

The EU's Role in the World - A British Decision between Atlanticism and Europe?

24 February 2009

Conference Report

The conference was opened by **Brendan Donnelly**, Director of the Federal Trust, who thanked the European Commission Representation in London for helping to make this conference possible through their financial support and the University of Bath for hosting the event.

As the first speaker **Professor Richard Whitman**, from the University of Bath started the conference with a description of the European Union as an actor on the world stage. He pointed to the unique nature of the EU in international relations, which cannot be understood using conventional notions. This makes it difficult to categorise it. But however one describes the EU, Professor Whitman moved on, it is certain that the EU has had an impact on the ground. This impact is particularly felt in areas such as finance and investment, where the Euro as the second most important currency in the world plays a crucial role. Ideationally it sets new standards for the relations between nations and is a key actor as promoter of new ideas and approaches in regulatory terms.

In Professor Whitman's view, the EU and its 27 member states represent a qualitatively new form of security community. It is a group of states that, after opposing each other for over 400 years, has decided to form a security community that provides for more than just bottom level security. Professor Whitman evoked the concept of a community with an

increasingly coherent shared foreign policy and the coordinated use of force. He stressed that the EU has yet to reach that level of security community, but it is at the moment at a middle-point between the old and the new kind of arrangement. However, the European security community is about much more than providing security in the classical sense for its members. The EU provides a very coherent and cohesive economic policy, as well as being a key actor in environmental security and in terms of social security provided to its citizens.

While admitting that the development of European policies can be difficult to follow because of the individual member states maintaining their own parallel infrastructures, Professor Whitman highlighted the increasing cooperation amongst the EU's members. He pointed to the increasingly regular exchanges on foreign policy between the member states and to the fact that there are joint declarations or positions on most foreign policy issues.

In conclusion, Professor Whitman left the audience with three sets of questions. He first asked whether there exists a disparity between the powers that the European member states have collected, and the ability of the EU to use these powers, and convert them into influence. Secondly, he asked which of the EU's powers are appropriate for the problems faced at this moment in time, such as the global economy



and the rise of new powers. Finally, Professor Whitman pointed to the significant differences of the 27 member states in terms of size, influence, culture, and national aspirations, and asked which obstacles this diversity may pose to an effective common foreign and security policy.

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The second speaker was **Helen Campbell** from the External Relations Directorate General of the European Commission, who would expand on the practical aspects of the EU's role in the world, including its key policies, actions, and the values on which it is founded.

Ms Campbell first described the Commission's traditional role as key player in areas such as trade and development. In terms of trade the EU is the world's biggest trading partner and has build up close relationships with for example China and India, and is a strong advocate for transparency and legal certainty at the WTO. In the matter of development policy, she pointed to the Commission's strong support for the Millenium Development Goals, and to the EU and its member states being the world's main donor with an annual average of 500 million euro in aid per year. This, she explained, is carried out through a number of agreements that go beyond mere trade or economic assistance and also aim at promoting democracy and human rights. Ms Campbell stressed the great accomplishment that the EU enlargement has been, with its successful implementation of economic and legal changes in the new member states. She noted that accession negotiations with Croatia and Turkey were continuing, and referred to efforts to influence Europe's neighbourhood beyond enlargement through the European Neighbourhood Policy (ENP).

Ms Campbell stressed the EU's focus on promoting democracy and human rights in its common positions on foreign policy. Additionally, the EU plays a key role in promoting multilateralism, for instance by its efforts to strengthen the UN and the International Criminal Court, and to seek global solutions to the climate change challenge.

In terms of involvement in acute crisis situations, Ms Campbell admitted that it is often difficult to agree on a position among the 27 member states, but she pointed out that the EU is nevertheless playing an

important role in e.g. the reconstruction of Afghanistan. She stressed that the EU's long term strategy is more forward-looking than most national strategies and covers issues such as governance, rural development, policing, and health, which are all essential for the stability of the country.

She then outlined the results from the recent review of the European Security Strategy, in which the definition of security was broadened to include the security-development nexus, energy, climate change, cyber threats, public health threats, poverty, migration and water as factor of conflicts. This broadening definition goes hand in hand with the EU's policy that security must be tackled with a whole range of instruments. This position reflects the EU's role as a "soft and smart power," one in which, Ms Campbell insisted, the EU has tremendous potential.

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As final speaker **Professor Stephen Haseler**, Director of the Global Policy Institute, shared his thoughts of the impact of the current financial crisis on the EU and its role. He predicted that the crisis will certainly have a fundamental impact on the EU, and that there are two ways the EU could evolve as a result of the crisis: either it will lead to a diminution of integration, or it will be an impetus for further integration.

Professor Haseler pointed to the history of the EU, which so far has always been brought forward by external changes, rather than internal needs. It was created in the aftermath of the Second World War, and its most recent major surge for integration, that towards the single currency, was a reaction to the fall of communism. The fall of communism, he argued, has improved Europe's position in the world because it has replaced bipolarism with a new multilateral system in which Europe has more influence. This development has now been further accelerated through the financial crisis, which has led to a loss of credibility in the Wall Street model. Professor Haseler postulated that therefore a new 'space' for Europe and a more social approach to capital has opened up.

However, Professor Haseler warned that despite this, the global financial meltdown could still lead to contrasting outcomes. The global financial meltdown was hitting particularly hard the periphery of Europe, while countries like Germany and France were less

indebted at the societal level and thus did not face the fundamental problems the periphery, i.e. Ireland, Spain, the UK and eastern European countries face. According to Professor Haseler, this problem will lead to the countries at the centre having to take a major decision on whether they will 'bail out' the countries at the periphery. He further claimed that it would be in Germany's interest to maintain a viable economic space in Eastern Europe and to make sure that Ireland and the UK do not go bankrupt. Anything else would threaten the single market and thus pose a direct threat to German economic prosperity.

Professor Haseler's overall conclusion was that Europe will probably emerge from this crisis more integrated than it was at the beginning of the crisis. This was because Germany and France would insist on linking any bail-outs offered to commitments on deeper economic governance in the Eurozone. With regard to Britain, Professor Haseler argued that the British would have to face the choice of either joining the single currency, or leaving the common market. This, he claimed, is because the situation thus far with Britain being in the single market, but at the same time keeping its floating currency, is not sustainable and there will be enormous pressure on Britain to resolve this anomaly. As a final point, Professor Haseler suggested that this crucial decision might have to be linked to a referendum. This, he said, would mean that the financial crisis is not only an opportunity for integration in the EU, but it might also resolve the question on where Britain sees its future as lying.