500 missions. Yet, no minister or government could give orders to this huge collection of officials. No one claimed that the US—with around 15,000 staff in 300 missions—was weaker because it was so outnumbered (Everts 2002: 26). The new High Representative was given authority over the EEAS, which at least promised finally to give the Union an official who could direct the EU's own diplomatic corps, which often proved impossible in the past because of fragmented institutional structures in Brussels.

The gap between the EU's economic power and political weakness is a related but separate problem. Europe manages to defend its interests on matters of 'low politics'—economic, trade, and (less often) monetary issues—with a more or less single voice. External trade policy is made via the **Community method** of decision-making (see Chapter 3), which delegates considerable power to the Union's institutions and where Council acts by a qualified majority. The EU also has significant resources in aid and development policy, and has emerged as a potentially major power in international environmental diplomacy.

In contrast, the Union often fails to speak as one on matters of traditional diplomacy, or 'high politics', which touch most directly on national **sovereignty**, prestige, or vital interests, and where Council acts by unanimity. The CFSP created by the Maastricht Treaty was meant to cover 'all aspects of foreign and security policy'. However, there is no *single* EU foreign policy in the sense of one that replaces or eliminates national policies. In contrast to (say) EU trade policy, the CFSP relies overwhelmingly on intergovernmental consensus. It remains difficult to envisage member states ever delegating power to decide life and death questions, such as

whether to contribute military force to a 'hot' war. In short, the gap between the EU's economic power and political weight endures largely because the Community system remains more efficient and decisive than the CFSP system.

A final gap is between the world's expectations of the EU and its capacity to meet them (Hill 1998). In the early days of the post-Cold War period, European foreign policy-makers often oversold the Union's ability to act quickly or resolutely in international affairs. Nearly two decades later, the rhetoric had muted but the EU still struggled to be a truly global, as opposed to a regional power in its European neighbourhood. Chris Patten (2005: 176), a former Commissioner for External Relations, was frank:

America is a superpower, partly because it is the only country whose will and intentions matter everywhere, and are everywhere decisive to the settlement of the world's problems. Europe can help to solve these problems, but there are only some parts of the world—like the Balkans—where our role (while not necessarily crucial) is as important as, or more important than, that of China in the case of North Korea.

These three gaps—between task expansion and integration, economic unity and political division, and capabilities and expectations—all contribute to a more general mismatch between aspirations and accomplishments. To understand its persistence, we need to unpack European foreign policy and consider it as the product of three distinct but interdependent systems of decision-making (White 2001):

- a national system of foreign policies;
- a Community system focused on economic policy; and
- the CFSP.

These systems remain distinct even if there is considerable overlap between them (see Table 10.1). To illustrate the point, the Lisbon Treaty essentially eliminated the pillar system and put all EU policies under the umbrella of a single institutional system. The 'EU system' now incorporates the CFSP as well as internal security policy. However, as Piris (2010: 260) notes, leaving aside the High Representative, 'the Lisbon Treaty confirms that CFSP remains clearly subject to different rules and procedures from the other activities of the EU. It therefore remains a second pillar as it was before.'

Overlaps between the EU's external policy systems are, however, rife. Europe is the world's largest foreign aid donor, but only when the disparate and largely uncoordinated contributions of the Union and its member states are added together. EU environmental policy is made via the Community method but it is often unclear who speaks for Europe in international environmental diplomacy, as was revealed—to the Union's cost—at the 2009 Copenhagen UN summit on climate change. Leadership of the CFSP sometimes falls to sub-groups of member states, as illustrated by

the 'EU-3', with France, Germany, and the UK taking the lead on nuclear diplomacy towards Iran.

These overlaps reflect how high and low politics often blur together in the twenty-first century. Disputes arising from Europe's dependence on Russia for energy, or the tendency of Chinese exporters to flood European markets, can touch upon vital national interests and preoccupy diplomats and governments at the highest political levels. Meanwhile, the EU has begun work on a security and defence policy: the ultimate expression of high politics. Blurred boundaries between both policy realms and systems for decision-making make European foreign policy an elusive subject that is far more difficult to 'source' or study than (say) Indian, Mexican, or South African foreign policy.

TABLE 10.1 European foreign policy: three systems

System	Key characteristic	Location (or Treaty basis)	Primary actors	Policy example
<i>National</i>	Loose (or no) coordination	Outside EU's structures	National ministers and ministries	War in Iraq
<i>Overlap</i>	Some coordination of national and EU efforts	Coordination with EU with nuances (in annexes to Treaty; no funds from Community budget)	National ministers and ministries, Commission	Cotonou agreement
<i>Community</i>	EU usually speaks with single voice	Pillar 1*	Commission and Council	Commercial (trade) policy
<i>Overlap</i>	Turf battles	Pillars 1 and 2*	Council and Commission	Economic sanctions policy
<i>CFSP</i>	'Common, not single' policy	Pillar 2*	High Representative; national ministers and ministries (especially of large states)	Nuclear diplomacy towards Iran

*Pre-Lisbon Treaty

A National 'System' of Foreign Policies

Distinctive national foreign policies have not disappeared from Europe, even if the EU has become a more important reference point. France uses the EU to try to enhance its own foreign policy leadership of a Europe that is autonomous from the US. Germany has wrapped its post-war foreign policy in a European cloak in order to rehabilitate itself as an international power. The UK views the EU as useful for organizing pragmatic cooperation on a case-by-case basis. Small states have considerably 'Europeanized' their foreign policies (Tonra 2001) and rely on the EU to have a voice in debates dominated by large states. But all EU member states conduct their own, individual, *national* foreign policy.

Whether or not national foreign policies in Europe form a true 'system', they are notable for:

- their endurance;
- their continued centrality to European foreign policy; and
- their frequent resistance to coordination.

The last observation points to what makes foreign policy different from other EU policies: the logic of foreign policy coordination differs markedly from the logic of market integration. Integrating markets mostly involves **negative integration**: sweeping away barriers to trade. Separate national policies can be tolerated as long as they do not impede free movement of goods, services, and people. Market integration typically has clear goals, such as zero tariffs or common standards. Progress can usually be measured and pursued according to timetables.

In contrast, it is plausible to think that a common foreign policy (analogous, for example, to the Common Agricultural Policy (CAP)) requires **positive integration**: new EU institutions and structures to replace national ones. Foreign policy often has a black or white quality: if all states do not toe the line when the EU condemns a human rights violation or imposes an arms embargo, then the Union cannot be said to have a policy at all. Foreign policy coordination is often difficult to tie to specific goals or timetables. Compare the two main policy projects of the Maastricht Treaty (see Smith 1997). Monetary union had a clear goal—the euro—a timetable for achieving it, and criteria for measuring progress. The CFSP was given no clear goal, nor any timetable or criteria for achieving it.

Defenders of Europe's system of foreign policy coordination, including Chris Patten (2001), concede that Europe lacks a *single* foreign policy. However, they insist that the EU usually has a *common* foreign policy through which its member states and institutions act collectively. Each plays to its strengths and contributes policy resources to a (more or less) common cause. Increasingly, all member states tend to respect common EU policies and procedures.

Critics counter-claim that the war in Iraq showed how the EU is easily marginalized on matters of high politics. Decisions on whether to support the war

were almost entirely made in national EU capitals, not Brussels. Nation-states have long been primary sources of European foreign policy. They are likely to remain so.

The Community System

The Community system for foreign policy-making consists of three main elements: external trade policy; aid and development policy; and the external dimension of internal policies, not least the **internal market**.

Commercial (trade) policy

The European Union is a major trading power. It is the world's largest exporter and second largest importer. It accounts for more than one-fifth of all global trade, and claims a higher share than the US. The EU is sometimes portrayed as a purveyor of neoliberalism (which emphasizes the benefits of the free market and limited government interference; see Cafruny and Ryner 2003). Yet, all trading blocs discriminate against outsiders and more than half of all EU trade is internal trade, crossing European borders within a market that is meant to be borderless. EU member states are sometimes accused of acting like a protectionist club in which each agrees to take in the others' 'high cost washing', or products that are lower in quality or higher in price than goods produced outside Europe, ostensibly to protect European jobs (see Messerlin 2001).

In practice, the EU is a schizophrenic trading power, not least because it blends very different national traditions of political economy. Generally, its southern member states are less imbued with free-market values than those in the north or east. One consequence is that it is sometimes more difficult for the EU to agree internally than for it to agree deals with its trading partners. The power of the Commission in external trade policy is easy to overestimate (see Box 10.2). However, the EU does a remarkably good job of reconciling Europe's differences on trade. When the EU can agree, international negotiations become far more efficient. There is capacity in the Community system for shaming reluctant states into accepting trade agreements that serve general EU foreign policy interests. For example, in 2001 the Union agreed to offer the world's poorest countries duty-free and quota-free access to the EU's markets for 'everything but arms' (see Faber and Orbie 2009), which France firmly opposed but eventually agreed to accept. The deal was criticized for not doing enough to promote third-world development. But the EU generally claims that it offers the world's poorest countries a better deal than do most industrialized countries.

Europe increasingly finds itself facing fierce economic competition from emerging states such as China, India, and Brazil that have maintained much higher economic

growth rates than the EU over recent years, even during the post-2008 recession. In the circumstances, EU trade policy has been accused of becoming aggressive, reactive, and defensive. The Union also shouldered much of the blame for the breakdown of the Doha Development Round of world trade talks, which floundered in 2008 mostly over its (and the US's) agricultural subsidies. With multilateral trade negotiations at an impasse, the EU has sought bilateral preferential trade agreements (PTAs): its PTA with South Korea in 2009 represented a breakthrough of sorts, since it involved a relatively large state and a high volume of trade. However, little progress was made in the pursuit of PTAs with India or the 10-state Asian group ASEAN (Association for South-East Asian Nations) even after the Union committed itself to these agreements in its 2007 strategy paper *Global Europe: Competing in the World* (Commission 2007).

An interesting question for students of European foreign policy is: how much is the EU's economic power used in the pursuit of its foreign policy objectives? The answer seems to be sometimes, but not often. The 2010 agreement to apply severe economic sanctions to Iran in response to its nuclear programme illustrates how the EU occasionally (in this case, after years of US cajoling) uses its economic power for political objectives. The same can be said for the PTAs the Union has agreed with developing countries and states on its borders as part of its Neighbourhood Policy (see Chapter 8). A striking example was the Libyan crisis of early 2011, when the EU rapidly adopted sanctions, travel embargoes, and asset freezes against the Gaddafi regime, even if there were visible misgivings among several governments about the military action. But EU trade policy structures and behaviour challenge the idea of Europe as a 'civilian power'. The Lisbon Treaty states that trade policy 'shall be conducted in the context of the principles and objectives of the Union's external action'. But responsibility is left in the hands of the Commissioner for Trade, not the High Representative. Damro (2010) characterizes the EU as 'Market Power Europe': that is, an EU that defends its economic interests aggressively in individual trade disputes with little regard for broader foreign policy objectives. An even less charitable portrayal is 'Parochial Global Europe' (Young and Peterson 2012): a trading power whose preoccupation with its own internal politics and policies, involving the staunch defence of its economic interests, hampers the Union's attempts to play a global role.

Aid and development

The EU and its member states spend around €50 billion annually on development aid, or over half of the global total. Aid and access to the Union's huge market are frequently combined, along with other policy instruments, as in the cases of the EU's free trade agreements with Mexico and South Africa. Market access or aid also may be part of political cooperation agreements designed to promote democracy or human rights. The EU's relations with its most important neighbours—such as Turkey, Ukraine, or Russia (see Box 10.3)—are usually conducted through complex package deals involving trade, aid, and political dialogue.

BOX 10.2 How it really works

Commercial (trade) policy

Trade policy is the most integrated of all EU external policies. The Commission negotiates for the EU as a whole in most cases. There is no specific Council of Trade Ministers, and effective oversight by member states (through the so-called Article 207 Committee of national trade officials) seems limited. The EP gained significant new powers from the Lisbon Treaty, with many measures adopted by co-decision, and its consent is now required for all trade agreements. Still, the Commission is clearly the lead institution and at first sight, its position often seems indomitable.

In practice, power is considerably diffused. Member governments defend their own economic interests robustly at all stages: when the Council defines the Commission's mandate for negotiations, during the negotiations themselves, and when the Council ratifies draft deals. The Treaty says that the Council can (with a few limited exceptions) decide by qualified majority. In practice, important external trade measures almost never pass without unanimity. Moreover, there seems little doubt that the post-Lisbon Parliament will be 'quite ready to make use of its right to reject an agreement', as it did in the case of a US–EU counterterrorism agreement in 2010 (Piris 2010: 287), or set conditions, as it did with the EU–South Korea PTA the same year. Thus, tensions between **intergovernmentalism** and **supranationalism** exist even at the heart of the Community system, even though the EU has a solid record of achievement in trade policy.

Increasingly, the EU seeks region-to-region agreements such as the EuroMed partnership with the countries of the Mediterranean, and the Cotonou agreement, a trade and aid accord between the EU and 79 African, Caribbean, and Pacific (ACP) states. Such package deals require links between different systems for making European foreign policy. For example, most aid to the ACP states is distributed via the European Development Fund (EDF), which member states finance directly and is not part of the EU's general budget.

The Union's aid policy has faced serious challenges in recent years. Evidence that EU aid programmes are not very effectively managed has contributed to 'donor fatigue'. The new wisdom—reflected in World Trade Organization (WTO) rules—is that poorer countries need trade more than aid. Trade is seen as helping poorer countries to grow from within in a sustainable way, while aid is often wasted, especially through corruption. The labelling of the twenty-first century's first global trading round as the Doha development agenda both reflected the new wisdom and focused global attention on the EU (and US) for their reluctance to open (especially) their agricultural markets to developing countries.

The world's poorest countries continue to insist that they need large injections of aid, and remain wary of the EU's new preference (driven by WTO rules as well as political choices) for creating free-trade areas. Large transfers of EU aid continue to flow to the Cotonou countries, most of which are in Africa. The EDF's budget, set at €13.8 billion for 2000–7, was increased to nearly €23 billion for 2008–13. Besides Africa, the Mediterranean and the Balkans are also priority areas for Community spending on development.

BOX 10.3 How it really works**The EU and Russia**

The EU's relationship with Russia is a classic glass half-empty or half-full story. A pessimist would make much of the EU's dependence on Russia for energy, particularly since price disputes between Moscow and former Soviet republics in 2005–9 led to interruptions (or threats of them) in flows of Russian natural gas. The EU's concern for its energy security is often viewed as making it the weaker partner in its relationship with Moscow. One consequence, according to this view, is that the Union is reluctant to speak truth to power about the erosion of Russian democracy, the suppression of human rights in Chechnya, or even the 2007 cyber-war waged (apparently) by Russia on Estonia, an EU member state.

In practice, the EU and Russia are mutually and heavily interdependent. The EU relies on Russia to supply more than a quarter of both its oil and natural gas. But sales of raw materials to the EU account for most of Russia's hard currency earnings and fund nearly 40 per cent of Russia's federal budget. Around 60 per cent of Russia's export earnings come from energy, most of it in the form of sales to the EU. One former EU diplomat puts it bluntly: 'Europe should clearly work for a comprehensive partnership with Russia, but at the moment it is nonsense to suggest that this will be based on shared values' (Patten 2005: 178).

The point was illustrated at the 2006 Lahti EU summit held under a Finnish Council Presidency. Vladimir Putin was invited to participate, a first for a Russian President. By all accounts, the meeting was fraught and Putin bristled at any criticism of his government. When the President of the EP, Josep Borrell (a Spaniard), told Putin that the EU could not trade oil for human rights, Putin reportedly replied that corruption was rife in Spain. Putin also noted that mafia was an Italian word, not a Russian one. The French President, Jacques Chirac, enraged other EU delegations by arguing that morality should not be mixed with business in the EU's dealings with Russia.

Still, the (then) EU of 25—including former Soviet republics (such as Estonia) or satellites—delivered a more-or-less common message to Russia for the first time. The German Chancellor, Angela Merkel, insisted that she would continue to push Putin on human rights in Russia. So, perhaps the glass was half-full?

The Union has also become the world's largest donor of humanitarian aid through the European Community Humanitarian Office (ECHO), located within the Commission. It announced the largest contribution of any donor to humanitarian aid in Afghanistan within days of the start of the 2001 war. ECHO also contributed more relief than any other donor to areas affected by the 2004 Asian Tsunami and 2010 Pakistani floods.

The EU's good deeds are often marred by bad 'plumbing'. ECHO was slammed for its lax spending controls by the Committee of Independent Experts whose 1999 report sparked the mass resignation of the Santer Commission. For years, EU development funds helped prop up dictators who were overthrown in Egypt, Tunisia, and

elsewhere in the 2011 Arab Spring. EU aid delivery certainly has become more efficient over time. But the Commission still has some distance to go before it escapes the memorable charge (made by a UK Minister for Development) that it is the 'worst development agency in the world' (Short 2000).

Externalizing internal policies

In a sense, the European Union has no internal policies: its market is so huge that every major decision it makes to regulate it (or not) has international effects. When the Union negotiates internal agreements on fishing rights or agricultural subsidies, the implications for fishermen in Iceland or farmers in California can be immediate and direct. The ultimate act of externalizing internal policies occurs when the EU enlarges its membership, as it did when it more than doubled in size from twelve to 27 member states after 1995.

A rule of thumb, based on a landmark European Court decision (see Weiler 1999: 171–83), is that where the EU has legislated internally, a corresponding external policy competence for that matter is transferred to it. The Community has frequently taken this route in environmental policy, and now participates in several international environmental agreements. Where internal lines of authority are clear, the EU can be a strong and decisive negotiator. The Commission has become a powerful, global policeman for vetting mergers between large firms. When the Union seeks bilateral economic agreements, whether with China, Canada, or Croatia, the Commission negotiates for the Union as a whole.

The Union's most important international task may be reconciling rules on its single market with rules governing global trade. The EU sometimes does the job badly, agreeing messy compromises on issues such as data protection or genetically modified foods that enrage its trading partners. External considerations can be a low priority when the Union legislates, and effectively treated as someone else's problem. Most of the time, however, the internal market has offered non-EU producers better or similar terms of access than they were offered before the internal market existed (Young 2002).

We have seen (in Chapter 9) that EU security policy has been subject to considerable criticism from both academics and practitioners. In contrast, EU enlargement has been widely hailed as the most effective tool of European *foreign* policy, in terms of exporting both security and prosperity (Nugent 2004; Smith 2005). But it has also produced enlargement fatigue and the European Neighbourhood Policy, a framework for cooperation with states on or near EU borders such as Ukraine or Russia which, in the Brussels jargon, do not have the 'perspective' of membership anytime soon (Dannreuther 2004; Weber *et al.* 2008). It is difficult to see how the powerful lure of actual membership could ever come close to being replicated by a policy that forecloses that possibility. Member states continue to tussle over how far the Neighbourhood Policy is a direct alternative, rather than a potential stepping stone to, EU membership (see Chapter 8). Neighbourhood Policy is another area where the EU struggles to meet expectations.

The Common Foreign and Security Policy

The gap between the Union's growing economic power and its limited political clout was a source of increasing frustration in the early 1990s. Thus, a distinct system of making foreign policy was created with the CFSP at its centre. This new system overlapped with but did not replace the Community system. Over time, it incorporated a nascent **Common Security and Defence Policy (CSDP)**. Confusingly, the **Common Foreign and Security Policy (CFSP)** and CSDP are mainly labels for 'institutions that *make* [policies] but *are* not proper policies' in themselves (Jørgensen 2006: 509).

The CFSP unveiled in the Maastricht Treaty marked a considerable advance on the European Political Cooperation mechanism. But it still disappointed proponents of closer foreign policy cooperation. The CFSP gave the Commission the right—shared with member governments—to initiate proposals. It even allowed for limited qualified majority voting, although it was always clear that most actions would require unanimity. Compliance mechanisms in the CFSP were not made as strong as those in the first pillar, with the European Court of Justice mostly excluded. The CFSP (like the initial JHA policy) remained largely intergovernmental, even if links to the Community system were gradually strengthened.

Established habits of exchange between foreign ministries meant that member governments were able to agree a considerable number of common positions and joint actions in its early years (see Nuttall 2000: 184–8). Some measures, such as the 1993 Stability Pacts to stabilize borders in Central and Eastern Europe, or support for democratic elections in Bosnia (in the 1990s) went well beyond the usual EPC declarations. Nevertheless, critics scorned the CFSP's inability to deal with more complex or urgent security issues, above all the wars in ex-Yugoslavia (see Box 10.4).

The 1997 Amsterdam Treaty's main foreign policy innovation was the creation of a new High Representative for the CFSP (who also served as Secretary-General of the Council). The High Representative was meant to help give the EU a single voice and the CFSP a single face. After his appointment to the post in 1999, former NATO Secretary General Javier Solana at times proved a skilful coordinator of different actions and instruments, whether sourced in Brussels or national capitals. He fronted the Union's diplomatic efforts, in cooperation with NATO, to head off civil war in Macedonia in 2001, and had a leading role in nuclear dialogue with Tehran. However, the EU continued to be represented externally by its *troika*, with Solana joined by the Foreign Minister of the state holding the Council Presidency and the European Commissioner for External Affairs. In some cases, such as the Group of Eight summits, special formulae for representation involved a confusing mix of Commission and national representatives. Thus there was never a clear answer to the legendary (and apparently apocryphal) question asked by the US Secretary of State, Henry Kissinger, in the 1970s: 'What number do I call when I want to speak to "Europe"?'

BOX 10.4 How it really works

Making foreign policy decisions

Provisions in the Maastricht Treaty for **Qualified Majority Voting (QMV)** on foreign policy seemed to mark a major change from European Political Cooperation. However, QMV was rarely used in the second (or third) pillar. The glass remained (at least) half-empty: rules on when QMV could be used were far more complex than in the first pillar, and nearly all important CFSP decisions required a consensus. Because it could not agree a unanimous position on Iraq (far from it), the EU was completely sidelined during the drift to war in 2003. It is difficult to identify any major foreign policy decision of the George W. Bush administration that was influenced by any CFSP decision, except perhaps a softening in tactics for dealing with the Iran nuclear dossier. The CFSP's annual budget is in the range of a paltry €150 million. Looking to the future, foreign policy by unanimity seems impractical, even impossible, in an EU of 27 plus. Procedurally, it is clear how the CFSP works. Substantively, there is controversy about whether it works at all.

But perhaps the glass is half-full. Each time the EU is faced with an international crisis, it tends to act more quickly, coherently, and decisively than it did in response to the last crisis. Following the terrorist attacks of 9/11, the EU agreed a raft of statements or decisions within days. Subsequently, the EU moved decisively—sometimes controversially so—and gave its consent to counter-terrorist agreements with the US on issues such as airline passenger records and container security (see Rees 2006). The EU's diplomacy (through the 'EU-3') on Iran, its participation in the Middle East Quartet (on an equal footing with the US, Russia, and the UN), a range of actions in central Africa and the Balkans, and the Lisbon Treaty's new foreign policy machinery suggest, for optimists, a steady integration of European foreign policy.

But after the rejection of the 2004 Constitutional Treaty, the Lisbon Treaty assigned that single number to a new EU High Representative, who would do the same job the Constitutional Treaty gave its EU Minister for Foreign Affairs (even if that title was rejected as too provocative). The new High Representative, Catherine Ashton in the first instance, combined the roles of the previous High Representative and the Commissioner for External Affairs. Ashton also served as Vice-President of the Commission and chaired EU Councils of Foreign Ministers, in perhaps the most audacious attempt ever to combine the **supranational** with the **intergovernmental** in one position. Doing so involves tricky compromises: for example, the High Representative has the (non-exclusive) right to propose CFSP initiatives without passing them through the entire College of Commissioners.

Ashton spent most of her first year (2010) in post navigating a minefield of institutional bickering between the Commission, Council, and Parliament about the precise composition of the EEAS. One upshot was to highlight how long it would take before the Service operated as a single—and single-minded—foreign service as national EU foreign services do. Yet, many EU diplomats agreed that the EEAS offered

a 'streamlined system for developing, deciding and executing European foreign policy. It should create new ideas and new synergies and enable the EU to act more decisively in international affairs' (Avery 2011: 2).

Theorizing the EU as a Global Actor

The expansion of the EU's foreign policy role confounds many international relations (IR) theorists, particularly those in the realist tradition. Most realists make two assumptions. First, power in international politics is a zero-sum commodity. Second, all alliances between states are temporary (see Mearsheimer 2001; Waltz 2002). On one hand, realists claim to be able to explain why the EU is often weak or divided on matters of high politics, such as Iraq or Russia. On the other hand, realists find it difficult to explain the EU's international ambitions and activities (see Box 10.5), or even why it does not collapse altogether. More generally, twenty-first century works of IR theory often barely mention the EU, or ignore it altogether (see Sullivan 2001; Elman and Elman 2003; Burchill *et al.* 2005).

One consequence is that research on European foreign policy 'has come to resemble an archipelago' (Jørgensen 2006: 507), which is only barely connected to the study of IR more generally. Consider intergovernmentalist approaches to European integration, which are themselves derived from liberal theories of international politics (see Moravcsik 1998). Intergovernmentalists assume that governments respond to powerful, domestic economic pressures. When governments agree economic policy deals that benefit national economic interests, they try to lock in those gains by giving EU institutions powers of enforcement. In contrast, governments face far weaker incentives to delegate foreign or defence policy powers to EU institutions, which explains why the EU's trade policy is far more integrated than the CFSP. Beyond that insight, however, intergovernmentalists have shown little interest in the EU's global ambitions. As such, what has been described as 'the most suitable theoretical tradition' for explaining European integration also seems to be 'currently running out of steam and relevance' to European foreign policy (Jørgensen 2006: 519).

In contrast, one of the oldest theories of European integration—**neofunctionalism**—may still have mileage, at least by proxy. Institutionalism, a theoretical cousin of neofunctionalism (see Haas 2001), focuses on how the EU produces habits that eventually mature into institutionalized rules of behaviour (see Smith 2003; 2004). For example, habits established through twenty years of foreign policy exchanges within EPC led to the CFSP. The EU often creates new roles or organizations—such as the High Representative or the Political and Security Committee—which develop their own interests, missions, and escape close inter-governmental control.

BOX 10.5 Compared to what?

The European Security Strategy

Equipping the EU with a military capability made it possible also to give the Union a *security strategy*: a set of principles that could guide foreign policy action and specify how ESDP might be deployed together with other EU policy instruments. The 2003 European Security Strategy (ESS) was agreed at a tumultuous time after the Union's sharp and bitter divisions over Iraq. It was possible to view the ESS as a step forward for the Union as a global actor (see Biscop 2005), but also impossible not to view it as partly, at least, a response to the 2002 US National Security Strategy (NSS; see Dannreuther and Peterson 2006).

The NSS was unveiled, with powerful symbolism, one year and one day after the terrorist attacks of 9/11. Many US allies were shocked by its endorsement of three principles: the need for shifting coalitions in a war on terrorism, the sanctity of unchallenged US military superiority, and the right to 'pre-empt' threats to American security unilaterally. The NSS was full of dark warnings about the nature of the terrorist threat and how the US would respond to it.

In contrast, the tone of the ESS was largely celebratory: extolling the achievements of European integration, while urging that European habits of cooperation needed to be exported. The ESS ended up being a much shorter document than the Bush administration's NSS. In places, it reads more like a set of ambitions than a genuine strategy (Heisbourg 2004). A report on its implementation in 2008 echoed the self-congratulatory tone of the ESS and but also admitted that Europe needed to be 'more capable, more coherent, and more active' to realize its potential (Council 2008: 2). On balance, there was just enough that was common to the two strategies—especially about the need for proactive policies to counter terrorism—to make it possible to think that the transatlantic alliance might be more durable than it sometimes appeared around the time of the Iraq war (see Anderson *et al.* 2008; Lundestad 2008).

Yet, the leading theory of European foreign policy has become **constructivism** (see Tonra and Christiansen 2004; Bretherton and Vogler 2006). Constructivists depart from realists and liberals in insisting that the interests and identities of EU member states are not fixed before they bargain with each other. Rather, they are 'constructed' through bargaining, which is a highly social process. Constructivists, in contrast to institutionalists, insist that ideas matter as much as (or more than) institutions in IR. Alexander Wendt (1992; 1999), perhaps the leading IR constructivist, portrays the EU as more than a temporary alliance because its member states assume a measure of common identity through shared ideas, including ones about the desirability of multilateralism, environmental protection, and so on. Many constructivists do not shy from questions about what the EU *should* do in foreign policy, insisting on the importance of a 'normative power Europe' that stands up for its values and principles (Manners 2002; 2008).

Arguably, however, constructivism sets the bar too low. Its proponents can become apologists for EU inaction or incoherence in global politics by always falling back on the argument that Europe remains 'under construction' as a global actor. As much as constructivists insist the glass is half-full, others—such as Toje (2010), who portrays the EU as a 'small power' analogous to Canada, Peru or Switzerland—argue that it remains half-empty.

Conclusion

When the former British Prime Minister, Tony Blair, urged that the EU should become a 'superpower but not a superstate' in 2000, he provoked little controversy outside of his own country. The idea that the EU should take a lead in expressing European power internationally has become almost a mainstream view (see Morgan 2005; Peterson *et al.* 2012). The EU has come a long way from humble origins in foreign policy. But it remains an odd global power, which has difficulty living up to its ambitions. It has increased its potential international power each time it has enlarged. Yet, EU foreign policy is only as good as the quality of the consensus amongst its members, and it is often of poor quality in an enlarged EU of 27+ member states.

One reason why assessments of European foreign policy vary so widely is because it is unclear how the EU's success should be measured. There is no question that the Union is far more active internationally than its founders ever imagined it could be. In several policy areas, especially economic ones, it is a global power. No other international organization in history has even tried, let alone claimed, to have a 'common' foreign policy.

There were signs post-Iraq that foreign policy was being reclaimed by European national capitals, or groups of states acting together, even if none appeared to be giving up on the CFSP altogether (see Hill 2004). The Lisbon Treaty's institutional reforms may move the EU closer to a truly common foreign policy (see Rogers 2009). Consider the US Secretary of State, Hillary Clinton's, view: 'These are historic times for the EU. I expect that in decades to come, we will look back on the Lisbon Treaty and the maturation of the EU that it represents as a major milestone in our world's history' (21.1.11; <http://euobserver.com/9/29322/?rk=1>).

Or, Lisbon's effect might be, yet again, to raise expectations that cannot be met. How, for example, will coherence emerge from the constellation of a new European Council President, a new(-ly empowered) High Representative, and the Commission President, as well as Commissioners for development and trade policy? The EU's interlocutors are often understandably confused about who to approach about what issue and how the CFSP actually works.

The future of European foreign policy will be determined largely by two factors: the EU's relationship with the US (see Toje 2009) and its ability to wield its 'soft

power', or its power to persuade rather than coerce (Nye 2004; 2011). Whether the George W. Bush era marked a glitch or a watershed in transatlantic relations is an open question. The failure of hard (mostly) American military power to achieve US policy goals in Afghanistan or Iraq, let alone Iran or North Korea or the Middle East, rekindles questions about whether Europe's soft power might make it an alternative source of leadership in the twenty-first century (Rifkin 2004; Leonard 2005).

Alternatively, Europe's declining population and military weakness might foreclose such questions. One of the EU's top diplomats argues that Europe will never maximize its soft power until it invests far more in hard power (Cooper 2004a), a prospect that became increasingly remote in a climate of post-recession austerity as the second decade of the twenty-first century began. Yet, there is no question that the EU faces powerful incentives—especially as it loses economic ground to states such as China, India, and Russia—to become more united in foreign policy. As Howorth (2007: 22) argues, 'The pressures for the EU to speak to the rest of the world with a single voice will become intense. The refusal to make collective EU choices in the world of 2025 will be tantamount to an abdication of sovereignty.'

It is easy to see why debates about Europe as a global actor are so lively. The EU is likely to remain an often uncertain and hesitant global power but one that never stops trying to be more coherent and effective. It will no doubt continue to frustrate its partners, but sometimes show surprising unity, and fascinate—probably as much as it confounds—future students of international politics.



DISCUSSION QUESTIONS

1. Define 'European foreign policy'. Explain why this term has assumed wide usage amongst those who study the EU's international role.
2. Why are member states reluctant to entrust the Commission with responsibilities for the political side of foreign policy, while they have done so for important areas of economic external relations?
3. Why is the most effective way for the EU to promote development in the less-developed world increasingly seen as 'trade not aid'?
4. How best to characterize the EU as a global actor: Civilian power? Normative power? Market power? Small power?



FURTHER READING

The best single source text on Europe as a global actor is Hill and Smith (2011). Useful overviews include K. Smith (2008), Bindi (2010), and Toje (2010). Good historical treatments are available, told both from the points of view of a practitioner (Nuttall 2000) and an academic institutionalist (M. E. Smith 2003). The EU's neighbourhood policy is scrutinized in Weber *et al.* (2008) and its Security Strategy is the focus for Biscop (2005) as well as Dannreuther and Peterson (2006), who compare it to its US counterpart. The Union's contribution to the United Nations, as well as

multilateralism more generally, is considered by Laatikainen and Smith (2006). On the idea of the EU as a 'civilian power', see Sijrsen (2006).

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Smith, K. E. (2008), *European Union Foreign Policy in a Changing World*, 2nd edn (Oxford and Malden MA: Polity).

Smith, M. E. (2003), *Europe's Foreign and Security Policy* (Cambridge and New York: Cambridge University Press).

Toje, A. (2010), *The European Union as a Small Power: After the Cold War* (Basingstoke and New York: Palgrave).



WEB LINKS

A good place to start researching the EU's external policy role is the website of the Paris-based Institute for Security Studies (<http://www.iss.europa.eu/>), which formally became an autonomous European Union agency in 2002. Other specific areas of EU policy have their own, dedicated websites:

- External relations (general): http://www.europa.eu/pol/ext/index_en.htm
- Foreign and security policy: http://www.europa.eu/pol/cfsp/index_en.htm
- Humanitarian aid: http://europa.eu/pol/hum/index_en.htm
- Justice/home affairs: http://www.europa.eu/pol/justice/index_en.htm
- Trade: http://europa.eu/pol/comm/index_en.htm
- Development: http://ec.europa.eu/europeaid/index_en.htm

The Commission's site (http://ec.europa.eu/index_en.htm) has general information about EU foreign policy, but the websites of national foreign ministries often reveal more. On the EU's relationship with the US, see <http://www.eurunion.org/> and <http://www.useu.be/>. Web links on the EU's other important relationships include ones devoted to the Cotonou convention (<http://www.acpsec.org/>), EU-Canadian relations (<http://www.canada-europe.org/>), and the Union's relationship with Latin America (<http://aei.pitt.edu/view/subjects/D002022.html>). To see how the EU's

aid policy has shifted towards promoting trade (instead of aid) see: http://ec.europa.eu/development/icenter/repository/SEC_2010_0419_COM_2010_0159_EN.PDF. The Brookings Institution (based in Washington DC) offers a 'scorecard for European foreign policy' at: http://www.brookings.edu/reports/2011/0330_european_scorecard_vaisse.aspx.



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