

## CONFERENCE REPORT

### The EU as a Foreign Policy Actor – Ambitions, interests and challenges in year three of the Lisbon Treaty and beyond

Berlin, 18-19 October 2012

On 18<sup>th</sup> and 19<sup>th</sup> October 2012, around 55 experts from academia as well as practitioners and policy makers met at Konrad-Adenauer-Foundation in Berlin to discuss the European Union's development as a foreign policy actor since the coming into effect of the Lisbon Treaty. The conference was organized by the Institut für Europäische Politik Berlin (IEP) and the Konrad-Adenauer-Foundation, with the support of the Erasmus Academic Network LISBOAN and the Fritz-Thyssen-Foundation. During the two-day workshop the experts from all over Europe as well as from overseas debated developments in the EU's Common Foreign and Security Policy and assessed current challenges critically. The four panel discussions and two keynote speeches focused on the following aspects:

- The Presence or Absence of the EU in World Affairs;
- Achievements and Shortcomings of the new CFSP system in operation;
- External dimensions of CFSP – Strategic interests, partners and rivals of the EU;
- Future prospects of CFSP – National preferences and leadership among the Member States.

An introduction to the workshop was given by three of the organizers, who alluded to the recently awarded Nobel Peace Prize to the EU for the achievement of half a century of peace and stability in Europe, which gives proof that the European Union model is the right approach for regional integration, democracy and prosperity. The achievements of the EU within the 60 years of its existence were impressive, although the foreign and security policy dimension still constitutes a significant challenge. All speakers agreed upon one important conclusion: European states cannot handle the challenges imposed by increasing globalization alone. The Lisbon Treaty was designed to help the Member States in that regard and to agree on common denominators and improve the EU's coherence in CFSP.

The introductory remarks by the organizers were followed by a keynote speech, which drew attention to the fundamental challenges the EU and especially CFSP were currently facing, namely the debt crisis, a governance gap and massive changes in world affairs like the Arab Spring and the shift of power to the Pacific region. The EU needed to adjust to the diversifications in an ever changing world to keep up with globalization. One imperative in this context is to reshape CFSP in order to be able to take over responsibility in the neighborhood. The EU's posture in the Arab Spring proved that the EU cannot longer ignore conflicts in its immediate neighborhood or only react hesitantly.

Furthermore, the speaker emphasized the correlation between CFSP and other EU Policies. This interconnection implied that any decisions made upon the debt crisis, would simultaneously affect the CFSP policy making. As an outlook to the future, Emily Haber demanded that the deficiencies of the Lisbon Treaty had to be overcome and that EU policies, that produced incoherence, had to be altered. To achieve consistency a painful concertation process might be needed which also had to acknowledge that Europe's and its partners' diversity in race, religion, values and views required not only a double sided approach, but rather a triple or even multilayered approach tailored to each individual strategic partnership. The speaker further said that the EU needed to show more ambition in CSDP by taking over more responsibility in terms of military capacities and strategic planning. Concerning CFSP, the EU had to increasingly make use of all existent tools under the Lisbon Treaty, including the new ones like Permanent Structured Cooperation. No country could go it alone and therefore no alternatives to common actions existed. This is why Germany would take an active part in strengthening the EU as international actor in the years to come.

#### Panel I: Greater Presence or Absence in World Affairs – How CFSP performs today in policy substance

The first session of the workshop dealt with the EU's presence in world affairs and the respective performance of CFSP in policy substance. The two introductions focused mainly on the impacts of the current Euro-Crisis on EU Foreign Policy and evaluated how CFSP would change within the next years. Both panelists acknowledged that the EU found itself in times of change confronted with new framework conditions and a variety of internal as well as external challenges that had to be tackled. One of the panelists argued that those challenges posed a substantial risk to the EU, but at the same time were also an opportunity to enter a process of self-renewal and evaluation of assets in CFSP. The review of the European External Action Service (EEAS) in 2013 and the exchange of the heads of the European institutions in that context would also present a means to boost this process of reshaping CFSP. Assets of the EU like internal diversity, the model-function of the EU for regional integration, the diplomatic network all around the world and multilevel rule-based governance needed more attention as well as a target-oriented evaluation. Even though the EU's ability of self-renewal had been limited so far, it had to be positively mentioned that the EU at least managed to keep a certain level of continuity in response to the Euro-Crisis and to the Arab Spring as well as in its Neighborhood Policy. Addressing the question of how to proceed in the future, the panelist said that CFSP once and for all had to be seen as a compromise between intergovernmentalism and supranationalism. Furthermore, solving the crisis and reforming CFSP were challenges that had to be tackled simultaneously. It would be a mistake to separate those two issues timely and thematically.

The second panelist's evaluation of the EU's performance as a foreign policy actor was more pessimistic than his predecessor's. The CFSP as the "neglected child of the integration process" could never fulfill expectations due to a lack of competences. Even though the Lisbon Treaty changed many things to the better and definitely represents an added value, the pluses of the treaty had been compensated by the minuses so far. Because of massive shifts in world affairs and the financial crisis, CFSP basically did not exist between 2009 and 2011. CFSP did and does not only lack confidence, ambitions and resources; it also suffered a massive loss of soft power and leverage as well as a decrease of solidarity and increase of divisions between Member States due to the effects of the crisis. Referring to the future, the panelist outlined two scenarios: either the crisis within the EU cannot be resolved and as a result CFSP would lose its impact as it would only work within the scope of "coalitions of the willing". Or the crisis will be overcome, but even then further integration and deepening will be required. In any case, the framework conditions for CFSP would change dramatically within the next decade.

#### Panel II: Added Value or Failure – The new CFSP system in operation

During the second panel on achievements and shortcomings of the new CFSP system in operation, the experts elaborated on different approaches to measure its success. Even though so far expectations had not been fulfilled, several improvements have become visible since the Lisbon Treaty entered into force. The experts identified as problematic issues the coordination between Member States and the EU as well as the lack of a common strategic vision. Moreover, they agreed that due to the economic crisis the perception of the EU from outside is on the decline and as a consequence the soft-power approach of the EU in CFSP has lost its effectiveness.

One speaker argued that while a neo-realistic approach might draw the conclusion that the CFSP system operates quite satisfactorily, an idealistic approach would regard the present CFSP as a suboptimal solution. CFSP faced constant problems, like a lack of coherence and political will, conflicting interests among Member States, insufficient reforms as well as an imbalance of power between Member States and institutions. Moreover, it was confronted with several new challenges like the emergence of the Asia-pacific region as a new center of power, a growing lack of solidarity among citizens or a declining perception of CFSP from the outside.

According to another panelist CFSP after Lisbon remained much of the same that it was before – coordination and the years since 2009 could be understood as a period of missed opportunities. Nevertheless, some things worked on a regular basis thus showing that improvement is possible. The EU had a lot of potential for added value, but had not delivered to a satisfactory degree so far. This applied also to certain policy fields like the EU's strategic partnerships and strategic thinking in general, which is however necessary to define the EU's place in the multilateral system of the world.

Another speaker took a closer look at the reforms of the Lisbon Treaty, especially the impact of the introduction of the renewed function of the High Representative on the policy output. He saw considerable growth in quantitative terms, i.e. many more EU-statements were issued since Catherine Ashton took office. At the same time much more of this declaratory policy was done on behalf of the High Representative and her spokesman and less so on behalf of the EU which is a clear expression of a lacking political support of Member States on the substance of the issues raised in CFSP. This development was particularly concerning, because the High Representative could only make an impact in the international arena when having a firm backing from Member States. Moreover, there was a miss-match between demands for quick reaction and demands for deliberate action. The expert concluded that administratively the reforms of the Lisbon Treaty have been a step forward, but the main problem remained a political one, namely the cooperation between the EU and the Member States.

### Keynote Speech

The first conference day ended with a keynote speech which elaborated on the EU measures to combat the debt crisis and to strengthen the Euro Zone, external challenges CFSP was currently facing and gave an insight into issues being discussed at the Committee on Foreign Affairs in the European Parliament. According to the speaker, the creation of a European Banking Union would only be a matter of time. All member states except for Denmark and Great Britain intended to participate in this union. Although the national Central Banks would still be responsible for the surveillance of their national banks, the EU would have the final authority. Due to the enduring opposition of Great Britain in crucial EU policies, most suggestions and plans concerning future EU economic policy were currently made on a 17+ basis, thus leading to a further isolation of the country. Brok assessed this development as problematic since Great Britain was indispensable for the EU's economic development.

Concerning CFSP, the speaker elaborated on the unstable and unpredictable situation in the Middle East and North Africa. Regarding the Mali conflict, the EU would not engage in the ongoing fights between Tuaregs and the army. The negotiations with Iran would be continued to prevent military action by Israel. Regarding the civil war in Syria, it would be very important for the UN Special Representative for Syria, Brahimi, to bring together the different oppositional groups. However, the fear of the Syrian people that a victory of the opposition could worsen the situation had to be considered as well. In this regard, the speaker drew special attention to the situation of the Syrian Christians. A breakdown of the Assad regime would cause a domino effect in the whole region. In Jordan, he saw the danger of a regime overturn because of the vast group of Palestinian refugees. This would be a catastrophic scenario considering Jordan's role as a mediator in the region. The speech ended with a rather pessimistic outlook: facing these diverse conflicts, it seemed almost impossible for the EU to realize a coherent strategy in the Middle East.

### Panel III: The EU and the World around it – Strategic interests, partners and rivals

The focus of Session III lied on the external dimension of the CFSP. In discussing the subject, there was an agreement among the experts that five issues were of special importance in this context. First, the EU had to draw more attention to other actors operating in the European neighborhood, in particular Russia and Turkey. Second, the EU had to revise and redefine its European Security Strategy (ESS). Third, Member States had to agree on common strategic interests. Fourth, the credibility and attractiveness of the EU as a foreign actor was undermined due to the current circumstances. Finally, Libya was a turning point in EU-US relations and made it necessary to re-think EU-NATO relations.

The first panelist stated that the Lisbon Treaty introduced new instruments and procedures to enable the EU to intervene more effectively. He especially elaborated on the European Neighborhood Policy (ENP), which had been challenged by changing external and internal circumstances. Regarding the internal changes, three developments were crucial. First, the high expectations created by the Lisbon Treaty were not fulfilled in reality. Second, the financial crisis in the EU reduced its impact in the neighborhood. Third, the EU's attractiveness was declining. In regard to the external changes, the distance between the EU and the Southern countries was growing. New active and competitive actors like Russia and Turkey had emerged and challenge the ENP. According to the speaker, the EU paid too little attention to both partners and competitors. In order to overcome this standstill, he proposed that the EU had to grant more financial support to the ENP and apply it more consistently. Furthermore, the EEAS had to be given top priority in dealing with conflicts. Finally, the EU had to enhance cooperation with external partners such as Russia.

The second speaker focused on the ESS. It was crucial that the MS agreed on common strategies in order to react more properly to crises worldwide. He assessed the EU as a declining power lacking ambitions to deal with its neighborhood. Consequently, the first task of a European Defense Council in 2013 would be to define a clear collective strategy of the EU. The “heart of challenges” in the Eurasian space was Russia. Russia did not take the EU seriously as a foreign policy actor and preferred bilateral relations with the MS. The EU also had to redefine its relation with the US. The case of Libya showed that the US is not longer able or willing to take the lead in the European neighborhood. The EU had to create coherence between means and objectives as well as a clear strategic vision in CFSP in order to be able to take over more responsibility. Furthermore, the EU had to develop its relationship with NATO based on a strong European stance and leadership role also inside NATO so that in the long run even a merger of the two organizations could become an option.

The third expert was especially concerned with the EU's strategic goals and the Union's partners to achieve them. Though strategic partnerships had to be a top priority of the EU, internal divergences of views about the priorities had to be harmonized first by negotiations among the 27 Member States so that the EU could

come up with a unified position afterwards. Similarly the EU's partners might have different views about values, human rights, economic interests or geostrategic considerations which have to be reconciled by the EU's collective stances. There is no "one solution fits all" formula for the strategic partnerships and it could be beneficial for the EU to set fewer priorities to achieve better results. Also due to current international developments and the Eurocrisis, the EU's attractiveness and credibility as a strategic partner has been undermined. Despite all this, it remains in the EU's vital interest to articulate a consistent European message.

In the following discussion especially the idea of merging CSDP and NATO was critically assessed. It was emphasized that 75 % of NATO resources were US resources and not European ones. There was a plea by some that the EU should not give up the idea of autonomy. Instead of merging these two institutions, a division of labor should be created, it was argued. The EU should focus on a different range of activities than NATO, such as humanitarian, training and civilian missions.

#### Panel IV: Progress in the CFSP to come or decline – National preferences and leadership among the 27

The last discussion panel dealt with future perspectives for CFSP and the question, how CFSP could be developed and improved in the long run. In this regard, the role of national preferences and leadership in the EU were of special importance. The chair presented four options as an answer to the question of leadership in CFSP in his introduction: English leadership, French leadership, German leadership or shared leadership.

The first speaker stated that not only CFSP but also foreign policy at large was in decline. In the following, several theses were presented. First, it was problematic that Germany opted out from some CFSP fields by pursuing its own goals in China and Russia. Second, CFSP was not performing that badly. Notable achievements were made on the sanctions for Iran, the statements on Syria and the CSDP-Mission in Somalia. To the question whether Catherine Aston was doing a good job, the answer was that the position of the High Representative was not featured with enough competencies and that the job was a huge burden. Furthermore, the question was raised whether CFSP could also work within the Euro-Zone. The speaker also alluded to tendencies towards bilateral actions within the EU, which led to disintegration. Furthermore, the EU had to admit that, because of the crisis, it was not a role model anymore. If the EU wanted to be that role model again, it needed intellectual leadership and a normative, value based approach in CFSP. Finally, it was said that Germany could not fulfill expectations concerning leadership in the EU since it never learned to think and act strategically.

The next speaker concentrated his presentation on the position of the UK in CFSP. He explained the UK's reluctance to advance integration by the domestic politics dilemma within the country: the Conservative Party as well as the Prime Minister Cameron were under massive pressure from the right wing. Furthermore, neither the

political elite nor the voters were supporting the EU. Attention was however also drawn to William Hague's positive stance on the EU and CFSP. It was argued that Hague wanted to reassert British foreign policy, but was not considering the EU as a framework to do so. The UK preferred bilateral interaction with partners like the US and France. Another serious problem the panelist identified was that in the UK every success in CFSP was presented as a success of British leadership, whereas every failure was set off as the fault of the EU. He nevertheless noted that there were common interests between the other EU members and Britain, on which the EU could build up. But as long as Germany and France acted counterproductively by showing that they would accept or even favor a British drop-out, Britain would remain a brake for further integration within CFSP.

The last panelist noted six difficulties CFSP was currently facing. Firstly, unanimity voting in CFSP prevented efficient action. Second, the EU was lacking global governance capabilities in foreign policy. It would only provide efficient governance on the regional level. Third, the EU should not be guided by the US because their interests were not always coinciding. As a fourth point, it was stated that the Lisbon Treaty did not help to overcome gaps in CFSP. Fifth, an outlook to the future was given: one could imagine that at some point the EEAS would become a relevant actor, with which third parties would deal instead of with the Member States' representations abroad. Finally, the panelist saw a more integrated, small group of Member States emerging that would constitute the core of the EU in the long run consisting of the Euro-group plus willing countries like Poland and Turkey.

After the three speeches comments by the other participants concentrated mostly on the question of how European integration should advance in the future and in which constellation it should do so. In this regard, it was discussed whether the EU would actually advance or rather stagnate if the "trouble-makers" dropped out and if, - in an EU without the UK - Germany and France would be able to take the lead. Several speakers favored a 27-x solution as a necessary condition to further deepen CFSP. Others though pointed out that credibility and international weight of the EU would suffer by an exit of Member States, and in particular in case of the UK, which is a key Member State for CFSP.

### Conclusion

In the light of current political developments, key issues that came up over and over again during the discussions were the challenges imposed on the EU by the debt crisis and diverging national interests internally and changes in international affairs like the Arab Spring or the emergence of new powerful actors externally. Concerning the debt crisis, participants asserted a paralysis of CFSP due to the events that arose in the aftermath of the financial crisis since 2007. The EU had to overcome those internal problems by designing a political framework for economic cooperation in order to be able to show greater presence in World Affairs. CFSP is further challenged by diverging national interests of Member States, which turn the EU more and more into an integration project of multiple speeds and make progress

dependent on the countries that are willing to support the respective integration initiatives. In this context, especially the reluctant stance of the UK was critically discussed. The experts agreed that an exit-scenario might become more and more probable. However, while some participants were in favor of a British drop-out, arguing that it would restore the EU's capacity to act, others feared a loss of credibility of the EU in general and a loss of strength and capacities in CSDP in particular. The EU had to work urgently on its coherence in foreign policy matters to avoid a degeneration into insignificance in world politics. Regarding external affairs, the Arab Spring proved once more that the EU is still not acting as a coherent foreign policy actor. Libya was a turning point showing that Member States had to coordinate their positions and actions better. Moreover, the EU could not rely any longer on the US stepping in whenever own capacities and willingness to act were insufficient. This becomes most obvious in CSDP where the EU's performance has remained much below the expectations created by the Lisbon Treaty.

Though participants stated many deficits in CFSP that had to be tackled in the near future, the workshop also helped to identify strengths, assets and positive achievements since the coming into effect of the Lisbon treaty and ways forward. Participants agreed that questions on how to achieve coherence within CFSP, how to speak with one voice and how to reconcile national interests and European foreign policy had to be addressed as soon as possible. The EU had to find answers on how to achieve further integration and deepening in CFSP. In this regard, the EU had to decide whether to act as a consolidated actor comprising 27 Member States or only within a circle of willing nations, such as the Euro-group. However, each option will require a different acting. Concerning the Lisbon Treaty, participants agreed that it had introduced substantial changes; however, it has not exhausted all its new possibilities and instruments so far - such as a frequent use of the right of initiative of the High Representative. In the near future, recent reforms in CFSP should be evaluated in order to identify ways forward and to work on becoming a role model again by dealing efficiently with the current debt crisis and acting as a coherent normative power.

The workshop itself was perceived as an efficient and constructive discussion forum which profited a lot from bringing together experts from different fields, practitioners and academia.

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