

## Assessing the European Union's Global Role

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*The European Union (EU) is an important global actor. The Union's expanded membership, extended global objectives, and contribution to security and development across the globe are testament to its significance in global affairs. Nevertheless, in terms of impact and influence, the EU's performance is sometimes less impressive than we might expect. This report addresses this anomaly by examining how the Union interacts with partners at the multilateral and the bilateral levels, and assessing the reasons why the EU often punches below its weight. We also set out an agenda for future research in this area.*

### Introduction

The European Security Strategy of 2003, in which the EU laid out its nascent global strategy, cited the importance of developing 'strategic partnerships' with key states as well as emphasizing the EU's commitment to the United Nations (UN) and 'effective multilateralism'. Effective multilateralism has become a guiding idea for EU foreign policy, and the EU works with and within a wide number of multilateral institutions. Strategic partnerships cover a broad range of EU external functions – including trade, aid, foreign policy and diplomacy. The Union has extensive relations with many states across the globe, and also undertakes regular dialogue and cooperation with and within other multilateral actors – not just with the UN,

but also with the Organization for Security and Cooperation in Europe (OSCE), the North Atlantic Treaty Organization (NATO), the World Trade Organization (WTO) and others. Yet while the EU's role in the world has increased exponentially in the post-Cold War years, the Union's influence and impact continues to be hindered by the complexity of the EU's presence at the international level, involving many institutions and actors. Furthermore, while the EU has some success in acting coherently within several multilateral organizations, it is far from being a universally successful global actor. It has less success at the bilateral level, for example, with difficulties arising in its relations with China and Russia. Significant shortcomings at both levels contribute to a failure to translate global reach into global influence.

The EU faces a host of complex twenty-first century security challenges and a changing international economic and political context in which European states and the U.S. are no longer the only, or even the most powerful actors. This report assesses the EU's role in light of this new global context, which offers both challenges and opportunities for EU diplomacy. We ask whether the EU's external competences are fit for purpose, and seek to account for shortcomings in the EU's global role.

We focus specifically on drawing lessons from EU success stories in both the multilateral and bilateral contexts, and suggest ways in which the EU could improve its record in bilateral cooperation with its key partners and bolster its record in multilateralism. The report proceeds by explaining the background to the EU's expanding global role. Then, in an examination of the EU in the multilateral context, we outline the EU's record in cooperating with (and at) the UN, NATO and the WTO. We then move on to the EU's record in forging bilateral partnerships – in particular with the rising global powers of China, Russia and Brazil, and with a long-term partner, the U.S. In an assessment and analysis of the EU's global role, we ask what accounts for successes and failures in the EU's multi- and bilateral relations, and suggest ways in which the EU could address its shortcomings. Finally, we examine whether the institutional reforms in the Lisbon Treaty are likely to facilitate the emergence of a more consensual and coherent EU foreign policy that will contribute to a stronger EU role in the multilateral arena and to the forging of more constructive bilateral relations with powerful state actors.

## **Explaining the EU's Expanding Global Role**

Since the inception and development of the Common Foreign and Security Policy (CFSP) in the years following the end of the Cold War, the EU has sought a greater role for itself in world affairs. Along with an expansion of the EU's agenda and stated external objectives, the EU has developed new institutional structures to support a more broad and comprehensive foreign policy – including structures and personnel to develop the European Security and Defence Policy (ESDP), which supports a series of EU civilian and military crisis management and peace support missions across the world.

Prompted by the need to address changing security challenges in the early twenty-first century, (and European foreign policy divisions over the Iraq war) the High Representative for the CFSP, Javier Solana, presented the European Security Strategy (ESS) to the European Council in December 2003. The document identified five key threats to European security: terrorism, proliferation of weapons of mass destruction, regional conflicts, state failure and organized crime. Recognizing that 'no single country is able to tackle today's problems on its own', the document called for a more active, more capable and more coherent external EU policy. The realization of this goal requires the EU to work with partners – both within the multilateral context in international organizations, and through partnerships with key state actors. The implementation of the ESS was reviewed in December 2008, but in terms of clarifying the EU's objectives and strategic direction, the revised Strategy was a disappointment. While it updated the threats facing Europe (including climate

change and economic crisis), there was no clear agenda laid out as to how the EU plans to address the security challenges identified.

An important element in the ESS is the EU's commitment to international cooperation to deal with global security challenges – this can be achieved by supporting an 'effective multilateral system'. The UN is at the forefront of this system, which also includes NATO, the OSCE, the WTO, the Council of Europe, and other regional groupings such as ASEAN (the Association of South East Asian nations), MERCOSUR (the common market of the Latin American countries, Argentina, Brazil, Paraguay and Uruguay), and the African Union. The EU, its institutions and member states are extensively involved in multilateral institutions. This includes member state presence on the UN Security Council; member state cooperation in the UN General Assembly; liaison between EU institutions and the UN, NATO, the OSCE and the Council of Europe; the EU being represented at the WTO by the European Commission; and EU cooperation with and support for regional groupings (for example, EU financial support for the African Union peacekeeping mission in Darfur, Sudan in 2007). However, there is no single EU multilateralism: the EU's presence has been complicated by the multitude of actors that operate under the jurisdiction of various EU treaties. The European Commission, for example, represents EU member states in the WTO because economic policy is a competence delegated to the Community, while the rotating EU Presidency plays a key role for the intergovernmental CFSP on other multilateral fora. The recently ratified Treaty of Lisbon attempts to iron out these

anomalies by bringing all EU external competences together under one treaty. It also reiterates the EU's commitment to 'promote multilateral solutions to common problems, in particular in the framework of the United Nations'.<sup>i</sup> However, as we argue below, the extent to which the Lisbon Treaty reforms to external competences will improve the EU's global performance is open to question.

We now turn to the EU's performance in the multilateral context, which has met with mixed success.

### **The EU in the Multilateral Context**

We focus in this section on EU interactions in multilateral fora: that is, in two security organizations (the UN and NATO) and in the key global financial institution, the World Trade Organization (WTO). Clearly, this does not represent the full extent of EU action on the world stage – which also includes cooperation with the OSCE, the Council of Europe and the International Monetary Fund (IMF), among others. While not being a comprehensive review, these case studies provide a varied and complex snapshot of EU action in the multilateral sphere, and cover a large number of EU actors and institutions in all aspects of EU external policy. We hope to draw general lessons from the case studies presented.

The EU is itself an example of effective multilateralism. It is, however, a *sui generis* organization, and while the EU's objectives overlap with certain aims of other organizations, it has no parallels in terms of its institutional structure and its decision-making procedures. This results in a varied series of relations with other multilateral

actors, involving a variety of EU institutional and member state actors.

### *United Nations*

The EU's relationship with the UN is broad and multi-faceted. Since the inception of the ESDP in the early 2000s, and the publication of the European Commission Communication 'The Choice of Multilateralism'<sup>ii</sup> in 2003, the EU has stepped up inter-institutional cooperation with the UN across a wide range of external policy areas, from development aid to crisis management and peacekeeping. In 2007, EU member states contributed 37.75% of the UN's budget, and 39% to the peacekeeping budget.<sup>iii</sup> EU member states also practice extensive coordination of policy within the UN General Assembly; more than 1000 coordination meetings take place every year in both Geneva and New York.<sup>iv</sup>

The European Commission has observer status at the UN, and its directorate-generals and delegations liaise extensively with UN agencies both at the headquarters level and in the field (i.e. with UN offices and missions).

By all accounts, the EU's cooperation with the UN is comprehensive. The post-Cold War relationship between the organizations was first mapped out at the biennial UN-Regional Organization meetings that began in 1994. Modalities for cooperation agreed at these meetings included consultation at headquarters level and systematic coordination of activities in the field. The relationship was prioritized by the 2001 Swedish Presidency, resulting in a Commission Communication on building a partnership with the UN in development and humanitarian aid<sup>v</sup>, and Council

conclusions on cooperation with the UN in conflict prevention and crisis management<sup>vi</sup> (followed by a joint EU-UN declaration on cooperation in crisis management in 2003).<sup>vii</sup> Regular meetings take place between the UN General Secretary and European Commissioners and the EU Presidency. The EU worked closely with the UN in the Balkans, including playing a key role in the UN's administration of Kosovo from 1999 until 2008 (the UN's Kosovo mission has played a minor role since the deployment of the EU's Rule of Law Mission in Kosovo (EULEX) in December 2008). Furthermore, the EU has cooperated with the UN in crisis management missions – for example Operation Artemis in the Democratic Republic of Congo (2003), which followed a UN resolution, and the EU military mission in Chad/Central African Republic (2008-09), which was taken over by a larger UN force (MINURCAT).

The above outline of the EU's cooperation and coordination with the UN leads us to believe that the EU is a strong player at the multilateral level, and indeed, the extent and depth of inter-institutional cooperation is impressive. Internal EU coherence within the UN indicates that the EU has the potential to be a strong player, particularly considering that the Union has nearly doubled its membership in the last six years. EU member states vote together in the General Assembly and the Human Rights Council, demonstrating a highly visible 'European' position at the multilateral level. However, there is some evidence to suggest that this internal coherence may be at the expense of external influence of the EU at the UN.<sup>viii</sup> The EU is facing a drop in support for its positions in all UN fora: the General Assembly, the Human Rights Council and

the Security Council. This situation undoubtedly reflects the new geopolitical context: Russia and China in particular have stepped up their diplomatic efforts within the UN and increasingly stand against EU positions and persuade their allies to do the same. However, it also reflects a failure of the EU to advance its interests on the global stage and to use its considerable leverage to create coalitions. For example, the EU may expect a degree of support from 'partners' such as ENP countries, and African countries signed up to the Cotonou Agreement<sup>ix</sup>, who benefit from extensive and privileged relations with the EU. Nevertheless, the majority of these countries<sup>x</sup> regularly vote against the EU on human rights issues in the General Assembly and in the Human Rights Council. This suggests a lack of EU influence as well as a failure to adequately 'mainstream' human rights considerations into cooperation agreements.<sup>xi</sup>

EU member states play a strong role in the UN Security Council – with two permanent members (UK and France) and access to three non-permanent seats. Nevertheless, the UK and France do not represent the EU as a whole, and guard their national privileges carefully. France and the UK are reluctant to support reform of the Council that would lessen their influence, and prefer the granting of a permanent seat to Germany over the creation of an EU seat within the Council. EU divisions at the UN were most clearly demonstrated during the period before the Iraq war in early 2003: no common position could be agreed on, and the UK and France were at loggerheads within the Security Council. The EU has also had serious problems overcoming the threat of veto<sup>xii</sup> from China and Russia, and was defeated in its aim of achieving a

Security Council resolution on the status of Kosovo. The failure to achieve UN approval for the Ahtisaari plan was a major setback after years of EU effort to stabilize Kosovo, and has had major international repercussions (for example, Russia used the Kosovo precedent as an excuse to recognize the breakaway territories in Georgia as independent states in August 2008).

Clearly, while the EU has a history of cooperating with the UN, and has increased this significantly in the post-Cold War years, it has lost ground as a powerful caucus within the global organization. This does not bode well for the achievement of the EU's global objectives: the creation of an 'effective multilateral system' and a 'rule-based international order'<sup>xiii</sup> requires a strong EU role in the UN, not a waning one. The EU could address this shortcoming by making a greater effort to gain allies in UN fora. This would take concerted and consistent EU diplomacy - something that is often problematic for the EU because of the presence of multiple actors representing (or not) the EU's position: member states, the European Commission, the Presidency and the High Representative (as well as EU delegations and missions in third countries that have contact with UN staff). The EU also has to address some of the contradictions in its external policy if it wants to regain credibility with a large number of African, Middle East and developing countries. Championing human rights in light of human rights abuses committed in the context of the 'war on terror' (e.g. national restrictions on civil liberties, and complicity in extraordinary rendition and torture) smacks of double standards and has led to a drop in support of the EU from the Muslim world in particular. Similarly, the rhetorical espousal

of trade liberalization by the EU, while doggedly protecting and subsidizing its own agricultural markets in particular, is seen by many other states as undermining the Union's credibility in negotiations on these issues.

#### *North Atlantic Treaty Organization (NATO)*

With the EU's development of an external security policy and NATO's move into crisis management, the objectives of the two organizations have increasingly converged in the post-Cold War era. Moreover, EU member states comprise a majority of NATO member nations (21 out of 28). The EU's development of the ESDP necessitated cooperation with NATO: member states did not possess the full range of military capabilities and assets to carry out military missions, and, with no increase in military spending and the desire to avoid any duplication of capabilities, the EU had to arrange to use NATO assets. This arrangement also assuaged U.S. and Atlanticist-leaning member states' fears about the implications of creating autonomous EU military capabilities. Formal dialogue dates from the inception of the 'Berlin Plus' arrangements at the 1999 Cologne European Council.

The Berlin Plus negotiations were successfully completed in 2002, allowing for EU use of NATO assets for its first military mission in March 2003 (Operation Concordia in the Former Yugoslav Republic of Macedonia). Dialogue between the organizations is facilitated by regular meetings at the Ambassadorial/Ministerial levels and meetings between NATO's North Atlantic Council (NAC) and the EU's Political and Security Committee (PSC). However, the Berlin-Plus arrangements have not facilitated a wider dialogue between the EU

and NATO, and have been beset by high-level political problems (mostly as a result of the dispute between Turkey and Cyprus). This has meant that on-site cooperation between the organizations in Kosovo and Afghanistan has been stymied, and therefore the quality of crisis management missions has been compromised.

The EU's military structure was modelled on NATO's structure, and NATO officials are often 'double-hatted' in EU-led operations, resulting in the strong influence of the Atlantic alliance on the EU's development as a military actor. This has had mixed blessings: it is pragmatic, it has avoided unnecessary duplication, and it has meant that difficult discussions between member states about the development of autonomous EU military competences have been neatly side-stepped. On the other hand, it may have prevented the EU from developing a distinct military strategy and culture of its own: one more suited to its broad ambitions as a hybrid civilian-military actor.

Cooperation between the organizations is therefore deficient. This situation reflects the lack of rationale for cooperation in the aftermath of the successful transfer of NATO crisis management activities in the Balkans to the EU, as well as high-level political problems that have blocked cooperation. Despite the strong presence of EU member states within NATO, the organization remains very much an alliance designed to maintain the transatlantic link: this is undoubtedly important, but does not amount to a 'strategic partnership' between the two organizations. This situation could be improved by prioritizing a deeper dialogue with NATO over a range of security issues and making greater effort to

overcome political differences between governments. Furthermore, if the EU were to work towards an internal consensus on its military strategy, then its relationship with NATO would become clearer, and a division of labour between the organizations may become possible.

#### *The World Trade Organization*

The World Trade Organization (WTO) was created in 2005 to replace the General Agreement on Tariffs and Trade (GATT), an agreement designed to reduce barriers to international trade that dated back to the years following the end of the Second World War. All EU member states are members of the 153-member WTO, and the European Commission represents the EU in the majority of WTO meetings.

There is a big incentive for the EU to work as a unitary actor in the WTO: the smooth functioning of the internal market. The history of the Union as an economic entity, and the strong role of the European Commission in this policy area, means that the delegation of economic competence to the supranational level is perceived as less controversial than in the case of foreign and security policy. EU member states agree on a position in the Council of Ministers prior to WTO negotiations/trade rounds, resulting in a bargaining position for the EU that is then represented by the European Commission on behalf of all EU member states.

The EU has been the driving force behind the most recent round of trade negotiations, the Doha Development Agenda (2001-). In this framework, which aims to lower global trade barriers, the EU has completed bilateral and regional preferential trade agreements with several African and South American states, and is

pursuing agreements with the Latin American group, MERCOSUR and the South East Asian group, ASEAN. Talks have stalled over major disagreements between developed and developing nations, however, and the Union has been accused of double standards over its agricultural policy (i.e. arguing for liberalization of the sector in developing countries while subsidizing its domestic market through the Common Agricultural Policy).

The EU is traditionally seen as a strong actor in the WTO: it is the world's largest trading block and has many decades of experience in negotiating international trade agreements. For once, the EU's protocols and institutional set-up strengthen its position at the multilateral level: the European Commission comes to the negotiating table with a clear position that it cannot easily deviate from. This means that, if third countries want to come to an agreement with the EU, the onus is on them to make concessions. The EU's success at the WTO can therefore partly be attributed to its ability to speak with one voice in this context. Granted, the member states are full members of the organization, but they negotiate through the European Commission as one entity, not 27 individual states. This gives the EU a strong position in the WTO that it lacks in other multilateral fora. Recent years have seen member states trying to claw back competence from the Commission as the scope and number of trade issues has increased. A landmark ruling by the European Court of Justice in 1994 favoured the member states when it decreed that the Commission had to share competence with member states in negotiations on certain services and goods. Nevertheless, despite shared competence, the EU is a key actor in trade negotiations,

and is likely to retain this position as other states and regional groupings clamour to have access to the world's largest trading bloc.

### *EU Multilateralisms in Summary*

The above case studies demonstrate the varied nature of the EU's multilateral presence. EU presence in the UN involves a range of EU actors (European Commissioners and Commission desk staff, the High Representative, Council of the EU staff and member state governments), covering a wide range of external policies – from development policy and humanitarian aid to crisis management and environmental policy. However, the extent and quality of EU cooperation with the UN varies considerably between UN agencies and EU institutions. EU action in the WTO tends to be managed by one EU institution: the European Commission, and therefore EU presence is much less fragmented, leading to a more visible and unified role in this organization. The EU's dialogue with NATO is governed by intergovernmental CFSP provisions, and as such involves a very narrow range of EU personnel. This does not lead to unity, however, as the discussions with NATO are limited to military crisis management and cooperation has been stifled by wider political problems within the alliance.

We now move on to assessing the EU's performance at the bilateral level.

### **The EU in the Bilateral Context**

The EU has increasingly worked to develop bilateral relations with key states. On a regional level, the EU has developed the

European Neighbourhood Policy (ENP), which is both a regional initiative to increase cooperation with neighbouring countries, and a series of bilateral relationships between the EU and individual states. Incentives for neighbouring states to improve their economic and democratic credentials include visa-free travel, financial support and trade cooperation. The ENP has met with modest success, despite the lack of the immediate prospect of EU membership for the states in question. However, this relative success has to be set against a glaring omission in the policy: it does not include the EU's most problematic and powerful neighbour, Russia, who has no wish to be classed by the EU alongside other post-Soviet states.

Bilateral relations with global powers further from the EU's borders have also posed problems. The EU's relationship with the U.S. suffered under the Bush administration (2000-2008), but transatlantic cooperation remains crucial and is showing signs of improvement under the Democratic Obama administration. Both the EU and the new U.S. administration support multilateral solutions to global problems. The transatlantic relationship has always been important, but in recent years, it is the EU's relationship with the emerging powers of Brazil, Russia, India and China (commonly known by the acronym 'BRICS') that have moved centre stage. This follows the relative decline of the U.S. and Europe in the face of the growing economic and political strength of new powers. The decline is not simply economic: the wars in Afghanistan and Iraq have contributed to the decline in political influence of the U.S. in particular, and also the EU. The continuing instability in both countries



points to the limitations of military power in establishing peace and addressing the global terrorist threat. The unilateral actions of the U.S., with the support of many European allies, have exacerbated divisions in the UN Security Council, and also had a deleterious impact on the EU's bilateral relations with China and Russia in particular.

The EU faces deep divisions in its interactions with several emerging powers, and even confronts fundamentally different world views. We focus below on a range of EU bilateral relations, covering emerging powers close to EU borders (Russia) and further afield (China and Brazil). We also examine EU relations with an older established partner, the U.S.. While this agenda excludes EU cooperation with other key partners such as Japan, Canada and India, we hope to present an overview of EU bilateral partnerships from which general lessons can be drawn. What is the incentive for third countries to cooperate with the EU and to comply with EU rules and norms? Furthermore, how can internal EU division vis-à-vis relations with these states be resolved?

### *Russia*

The EU's relationship with Russia has undergone a sea-change since the 1990s, when the EU focused (rather unsuccessfully) on 'democratizing' its economically weak neighbour in the hope that Russia would follow the same liberal-democratic path as other post-Soviet European states. In fact, the Russian Federation has rejected this path, and has simultaneously increased its economic and bargaining power on the back of rising oil and gas prices. Moreover, under Putin's

leadership (2000-2008 as President, 2009-as Prime Minister) Russia has adopted a more belligerent approach in international and neighbourhood politics: rejecting Western norms in international fora, and increasingly interfering in the politics of post-Soviet states. These developments have caused headaches for EU member states, and left the EU's bilateral relationship with Russia in disarray.

Formal relations between the EU and Russia date back to the 1994 Partnership and Cooperation Agreement. The agreement was augmented in 2003 with the launch of cooperation on the basis of four shared EU-Russia interests, or 'common spaces': economic; freedom, justice and security; external security; and research and education. Progress on these broad themes has been relatively slow, particularly in the area of freedom, justice and security. Cooperation has not led to domestic changes and improvements in Russia: in fact, the Russian state has arguably become more authoritarian, and more resistant to EU norms on human rights, for example. Organized crime and abuses of power by state officials and security forces are endemic. Yet, as far as the Russian administration is concerned, domestic conditions are nothing to do with the EU; Russia is a 'sovereign democracy', and its autonomy is protected by the norm of non-interference in the internal affairs of states, enshrined in the United Nations Charter.

Another point of contention for Russia has been the enlargement of the EU and NATO right up to the borders of Russian territory. Friction was caused by the accession of the Baltic states in particular, which led to the Russian territory of Kaliningrad being cut off from mainland Russia and surrounded by

EU/NATO territory. The existence of many Russian nationals and Russian speakers in Latvia, Lithuania and Estonia is a further concern for Russia. Recent moves by Ukraine and Georgia to seek NATO membership have increased tensions, and have had serious consequences for both states (see below).

In fact, Russian relations with Georgia have led to the latest interruption in the launch of negotiations on a new EU-Russia Partnership. Russia's military intervention in the Georgian breakaway territory of South Ossetia in August 2008 led to talks being suspended on the insistence of several member states (Poland, the Baltic states, Czech Republic, UK and Sweden). The resumption of the talks in November 2008, despite conditions originally outlined by the EU not being fully met (chiefly, the withdrawal of Russian troops to pre-war lines), illustrates the weakness of EU diplomacy in the face of a recalcitrant Russia. However, the EU did show considerable unity in its handling of the Georgian crisis: it may not have prevented the war, but it did, under the leadership of the French Presidency, move fast to negotiate a ceasefire between the parties and subsequently sent more than 200 civilian observers to monitor it. As a result of Russian vetoing of both the OSCE and the UN missions in Georgia, the EU is now the only international presence on the ground in Georgia – an unenviable position to be in given that the positions of the de facto states are even more entrenched than previously.

Formal procedures stumble on, but the EU's bilateral policy with Russia, like that with China, is seriously curtailed by member state divisions on how Russia should be

dealt with. Some member states (generally central and eastern European, but not exclusively) view Russia as a threat, while others (e.g. France, Germany) are willing to make allowances for Russia for the sake of bilateral 'strategic partnerships'. These 'partnerships' (largely in the energy and economic sector) are often not in line with the EU's approach, and serve to further undermine EU unity. Europe's reliance on Russian gas and oil supplies adds another complicating factor: Russia's pattern of coercive foreign policy serves to dissuade states from openly criticizing Russia in case the energy tap is turned off (such as happened during the Russian-Ukrainian gas price disputes in 2006 and 2009).

What can the EU do to reverse this decline in its relations with Russia? The most important step forward would be to reach greater consensus within the EU – at least on issues of key importance, such as energy security and climate change.<sup>xiv</sup> Greater unity would strengthen the EU's position vis-à-vis Russia, and stymie Russian attempts to 'divide and rule' member states. A more robust and visible EU policy in the neighbourhood would also go some way towards countering Russia's influence in the post-Soviet space. It is hardly surprising that Russia is the favoured partner of Abkhazia and South Ossetia, the de facto states in Georgia, for example. Russia supplies passports, pensions, and crucial medical and food supplies to the citizens of these territories.<sup>xv</sup> The EU's support for Georgian territorial integrity, on the other hand, prevents the EU from acting in these desperate entities, particularly since the conflict reignited in August 2008. The EU is losing the propaganda war in the wider neighbourhood, and needs to make a concerted effort to reach isolated states

and territories and offer an alternative future for their citizens which closely ties them to the EU rather than to the Russian Federation.

### *China*

The EU's relationship with China is increasingly important. China is the EU's second largest trade partner (after the U.S.), and has adopted a more prominent, and often non-constructive, role in international politics. China is emerging as a competitor to the EU for energy supplies from Russia and the Caspian, and has increased its influence (often at the expense of EU political influence) on the African continent, where it is stepping up economic investment and selling arms to regimes with poor human rights records such as Sudan and Zimbabwe.

Formal relations between the EU and China are governed under the 1985 Trade and Cooperation Agreement. Negotiations to upgrade this framework to a broader Partnership and Cooperation Agreement began in 2007, and are ongoing. Annual summits have taken place since 1998, and cooperation takes place across a wide number of policy areas, including energy, education and agriculture. The EU's China policy tends to come unstuck as a result of problems similar to relations with Russia. China too has developed a market economy without western-style democracy and human rights protection for its citizens. The Chinese leadership has proved to be resistant to western pressure on these issues, and has pursued an increasingly robust international policy, particularly in Africa. This has led to China blocking UN resolutions on Darfur (Sudan). China and Russia's resistance to western pressure was clearly illustrated in 2001 with the creation

of the Shanghai Cooperation Organization (also including Kazakhstan, Uzbekistan, Kyrgyzstan and Tajikistan). The objective of this intergovernmental group is to counter western influence in Central Asia.

The EU's partnership with China appears relatively broad, but China sees its relationship with the EU primarily in economic terms. However, while it depends on Europe as its largest market, China is less open to European imports and investment, which has led to a growing multi-million euro trade deficit for the EU. Even the EU's refusal to grant China official market economy status has not given the EU significant leverage in trade disputes, despite much of the EU-China dialogue focusing on trade and economic issues. Dialogue is lacking in areas such as security and human rights, and the lack of EU consensus on these issues leads to conflicting member state bilateral relations with China. While member states agree that the human rights situation is unsatisfactory, they tend to have different approaches to China in their bilateral relations. Reconciling business interests with human rights has proved particularly problematic, and China is adept at exploiting member state differences. The UK government refused to host the spiritual leader of Tibet, the Dalai Lama, at Downing Street in May 2008 because it wanted to avoid a diplomatic row with the Chinese government. Seven months later, China abruptly pulled out of the scheduled EU-China summit because the French President met the Dalai Lama in Gdansk. A coordinated EU policy on Tibet would have shifted the balance of power in the EU's favour: would China have risked economic relations with the EU in the event that the Dalai Lama was received in a number of EU capitals? EU unity has already

paid off in the case of China: for example, when Chinese support was gained in the UN Security Council for the EU's position on Iran's uranium enrichment programme.<sup>xvi</sup>

There are also divergent opinions as to whether the EU arms embargo (in place since the 1989 Tiananmen Square massacres) should be lifted. The EU looked weak and indecisive in 2004 when member states disagreed on the lifting of the ban. The UK government (and others) volte-faced after learning about U.S. objections to ending the embargo, while the French government was ready to lift the ban unconditionally. Clearly, the ban should only be lifted if the Chinese authorities are willing to make some concessions to the EU's human rights concerns. Chancellor Merkel's attempt to separate trade and human rights issues in German bilateral relations with China has proved unsuccessful, with the Chinese simply ignoring the human rights element of the dialogue. Only a clear and unified EU approach, with consistent national bilateral policies will have the required impact on EU-China relations, as well as advancing the EU's global interests and influence.

As in the case of Russia, greater consistency is required between EU and national level policies towards China, and the EU should be using its leverage more wisely to extract concessions out of the Chinese government. A failure to adequately address human rights issues undermines the EU's status as a global force for good and simply confirms Chinese impressions that the EU is an economic rather than a political power.

### *Brazil*

Brazil is a recent 'strategic partner' of the EU, and is particularly important as the

largest economy in Latin America. Brazil's 'world view' and foreign policy are conducive to a positive relationship with the EU (unlike in the case of China and Russia). Brazil is key supporter of multilateralism in the South, and supports the reform of the UN to better reflect the contemporary balance of global power. Additionally, President Lula da Silva's (elected in 2002) government supports EU efforts to tackle climate change, and the EU is, at least to some extent, viewed as a model for South American integration.

EU relations with Brazil operate on both the bilateral and the interregional levels. Bilaterally, the EC-Brazil Framework Cooperation Agreement dates back to 1992, and the strategic partnership was launched in 2007, establishing the annual summits between the EU and Brazil. A bilateral agreement for scientific and technological cooperation was signed in 2004. Most political cooperation takes place in the framework of EU-Mercosur interregional dialogue. EU assistance to the Mercosur countries (61 million euros in 2007-2013) has focused *inter alia* on regional integration, economic reform and social development. The EU-Mercosur Framework Cooperation Agreement was established in 1995 (in force from 1999), but plans for an EU-Mercosur Association Agreement (which would establish the largest global free trade area) have come unstuck over disagreements about agricultural policy. Brazil's hopes of creating a fairer globalized world have been dashed as a result of the EU's intransigence over European agricultural subsidies. Nevertheless, Brazil still views the EU as an important global counterweight to the U.S.

Despite trade disputes, the EU's nascent partnership with Brazil is positive for both parties' pursuit of an effective multilateral system. Brazil is a key supporter of EU objectives, such as tackling climate change (although the Brazilian government believes that developed countries should commit to more cuts in greenhouse gas emissions). Brazil does not exercise the same amount of global clout as Russia and China, and neither do EU-Brazil relations impact on neighbourhood policies. These factors make EU clashes with the Latin American country less likely. Moreover, the convergence of views on global issues makes Brazil an important ally for the EU, and one that should not be alienated in order to defend an indefensible trade policy.

#### *United States*

In the ESS, the EU's relationship with the U.S. was cited as 'irreplaceable', and, indeed, the NATO alliance, coupled with historical, cultural and economic ties, raise EU-U.S. relations to a level above the EU's 'strategic partnerships' with other states.

Relations were formalized in 1990 with the Transatlantic Declaration, updated in the New Transatlantic Agenda in 1995. The agenda underlines the commitment of both parties to tackling global challenges together and expanding global trade. Like other bilateral partnerships, EU-U.S. dialogue takes place at annual summit meetings, as well as a number of other forums such as the Transatlantic Economic Council. Cooperation covers a large number of sectors. The depth of relations has not stopped the emergence of disputes in recent years, however: trade disputes are a regular occurrence, and foreign policy disagreements across the Atlantic have

come to the fore in recent years (see below).

The U.S.' ambivalence to the emergence of a European foreign and security policy since the end of the Cold War has strained relations on occasion. Atlanticist EU member states insisted that the development of the policy at the EU level should not duplicate competences already available in the NATO context, or otherwise jeopardize the Atlantic Alliance. European ambivalence regarding the establishment of autonomous military capabilities continues, but there is now at least an acceptance in Washington that the emergence of the EU as a crisis management actor does not threaten the NATO alliance. The accession of pro-U.S. central and eastern European states to the EU and NATO in 2004 demonstrated the dual political importance of the organizations.

The foreign policies of the Bush administration (2000-08) resulted in the most difficult period in EU-U.S. relations in decades. Solidarity in the aftermath of the 9/11 terrorist attacks against U.S. targets in 2001 was dashed in subsequent years. European states generally supported U.S. military action in Afghanistan to target a regime harbouring Al Qaeda terrorists, and American aerial bombardment was supported by the British military. Subsequently many more European states became involved in the NATO force, which, under UN authorization, took over command of the International Assistance Force (ISAF) in 2003. U.S. plans to attack Iraq, however, proved catastrophically divisive in Europe. UK support for the U.S. military invasion was as unpopular in the EU as it was domestically. France and Germany were strongly against any military action,

and supported the continuation of UN inspections to establish whether the regime had nuclear weapons. The U.S. led coalition in March 2003, launched without a UN resolution, included a large contingent of UK troops (46,000) and a small number of troops from central and eastern Europe and the Balkans, all of which have now been withdrawn. The run up to the war in Iraq in early 2003 was a highly visible diplomatic disaster for the EU. It did, however, lead to new efforts to promote purpose and unity, with the ESS of December 2003 being one direct result of the fiasco.

The Bush administration's wider 'war on terror' policies also contributed to the nadir in U.S.-EU relations, particularly as a result of the controversial terrorist detention camp in Guantanamo Bay and policies such as 'extraordinary rendition' (the transference of terrorist subjects to third states where they were subjected to torture). Bush's European visits were marred by large protests in many European cities, and it was only the prospect of the end of Bush's term in 2008 that led to optimism. The election of Democrat Barack Obama as President was welcomed in Europe, and presented a real opportunity for renewal of the EU-U.S. partnership. While it is too early to make an assessment of the impact of the new administration, it's clear that Obama's foreign policy priorities are ambitious and wide, focusing on Africa and the Middle East in particular. Relations with the EU may not be a priority, and the EU could find itself at the bottom of the President's busy foreign policy agenda.

## **Assessing the EU's Global Role**

What do the above case studies tell us about the EU's capabilities as a global actor in the twenty-first century? The overview of a selection of multi- and bilateral relationships paints a varied and complex picture of the EU's global role. In this section we examine the factors that account for successes and failures in the EU's multi- and bilateral partnerships and suggest ways in which the EU could address some of the common problems that are evident in these relationships. Finally, we assess the likely impact of the Lisbon Treaty reforms in addressing some of the shortcomings in the EU's global role: will they bring about only minor changes, or can we expect fundamental improvements in EU influence and representation on the world stage?

### *Accounting for Success and Failure in the EU's Global Role*

There is some evidence to suggest that the EU operates as a comparatively successful actor at the multilateral level. When member states are united in purpose, they can have a real impact in multilateral fora. The extent of EU policy coordination in the UN is impressive, for example, and the EU's role in the WTO strongly reflects its position as an economic giant. In both these cases, the EU's structure does not significantly hinder the elaboration of a coherent policy, and member states are generally united in these contexts on key issues such as human rights and global trade. The EU is a natural actor at the multilateral level as a result of its own long history of cooperation and compromise among its member states. Furthermore, the EU's influence and visibility has increased with the enlargement of its membership.

The EU benefits in these fora as a result of its practice of long-term cooperation and because of its experience. It capitalizes both in the UN and the WTO on its ability to pre-negotiate, putting the onus on third parties to adapt their policies in line with EU wishes. Also, the EU's clout has arguably increased in the WTO as a result of the launch of the Euro in early 1999 (now with 16 participating countries). While problems in the Eurozone exist, the Euro has stood up reasonably well in the global financial crisis, and it is fast replacing the dollar as the principal international reserve currency. Nevertheless, EU presence in the WTO and the UN is very variable, especially in the latter case, where its performance varies considerably across different UN agencies and institutions.

The EU's record in the multilateral context is therefore far from perfect. When member states disagree, or are at cross purposes, this can be a disaster for EU foreign policy. The reason why the EU's relationship with NATO is tense is because of the lack of member state consensus on the development and the purpose of a fully autonomous EU military capability. Without a clear statement on EU military strategy and the use of force, the EU cannot stand side by side with NATO as an equal partner. This has also impacted negatively on the EU's relationship with the U.S. Similarly, when member states disagree in the UN Security Council or the WTO, the EU can look weak and divided. A recurring theme in the EU's multilateral performance is confusion in the face of the growing power and influence of Russia and China. The EU can cooperate internally in the UN to great effect, but it is struggling to exert the kind of external influence that this internal strength should reflect. The EU may be a

key actor in the UN and the WTO, but it is not necessarily a leader. It is difficult to avoid the conclusion that, 18 years after the inception of the CFSP, the EU still lacks the skills and the will to act effectively in the sphere of 'high diplomacy', the traditional reserve of the nation state.

This shortcoming in EU diplomacy is even more blatantly displayed in the EU's bilateral relationships. The EU's identification of 'strategic partners' in the ESS has focused EU attention on some of the most difficult global partners. However, before turning to the problems, it is worth considering what the EU has achieved. All bilateral relations are marked by variations in duration, nature and depth. However, the notion of strategic partnerships does reflect EU global political ambitions, and is designed to complement and reinforce EU action at the multilateral level. The EU's relationship with the U.S. is perhaps the deepest bilateral partnership. While there have been tensions over the development of EU military and defence capabilities, trade disputes, and divisions during the Bush presidency, the depth of cooperation is nonetheless impressive. This cooperation has not only benefitted the partners, but it has had a global impact – for example, in helping to stabilize the Balkans (Iraq and Afghanistan are less impressive examples, but there is unity of purpose now, at least). The EU's bilateral partnership with Brazil has also proceeded relatively successfully, and, with MERCOSUR cooperation, it is benefitting other Latin American states too. The convergence of EU and Brazilian global objectives could make a real contribution to multilateral negotiations on development and climate change. However, while the EU and Brazil have much in common, there is

less at stake in the partnership than in EU relations with other emerging powers.

EU relations with Russia and China share a number of common themes: a lack of member state consensus over the nature and scope of cooperation; a disjoint between member state bilateral relations and EU bilateralism; and a weak EU diplomacy in the face of powerful states espousing a fundamentally different world view to that of the EU. The case of Russia is particularly problematic because of the level of member state disagreement precluding a common EU approach. The case of EU-Russia relations is one example in which enlargement has not strengthened the EU's hand. While the division re. Russia is not simply a case of old versus new member states, it is understandable that states previously under the yoke of the Soviet Union may have a different historical and geographical perspective on relations with Russia than western states. The situation has been exacerbated by the growing political and economic strength of the Russian Federation, which has led to a more forceful stance in global affairs. The EU, rather than addressing the ramifications of history and the unexpected rise of the Russian state, has buried its head in the sand. With China, differences are less acute, but there are still damaging divergences on the question of human rights and the arms embargo. The lack of a true common EU policy towards both Russia and China opens the door for differing member state bilateral deals and agreements. This tends to further undermine the quest for a consensus within the EU, as well as confirming international impressions that the EU is a weak diplomatic power. Moreover, the EU is clearly perplexed by the often uncooperative stance of these

states at both the multilateral and bilateral levels. Yet these states will not pause in the pursuit of their foreign policy objectives in order to allow the EU time to decide how to respond.

#### *Addressing the EU's Shortcomings*

There is much to commend in terms of the development of the EU's global role in recent years. During the 1990s the CFSP was criticized as being procedurally unwieldy, stifling the EU's ability to respond quickly to crises. The EU has now reformed its procedures to enable quick action in a crisis: this was demonstrated recently in the unity and action in the face of the Russian-Georgian conflict in August 2008. Furthermore, the EU has deployed an impressive number of civilian and military missions across the globe, proving wrong the sceptics who doubted that the level of cooperation and organization required for such deployments could ever be successfully executed at the EU level.

Nevertheless, despite achievements that were unthinkable in the early post-Cold War years, the EU fails to punch its true weight and capitalize on its strengths. Why is this still the case? Firstly, the EU's impact and influence suffers from a lack of 'joined up' global policy: multilateral objectives are not effectively pursued in bilateral partnerships, and vice versa. Greater synergy between the bi- and multilateral levels would contribute to a more coherent and visible global role, allowing the EU to present a more decisive and coherent message to partners.<sup>xvii</sup> A coherent global policy would also have to go some way towards addressing the inconsistencies in EU external policy that have led to a loss of support for (as well as faith in) the EU at the



global level – particularly in the cases of trade and human rights policies.

Secondly, as argued above, the EU needs to resolve member state differences in order to improve its relationship with emerging powers. The EU is a much stronger player at both the multi- and bilateral levels when it is united: it is no surprise that success at the UN and the WTO, and with partners such as China, comes when the EU has already reached a consensus among its members. Reasons for EU successes and failures in specific cases require further scrutiny, but clearly unity of purpose is a crucial factor. Working for greater consensus between member states requires leadership and painstaking diplomacy, but is a prerequisite for strengthening the EU's global role. Once this first step is taken, member states can put an end to bilateral agreements that do not follow the EU line, and the EU will have the confidence to punch its weight alongside Russia, China, and other global powers.

#### *The Impact of the Lisbon Treaty Reforms*

The Treaty of Lisbon contains some reforms to the EU's foreign policy that could contribute to the forging of a stronger global role for the EU as envisioned above. The positive vote for the Treaty in the second Irish referendum in October 2009, and the subsequent signing of the Treaty by the Czech President, has paved the way for the implementation of the reforms. However, member states still have to come to agreement on the exact details, most of which are not laid out in the Treaty.

Of particular significance for the EU's global role is the position of the High Representative for Foreign Affairs and Security Policy (or EU 'Foreign Minister'),

who will also be Vice-President of the European Commission; and the European External Action Service to support the work of the High Representative. The position of High Representative is distinct from the current position of High Representative for CFSP because its holder, as Vice-President of the European Commission, will have a foot in both the intergovernmental Council of the EU and the supranational European Commission. This innovation has the potential to resolve the institutional wrangling and competition that has characterized the making and implementation of European foreign policy since its inception. The post-holder will also have a dedicated External Action Service to support his work, which will also include staff from the Council Secretariat and the European Commission, as well as seconded staff from member states. This Brussels-based service in turn will operate EU offices across the world that will replace Commission delegations and incorporate staff from EU civilian and military missions.

The potential for a more coherent and comprehensive external policy as a result of these reforms is clear: no more different messages coming from the Council and the Commission, no more confusing array of EU voices in third countries, and far more synergy and consistency at the policy-formation level. However, important details relating to these new reforms have still to be decided by member states, and these details strike at the heart of divisions about the scope and nature of EU foreign policy, such as the institutional affiliation of the new role and service and the nature of EU external representation in third countries. Moreover, the external action service will not replace member state embassies,

meaning that the potential for conflicting member state positions still exists.

The post of President of the European Council also has the potential to strengthen the EU's global role. Replacing the 6-monthly rotation with a 2.5 year post (renewable once) will do much to improve the consistency and continuity of EU external policy. Long-term objectives can be successfully pursued and achieved, instead of being revised every 6 months when a new government takes over the reins. These reforms have the potential of increasing the EU's ability to 'speak with one voice' both in multilateral organizations and in the bilateral context.

More subtle changes to the EU may also have an impact on the EU's global role. Trade policy is being brought under the same heading as all external action, allowing for more consistency between external policy areas. Additionally, the European Parliament will have a bigger say in the EU's conduct of trade negotiations, which could result in greater legitimacy and oversight of EU global objectives. Furthermore, for the first time, the EU will have legal personality (rather than the 'EC'). This will enable the EU to act under international law as a united body – for example, in signing international agreements. Again, however, the details of how this will work in practice are unclear: what does it mean for the Commission's role in the WTO? Will this result in an 'intergovernmental' element in areas that were previously the sole competence of the Community? The question of balance of power permeates all these reforms. EU representation undoubtedly makes sense, but in practice, EU external relations have long been governed by two very different

cultures: the Community way, as practiced by the Commission, and the intergovernmental way, as practiced by the Council of the EU in association with member states. There is no easy way of amalgamating these traditions, and negotiations on the details of these reforms will be fraught with institutional wrangling and member state differences.

By all accounts, the extent to which the Lisbon Treaty reforms will fundamentally change the conduct of EU external relations depends very much on how these differences are resolved, and whether it results in a genuine attempt to marry these traditions, or in the Council commandeering Commission competences, which could lead to the further intergovernmentalization, and potentially the weakening, of EU foreign policy.

## **Conclusions**

The EU's broad global reach is not adequately reflected in its influence and impact on the world stage. Modest successes at the multilateral level are not always replicated in the bilateral context, leading to a disjointed external presence. The EU needs to draw the positive lessons from its small successes in the multilateral sphere (e.g. the need for consensus between member states; the need for long-term and consistent cooperation; the need for consistency in the EU's message) and apply these lessons to its dealings with key state partners. It needs to reverse the trend of declining EU impact in the face of the rising power of emerging states. The world will not stop to allow the EU to adjust to new realities: the Union needs to develop the skill to adjust and shape its external

policies to cope with and to address global issues in a rapidly changing context. More effort needs to be made to create synergy between bilateral and multilateral policies so that the EU presents a single and coherent global message. In this way, the EU could win back the support of many countries across the world that have lost faith in the EU as a result of mixed messages from member states and inconsistencies in EU policies. The forging of stronger and more coherent bilateral partnerships could then fully contribute to the EU's goal of establishing itself as a cornerstone of an 'effective multilateral system', and gaining a global position commensurate with its global contribution.

Aspects of the Lisbon Treaty could help the EU to do this – particularly the new posts of High Representative and President of the European Council. How much these reforms will improve the scope and quality of EU external relations, however, depends on how they are carried out, and whether they are built on consensus and equality between institutional cultures. These recommendations require extensive internal as well as external EU dialogue and diplomacy.

Finally, while this paper has attempted to probe the problems hindering a more robust EU global role, it has also highlighted research gaps in the area of EU external policy that require further investigation. There is a clear need for studies taking a comprehensive approach to the EU's global role: analyses only of the EU's role in the UN, or EU relations with one or two bilateral partners do not convey the full extent of EU global activity, and therefore only paint a partial picture of the EU in the world. Future research would seek to

extend this work to include a greater number of case studies in order to test the generalisability of the conclusions. This would involve the development of a formal framework for standardised comparisons incorporating expert opinion and empirical data, and also take into account the implementation of the Lisbon Treaty reforms. In this way we could make empirical comparisons of the reasons for EU successes and failures across multiple case studies, leading to policy recommendations for improved EU diplomatic success and unity. We could then make further progress in explaining and understanding the limitations of EU external policy, and seek to make recommendations which would improve the EU's impact and influence on the world stage.

*January 2010*

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<sup>i</sup> Treaty of Lisbon amending the Treaty on European Union and the Treaty establishing the European Community, signed at Lisbon, 13 December 2007. Official Journal of the European Union, C306, Volume 50.

<sup>ii</sup> 'The European Union and the United Nations: The choice of multilateralism' Communication from the Commission to the Council and the European Parliament, Brussels, 10.9.2003 (COM(2003) 526 final).

<sup>iii</sup> 'Improving Lives. Results from the partnership of the United Nations and the European Commission in 2007' Brussels: United Nations System in Brussels, 2008, page 72.

<sup>iv</sup> See website of the EU at the UN: [http://www.europa-eu-un.org/articles/articleslist\\_s30\\_en.htm](http://www.europa-eu-un.org/articles/articleslist_s30_en.htm), accessed 14 October 2009.

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<sup>v</sup> 'Building an Effective Partnership with the United Nations in the Fields of Development and Humanitarian Affairs' 2 May 2001 (COM (2001) 231 final).

<sup>vi</sup> Draft Council Conclusions on EU-UN Cooperation in Conflict Prevention and Crisis Management, Brussels, 7 June 2001 (9528/2/01)

<sup>vii</sup> Joint Declaration on UN-EU Cooperation in Crisis Management, Brussels, 19 September 2003 (12739/03).

<sup>viii</sup> Richard Gowan and Franziska Brantner (2008) 'A Global Force for Human Rights? An Audit of European Power at the UN', London: European Council on Foreign Relations Policy Report.

<sup>ix</sup> The Cotonou Agreement (signed 23 June 2000) is the latest iteration of an agreement granting special status to former EU colonies, dating back to the Treaty of Rome in 1957. The group, known as the African, Caribbean and Pacific (ACP) states, get preferential economic links with the EU and benefit from a dedicated assistance fund.

<sup>x</sup> The exceptions in the ENP are Georgia, Ukraine and Moldova. The majority of African Cotonou states are not supporters of EU human rights positions, although the EU still retains the support of many Pacific island states that are signatories of the Cotonou Agreement. See the report by Gowan and Brantner (2008, op.cit.).

<sup>xi</sup> Richard Gowan and Franziska Brantner (2008) 'A Global Force for Human Rights? An Audit of European Power at the UN', London: European Council on Foreign Relations.

<sup>xii</sup> The 'threat' to veto is often enough to dissuade other members of the Security Council from holding a vote.

<sup>xiii</sup> Quoted from 'A Secure Europe in a Better World – European Security Strategy' Brussels, 12 December 2003, page 9.

<sup>xiv</sup> Individual member states' pipeline deals with Russia have served to undermine the progress of the multi-national Nabucco pipeline project. The Nabucco pipeline aims to bring natural gas from the Caspian, and will reduce reliance on Russia, as well

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as serving markets in multiple European countries. Construction is scheduled to begin in 2011.

<sup>xv</sup> See the acting Abkhazian President's article in the Washington Post, Friday 16<sup>th</sup> October, 2009 ('Abkhazia Will Succeed'). In an impassioned appeal to the international community, Sergei Bagapsh explains the necessary reliance on Russian assistance, and urges the EU and the U.S. to base their policies on the reality of what is happening on the ground, not on 'a fantasy that the Georgians will someday restore their "territorial integrity"'.

<sup>xvi</sup> See John Fox and Francois Godement (2009) 'A Power-Audit of EU-China Relations', London: European Council on Foreign Relations.

<sup>xvii</sup> This shortcoming has already been identified by the European Commission in the 'choice of multilateralism' communication (note ii).