

future, but there is much the EU can do to support the UN. Following enlargement to 27 member states there is growing pressure from third countries for the EU to reduce its seats in various bodies or to speak with one voice. But it is not only foreign ministries that are involved in such decisions; prime ministers and finance ministers also want their say. Meanwhile, theorists will continue to argue over various models to interpret EU behaviour for some time to come.

Key questions

1. What is an actor in the global system?
2. How did the EU perform in the various crises in North Africa in the spring of 2011?
3. Explain how internal EU policies affect EU foreign relations.
4. What theory best explains the EU as an actor?
5. How would you assess the EU's ability to sell itself around the world?
6. What are the obstacles to the EU having its own seat on the UNSC, the IMF and the World Bank?
7. How would you define 'effective multilateralism'?
8. How would you assess the EU's record in promoting human rights?
9. How successful has the EU been as a 'normative power'?

Further reading

For the EU's role in foreign policy, see Whitman (1998), Ginsberg (2001), Hill and Smith (2005), Manners (2003). The second edition of Bretherton and Vogler (2006) looks at the EU as a global actor and is more up to date than Piening (1997) or Buchan (1993). For an analysis of the ESS, see Biscop (2005), Rifkin (2004) and Leonard (2005) argue that the twenty-first century will belong to Europe as a result of its soft power. Elsig (2002) examines the EU as a trading power. On the theoretical aspects, see Keohane (1983), Deutsch (1968) and Haas (1958). On the need for the EU to rationalise its external representation see Emerson *et al.* (2011). Youngs (2011) is one of the foremost critics of the EU's foreign policy to date.

2 From EPC to CFSP

Summary

Despite the setback of the failure to ratify the European Defence Community in 1954 the EU never gave up the aim of a common foreign and security policy. The first hesitant steps occurred during the 1970s, and then the pace quickened with the development of European Political Co-operation (EPC), given treaty status in the 1987 Single European Act (SEA). This was an inter-governmental method of cooperation different from the traditional Community way of making decisions. The end of the Cold War paved the way for the 1992 Maastricht Treaty that saw the establishment of the CFSP. But the CFSP could not have been established at a worse time, with the break-up of the former Yugoslavia. The first decade of the CFSP was very difficult, with little agreement over aims and objectives. The EU's failure in the Balkans in the 1990s, however, was the catalyst for the development of the EU's military capabilities and the creation of the European Security and Defence Policy (ESDP). Further changes were agreed in the Treaties of Amsterdam (1997) and Nice (2001), which helped strengthen the CFSP and the ESDP.

Introduction

The founding fathers of the EU always considered that there should be a security dimension to their unique undertaking. Their thinking was motivated by the three catastrophic wars that had been fought in Europe between 1871 and 1945, all involving Germany and France fighting each other. By the end of the Second World War it was clear that the US and the Soviet Union would play the dominant roles in European security. London, Paris and Rome had all lost influence while Berlin was divided between the major powers. The founding fathers recognised that Europe could only regain international influence by working together. The idea for a supra-national EU in which states would share sovereignty was thus a major contribution in itself to creating a security community (Deutsch, 1968). Soon after the successful launching of the European Coal and Steel Community (ECSC) there was an ambitious proposal to establish a common European army within the framework of a European Defence Community (EDC).

This would have pooled the armed forces of the six founding member states (France, Germany, Italy, Belgium, the Netherlands and Luxembourg), and the plan was strongly supported by the US, as it considered it would provide a more effective European force in standing up to the Soviet Union at the height of the Cold War. But the proposal fell at the last hurdle, the ratification in the French senate. A majority of French politicians balked at the idea of a revived German army. Yet the end result was to speed Germany's membership of NATO and the Western European Union (WEU), a defence organisation that predated NATO and which provided a security guarantee for its members.

European Political Cooperation (EPC)

The French decision meant an end for some time to European ambitions in the security field and a concentration of effort in the economic domain. The next three decades were dominated by the Cold War and the nuclear superpower rivalry between the US and the Soviet Union. Europe was divided by the Iron Curtain and played only a secondary role in world politics. But there was always the recognition that the European project would be incomplete without a foreign and security policy dimension. In the 1970s, as the European Economic Community (EEC) developed and changed to the European Community (EC), there were renewed efforts to establish some co-ordination mechanism for foreign and security policy. The reasons for this renewed attempt to forge greater unity in foreign policy were partly the desire for the 'economic giant' to punch its political weight in the world, and partly owing to the emerging changes in the geopolitics of Europe. In 1970 ministers adopted the Luxembourg Report that proposed the establishment of a structured form of foreign policy coordination called European Political Cooperation (EPC). This involved a process outside the traditional Community pillar where the Commission enjoyed a monopoly right of initiative. Member states did not want the Commission to enjoy the same rights in foreign policy, and hence the EPC was established on a separate inter-governmental basis. This led to some absurd situations such as when EU foreign ministers finished a meeting on general affairs in Brussels in the morning and then boarded a plane to Copenhagen, capital of the then rotating Presidency, to continue their meeting there in the afternoon albeit in the EPC format.

EPC established regular ministerial meetings to discuss foreign policy. These were prepared by the Political Committee, a body of senior officials from the foreign offices of member states who were assisted by a more junior grouping of European correspondents. They exchanged diplomatic messages under a telegraphic system known as COREU, for 'Correspondant Europ en'. There were only two working languages, French and English, with no interpretation. A small secretariat was created in the Council that was responsible for keeping records and sending out agendas in accord with the Presidency. EPC was an important first step in establishing the machinery that came to run EU foreign policy. The sensitivities of member states were preserved, and all decisions were taken by unanimity. EPC was essentially declaratory, with the EU condemning this action,

expressing concern over another and occasionally welcoming another. But it also developed the habit of cooperation between officials from the ministries of foreign affairs (MFAs) of member states and inculcated a feeling of European identity that played a role alongside the stronger feelings of national identity. It was, as one insider remarked, akin to 'a private club operated by diplomats, for diplomats' (Nuttall, 2000).

In 1987, EPC was given a treaty base, Article 30 of the Single European Act (SEA), which codified procedures that had been established for several years. Under the treaty, the members undertook 'to inform and consult each other on any foreign policy matters of general interest so as to ensure that their combined influence is exercised as effectively as possible through co-ordination, the convergence of their positions and implementation of joint action'. The parties were, as far as possible, 'to refrain from impeding the formation of a consensus'. EPC could discuss the political and economic aspects of security, but military issues remained out of bounds. The European Commission was 'fully associated' with EPC while the European Parliament (EP) was to be 'regularly informed' about EPC and its views 'taken into consideration'. Both the Presidency and the Commission had special responsibility to ensure consistency in external relations. The question of 'consistency' in external affairs was to raise its head many times over the years.

Box 2.1 Single European Act (SEA), Title III

Treaty provisions on European cooperation in the sphere of foreign policy
Article 30. European Co-operation in the sphere of foreign policy shall be governed by the following provisions:

- 1 The High Contracting Parties, being members of the European Communities, shall endeavour jointly to formulate and implement a European foreign policy.
- 2 (a) The High Contracting Parties undertake to inform and consult each other on any foreign policy matters of general interest so as to ensure that their combined influence is exercised as effectively as possible through co-ordination, the convergence of their positions and the implementation of joint action.
 - (b) Consultations shall take place before the High Contracting Parties decide on their final position.
 - (c) In adopting its positions and in its national measures each High Contracting Party shall take full account of the positions of the other partners and shall give due consideration to the desirability of adopting and implementing common European positions.

- (d) The High Contracting Parties shall endeavour to avoid any action or position which impairs their effectiveness as a cohesive force in international relations or within international organisations.
- 3 (a) The Ministers for Foreign Affairs and a member of the Commission shall meet at least four times a year within the framework of European Political Co-operation.
- (b) The Commission shall be fully associated with the proceedings of Political Co-operation.
- (c) In order to ensure the swift adoption of common positions and the implementation of joint action, the High Contracting Parties shall, as far as possible, refrain from impeding the formation of a consensus and the joint action which this could produce.
- 4 The High Contracting Parties shall ensure that the European Parliament is closely associated with European Political Cooperation. To that end the Presidency shall regularly inform the European Parliament of the foreign policy issues which are being examined within the framework of Political Co-operation and shall ensure that the views of the European Parliament are duly taken into consideration.
- 5 The external policies of the European Community and the policies agreed in European Political Co-operation must be consistent. The Presidency and the Commission, each within its own sphere of competence, shall have special responsibility for ensuring that such consistency is sought and maintained.
- 6 (a) The High Contracting Parties consider that closer co-operation on questions of European security would contribute in an essential way to the development of a European identity in external policy matters. They are ready to co-ordinate their positions more closely on the political and economic aspects of security.
- (b) The High Contracting Parties are determined to maintain the technological and industrial conditions necessary for their security. They shall work to that end both at national level and, where appropriate, within the framework of the competent institutions and bodies.
- (c) Nothing in this Title shall impede closer co-operation in the field of security between certain of the High Contracting Parties within the framework of the Western European Union or the Atlantic Alliance.
- 7 (a) In international institutions and at international conferences which they attend, the High Contracting Parties shall endeavour to adopt common positions on the subjects covered by this Title.
- (b) In international institutions and at international conferences in which not all the High Contracting Parties participate, those who do participate shall take full account of positions agreed in European Political Cooperation.

- 8 The High Contracting Parties shall organise a political dialogue with third countries and regional groupings whenever they deem it necessary.
- 9 The High Contracting Parties, and the Commission through mutual assistance and information, shall intensify co-operation between their representations accredited to third countries and to international organisations.
- 10 (a) The Presidency of European Political Co-operation shall be held by the High Contracting Party which holds the Presidency of the Council of the European Communities.
- (b) The Presidency shall be responsible for initiating action and co-ordinating and representing the positions of the Member States in relations with third countries in respect of European Political Co-operation activities. It shall also be responsible for the management of Political Co-operation and in particular for drawing up the timetable of meetings and for convening and organising meetings.
- (c) The Political Directors shall meet regularly in the Political Committee in order to give the necessary impetus, maintain the continuity of European Political Co-operation and prepare Ministers' discussions.
- (d) The Political Committee or, if necessary, a ministerial meeting shall convene within forty-eight hours at the request of at least three Member States.
- (e) The European Correspondents' Group shall be responsible, under the direction of the Political Committee, for monitoring the implementation of European Political Co-operation and for studying general organisational problems.
- (f) Working Groups shall meet as directed by the Political Committee.
- (g) A Secretariat based in Brussels shall assist the Presidency in preparing and implementing the activities of European Political Co-operation and in administrative matters. It shall carry out its duties under the authority of the Presidency.

EPC was useful in coordinating the positions of member states on issues such as the Middle East and the 1975 Helsinki conference on security and cooperation in Europe (CSCE, later OSCE). Gradually EPC also began to develop synergy with the EC that allowed it to use Community instruments for foreign policy purposes. Some examples included the imposition of sanctions after the Soviet invasion of Afghanistan in 1979; similarly on Poland after the declaration of

marital law in 1981 and then on Iraq after Saddam Hussein's invasion of Kuwait in 1990. The member states also developed the habit of working together and began to consult each other in advance of meetings to try to reach a common position. But EPC was handicapped by the consensus rule, and thus the common position was often the lowest common denominator. The inability to discuss defence matters was another serious problem. All issues with military implications were taboo. Third countries also found EPC difficult to understand but gradually began to take notice. Although broadly welcomed by the US, Washington was also critical of the EPC in the 1980s for opposing US policy in Central America and Libya.

The CFSP

Even the improvements made as a result of the treaty base for EPC could not cope with the dramatic changes in European and international affairs as a result of the sudden collapse of communism in central and eastern Europe in 1989, of which the fall of the Berlin Wall was the most dramatic symbol. President George Bush (father of George W. Bush) proposed at the G7 meeting in Paris that year that the European Commission, under Jacques Delors, should be given the task of coordinating assistance to the states of central and eastern Europe. This arrangement was to have significant consequences for the Commission as it propelled it into a completely new and rapidly growing policy area. In 1990 the Commission had fewer than ten officials dealing with the communist countries. Less than a decade later it had over a thousand officials involved in the region, and Commission delegations had been opened in nearly all countries there.

The dramatic changes in 1989, opening up the prospect of German unification a year later, were the backdrop to the establishment of the CFSP. France and Germany both agreed that the completion of the internal market and the drive towards economic and monetary union required corresponding moves towards political union, of which the CFSP was a central element. With the end of the Cold War, Europe was expected to use its increased weight to achieve more political influence and ensure stability around its borders. The limitations of EPC had been reached, and it was necessary to establish stronger structures for foreign and security policy. The reasons for launching the CFSP were variously ascribed to the need for the EU, as the major actor in global trade and development assistance, to punch its weight in the world, to shoulder more of the transatlantic burden and to develop externally apace with internal developments (single market, single currency, enlargement). The CFSP was also a popular endeavour. Opinion polls revealed (and continue to reveal, according to Eurobarometer polls) a high level of public support across the EU in favour of closer cooperation in foreign and security policy. In a widely quoted article, one analyst suggested that there was a substantial 'capability-expectations gap' in terms of what the public expected the EU to deliver and the capabilities it had developed in this area. Looked at from the perspective of the early 1990s, the EU 'was not an

effective international actor in terms both of its capacity to produce collective decisions and its impact on events' (Hill, 1993).

The negotiations to establish the CFSP were not easy and reflected the fundamental differences between those who wished to move towards a more integrated EU and those who wished to ensure that decision making remained in the hands of the member states. The other main dispute was whether the EU should develop a defence capability or whether defence should be left to NATO. In the end a hybrid pillar structure was established involving EC affairs under the first pillar, the CFSP under the second pillar, and justice and home affairs under the third pillar. The three pillars together were called the European Union.

The text of the CFSP part of the treaty was very ambitious. It stated that 'the Union shall define and implement a CFSP covering all areas of foreign and security policy'. The text further stated that 'the CFSP shall include all questions related to the security of the Union, including the eventual framing of a defence policy, which might in time lead to a common defence'. This was the first official reference to defence as an EU policy objective, even though it was hedged with various qualifications. Despite the grand aims, the actual changes made under the CFSP compared to EPC were modest. The structures largely reflected EPC procedures. Joint Actions and Common Positions were new features of the CFSP. Joint Actions meant that the member states would act together to achieve a particular object. Common Positions were when the member states agreed on a policy stance and also agreed to promote the stance as an EU position. There was a lengthy delay in ratifying the treaty, which meant that the CFSP did not start until November 1993.

The CFSP machinery created at Maastricht was based largely on the previous EPC structures. The second, or inter-governmental, 'pillar' for the CFSP remained, which did little to promote coherence and led to frequent squabbling between the Commission and the Council over issues of competence. Another problem was the sheer number of actors involved in the CFSP: the member states, the Council, the high representative, the special representatives, the Commission, the parliament, each with their bureaucracies, interests and ambitions. There were some member states, notably the Benelux, that wished to go further at Maastricht and place the CFSP under the first pillar, but there was no consensus to do so. The heads of state and government agreed, however, to review the operation of the CFSP five years after Maastricht – hence the 1997 Amsterdam Inter-governmental Conference (IGC). The Amsterdam IGC did not lead to any fundamental changes in the inter-governmental nature of the CFSP. But some modest improvements were made, notably the decision to create a high representative and a Policy Planning and Early Warning Unit. At Nice, while the political oversight via the European Council and the renamed General Affairs and External Relations Council (GAERC) remained unchanged, the motor running the CFSP was greatly enhanced by the establishment of the Brussels-based Political and Security Committee (PSC), known more frequently by its French acronym (COPS). The Nice IGC also agreed to establish a Military Committee and a Military Staff.

The CFSP in action

The CFSP could not have started at a worse time, with the break-up of Yugoslavia. Many expected the EU to stop the conflict, but the EU did not have the resources for this (neither did NATO) and had to look on from the sidelines while the Balkans erupted in bloody warfare. Despite this failure the CFSP did have a number of modest successes in the early years. One of the most important was the first Stability Pact, or Balladur Plan, named after the French prime minister at the time who launched the plan. The Stability Pact Joint Action was a mechanism whereby the EU organised a number of conferences and round tables to deal with outstanding border and ethnic issues in central and eastern Europe. With some well-targeted technical and financial assistance, the Union was able to make an impact on the problems of the Hungarian minorities living outside Hungary (mainly in Romania and Slovakia) and the substantial Russian minorities living in the Baltic states (mainly Latvia and Estonia). This assistance provided *inter alia* for language training and help in drafting legislation to protect minorities, an essential prerequisite for later membership of the EU.

Another useful CFSP Joint Action was administering the city of Mostar, which had been devastated during the early stages of the Balkan conflict. Before the conflict it had been a good example of a multicultural society, with Croats and Bosnian Muslims living peacefully together. But there had been fierce inter-ethnic fighting during the war and considerable destruction. When the EU took over the city administration in July 2004 the population had shrunk to 60,000 from a prewar figure of 127,000. The EU chief administrator was Hans Kosecnik, a former mayor of Bremen, who led a team of policemen, engineers and local government administrators that helped rebuild the city. The EU team carried out their tasks with only limited cooperation from the local parties, but within two years the city had been largely rebuilt and the mission declared a success.

A third Joint Action was the EU lobbying together for an extension of the Non-Proliferation Treaty (NPT) in 1995. This was a sensitive issue, especially for the two nuclear weapons states, Britain and France, who feared they might be pressed to adopt positions against their national interests. The idea for a Joint Action came from the Belgian Presidency in October 1993 and was taken forward by the Greeks during the next Presidency. At the June 1994 European Council in Corfu, EU leaders agreed on a Joint Action to strengthen the non-proliferation system by agreeing to an unconditional and indefinite extension of the NPT. The EU then prepared *démarches* (diplomatic notes) to press third states, especially doubters such as Ukraine, Algeria, Argentina and Chile, to align themselves with the EU position. This work was divided up between the member states in the second half of 1994 under the German Presidency and into the first half of 1995 under the French Presidency. The EU efforts were quietly successful in contributing to a positive outcome of the 1995 NPT review conference.

These three examples were typical of low-key diplomacy in the early years of the CFSP. These Joint Actions received little media attention but nevertheless made a useful contribution to the resolution of some difficult and sensitive issues.

The EU was able to secure a consensus on each issue and then follow up with a mix of diplomatic effort and technical and financial resources. But these quiet diplomatic achievements were overshadowed by the continued fighting in the former Yugoslavia and the widespread public perception that the EU was still not bringing its collective weight to bear decisively on foreign and security policy issues.

Instruments

The CFSP had only three instruments. The first was Joint Actions, of which there was an average of 20 annually between 2000 and 2010. These could be used for various purposes ranging from election monitoring to the appointment of special representatives. The second was Common Positions, of which there was a similar average to Joint Actions over the past decade. These were designed to align the member states' policies towards third countries or on functional issues like non-proliferation. Finally, there were Common Strategies, of which there have only been three: Russia in June 1999, Ukraine in December 1999 and the Mediterranean in June 2000. These normally lasted four years and were efforts to ensure that the EU and the member states adopted a consistent line in dealing with these countries and regions. They were not considered a success. In addition the EU was and is quite prolific at issuing statements about current events and issues of concern. There were between 150 and 200 statements issued annually between 2000 and 2010. The Union also makes regular use of *démarches* to third countries. There were 157 in 2003 and 179 in 2009. The effectiveness of these instruments leaves much to be desired. The Joint Actions had rather more substance and enjoyed greater loyalty from the member states; but the Common Positions and the Common Strategies have often been loosely interpreted by the member states. A good example is the Common Strategy towards Russia. All the large member states have pursued their own policy towards Russia, with scarcely a reference to the EU Common Strategy.

Case study 2.1: *The EU and the Iraq crisis*

The Iraq crisis of 2002–03 was a nightmare for the EU, exposing deep differences between the member states on the principle of war against Iraq, the role of the UN and the weapons inspectors, and support for the American policy of pre-emption. EU policy had been fully supportive of the American military engagement to defeat the Taliban regime in Afghanistan. However, with President Bush's focus shifting from the war against Afghanistan towards Iraq, one of the three states mentioned in his January 2002 'axis of evil' speech, the differences among member

(continued)

states became wider. At the same time, there was an increasing tendency to sideline EU institutions in preference for a 'directoire' approach. This first became evident when the Big Three (France, Germany, the UK) held a mini-summit to discuss the situation in Afghanistan ahead of the meeting of EU leaders in Ghent in October 2001. This move was met with much criticism from smaller member states and Commission President Romano Prodi, who stated that 'it is a shame that some are going and some are not'. A month later Tony Blair held an invitation-only dinner at Downing Street, which comprised the leaders of the five EU countries who had offered military assistance. This meeting, gate-crashed by Solana, also caused considerable concern and resentment.

The debates during and following Germany's September 2002 election campaign highlighted Europe's differing positions towards Iraq. In the final weeks of the election campaign, Chancellor Schroeder emphasised his strong opposition to war, calling Bush's policy towards Iraq an 'adventure'. This stance helped him secure a narrow and unexpected election victory but it visibly angered the US administration. President Bush refused to congratulate Schroeder on his victory or take any telephone calls from him for over a year. US Defence Secretary Donald Rumsfeld complained that Schroeder had 'poisoned' US-German relations and further poured oil on troubled waters by describing Germany and France as 'old Europe' while Britain and others who supported the war were 'new Europe'.

Meanwhile, in the absence of an agreed position, the EU was hiding behind the UN. In November 2002 the GAERC stated that 'the Council welcomes the unanimous adoption of UNSC resolution 1441 which paves the way for weapons inspectors to return to Iraq on the basis of a strengthened inspection regime. The European Union's policy towards Iraq has a clear objective – disarmament of Iraq's weapons of mass destruction, in accordance with UNSC resolutions. Germany and France were also coordinating their positions. On the occasion of the fortieth anniversary of the Elysée friendship treaty on 22 January 2003, Chancellor Schroeder and President Chirac pledged to deepen their cooperation against a US-led war in the region. Chirac stated that 'Germany and France have the same judgement on this crisis', and that 'war is not inevitable'. On 30 January 2003 a serious dispute within the inner circles of the EU was triggered when eight European leaders (the gang of eight) signed an open letter backing US policy towards Iraq without consulting France or Germany or the Greek Presidency. The letter was seen as direct retaliation for the anti-war positions adopted by France and Germany. The declaration was initiated by the Spanish prime minister, José Aznar, and signed by the UK, Italy, Portugal, Denmark, the Czech Republic, Hungary and Poland. The declaration was criticised by the Greek prime minister, Costas Simitis, who stated that 'the

way in which the initiative was expressed does not contribute to a common approach to the problem. The EU aims to have a common foreign policy, so on Iraq there is a need for co-ordination.'

On 7 February 2003, shortly after the famous UNSC meeting addressed by US Secretary of State Colin Powell, the Vilnius group, composed of Slovakia, Lithuania, Bulgaria, Estonia, Latvia, Romania, Slovenia, Albania, Croatia and Macedonia, pledged in a joint letter to support the United States position on Iraq.

The letter, published in the *Wall Street Journal*, stated that:

the US presented compelling evidence detailing Iraq's weapons of mass destruction programs, its active efforts to deceive UN inspectors, and its links to international terrorism. Our countries understand the dangers posed by tyranny and the special responsibility of democracies to defend our shared values. The trans-Atlantic community, of which we are a part, must stand together to face the threat posed by the nexus of terrorism and dictators with weapons of mass destruction. Iraq is in material breach of UN Security Council Resolutions, including Resolution 1441. We are prepared to contribute to an international coalition to enforce its provisions and the disarmament of Iraq.

France and Germany meanwhile had secured Russian support for their position. In a joint declaration issued by France, Germany and Russia on 10 February 2003, the three leaders stated that 'there is an alternative to war' and called for more time for the weapons inspectors to complete their work. On 17 February 2003 the European Council held an extraordinary meeting to discuss the crisis over Iraq. A proposal put forward by France, the UK and Belgium served as a basis for the compromise statement promoting a peaceful resolution to the crisis. Member states reiterated their 'full support for the on-going work of the UN inspectors. They must be given the time and resources that the Security Council believes they need. However, inspections can not continue indefinitely in the absence of full Iraqi co-operation... Iraq has a final opportunity to resolve the crisis peacefully.' Following the emergency summit, Chirac attacked the candidate countries that had signed the two public letters. He called their behaviour 'childish and dangerous' and said 'they missed a great opportunity to shut up'. He warned that their behaviour could have an impact on their hopes of joining the EU. On 20 March 2003 at the spring European Council, leaders focused their attention on the humanitarian situation in Iraq rather than on the disputed merits of war. A common statement on humanitarian aid and the continued importance of the UN was agreed upon. Referring to a 'new situation' after the beginning of military

conflict in Iraq, the statement underlined the 'central role during and after the current crisis' for the UN.

During the entire crisis Javier Solana kept an extremely low profile. He recognised that the splits between the member states were so deep that he could not perform any mediating function. The crisis was a severe blow to the CFSP and the transatlantic alliance. It demonstrated the fragility of the CFSP when issues of war and peace were on the table. Relations between several member states (and the US) reached freezing point, but at no stage did any major figure suggest that there should be a complete rupture in transatlantic relations. At the same time, the crisis also paved the way for significant new advances in the CFSP and the ESDP. These included the agreement on the ESS, provisions in the draft constitutional treaty for an EU foreign minister and 'structured co-operation' in defence, and new arrangements between the EU and NATO.

The problem of coherence

One of the central problems of the EU is that it is an unidentified political object, with the member states having different visions about its future. Some would like a tight federal structure with more powers for the institutions in foreign and security policy while others prefer a loose system with most powers reserved for the member states. These differences have made it very difficult for the EU to act coherently and consistently in international affairs. The problem was recognised in the Treaty on European Union (TEU), which stated 'the Union shall in particular ensure the consistency of its external activities as a whole in the context of its external relations, security, economic and development policies'. But the TEU was silent on how this consistency was to be achieved. The member states agreed to support the CFSP 'actively and unreservedly in a spirit of loyalty and mutual solidarity'. They further agreed 'to refrain from any action contrary to the interests of the Union or likely to impair its effectiveness as a cohesive force in international relations'.

These fine phrases did not amount to much in 2003 when the member states engaged in an undignified public dispute over the Iraq war. Some argued that as the EU had no common position on Iraq the member states were free to go their own way. This may technically be true, but it gave a very bad impression to the outside world. A plethora of different legal bases for external action in the CFSP, development, trade and monetary fields further complicates the picture, as does the fact that prior to Lisbon the EU itself had no clear legal personality. It meant, for example, that the EU as such could not join an international organisation or sign international agreements. Only the EC had legal personality, which meant that third-country ambassadors dealing with the EU were accredited to the EC and not to the EU. Most international agreements are mixed, i.e. they have to be

ratified by the EC and all 27 member states. Sometimes, when the EU wishes to act as one, it runs into problems. It wanted to sign a number of criminal justice issues with the US (data protection, mutual assistance, etc.) but the US insisted on all 27 member states signing and ratifying. As noted in Chapter 1, there are external relations competences in all three pillars. Many first-pillar issues, e.g. trade conflicts over beef, bananas, hormones, steel, have high political overtones, as do third-pillar issues such as border controls and asylum seekers.

The EC is still the most important actor in terms of both representation and negotiation of international agreements, but in the CFSP it was the Presidency (before Lisbon) that took the lead responsibility for representation and negotiation. These different systems have different voting procedures with qualified majority voting (QMV) available in pillar one but not in pillar two. The role of the European Parliament (EP) is also different, more restricted under pillars two and three. But as noted above it has gained important new powers on international trade negotiations. In terms of judicial control the European Court of Justice (ECJ) is excluded from the CFSP (Article 46 TEU). This was a conscious decision of the member states to prevent any judicial activism that had occurred under the EC. The ECJ therefore only has a limited role ensuring the compatibility of the CFSP with Community measures. In cases of cross-pillar issues, with differing legal instruments at play, there is a recipe for confusion with regard to legal effects and the possibilities for legal protection. In terms of visa bans, individuals cannot take the EU to court unless their own member state allows it.

In framing the TEU the negotiators recognised the problem of coherence and called on the Commission and the Council, each in its respective field, to ensure consistency in EU external relations. It has proved easier to agree such an article than to ensure its operation. In practice there have often been dual legal regimes operating. The 1996 Joint Action in which the EU agreed to protest about the US attempts to impose sanctions on EU companies operating in Cuba, Iran and Libya was done on the basis of Articles J3 and K3 in the TEU as well as an EC regulation. The 2001-03 Council Common Positions on combating terrorism were also based on EU and EC treaty articles. When we consider the question of sanctions we rapidly see the absurdity of the situation. Sanctions may be imposed on the basis of a Commission proposal with the possibility thereafter of using QMV under Article 301 of the EC or unanimity under Article 23 (1) of the TEU. Sanctions could also be imposed under pillar one direct (e.g. many sanctions based on UNSC resolutions) or under pillar two (e.g. arms embargoes). The first and second pillars have a continuing influence on each other. CFSP decisions to organise election monitoring in Russia or Ukraine, to support the KEDO initiative in North Korea, to restrict the export of dual-use technology have to be financed from the EC budget. The EC's involvement in pillar IV of the UN Interim Administration Mission in Kosovo (UNMIK) also has consequences for the CFSP, as does its human rights and democracy promotion efforts around the world. Under the Lisbon Treaty the EC and EU personalities were merged into one legal personality of the Union. Common Strategies, Joint Actions and

Voting

On a number of occasions there have been attempts to introduce some form of voting into the CFSP. The most that was achieved was the agreement to allow qualified majority voting (QMV) when implementing Joint Actions. Even this modest provision has rarely been used. When asked by the author what QMV the UK might be able to accept in implementing the Joint Action on Mostar, the British diplomat replied that London might allow voting on the colour of the Land Rovers for the mission! Most member states seem content to retain unanimity in what is considered a sensitive domain. No one has proposed any form of voting for defence questions as it is recognised that decisions in this area must remain the preserve of national governments.

Budgets

It is impossible to conduct foreign policy without a budget. The EU budget is approximately €120 billion a year, of which two-thirds is spent on agriculture and structural funds including regional policy. This does not leave much for other activities, including external affairs. In 2005 the budget for external affairs was €4,500 million, but the sum devoted to the CFSP was a paltry €50 million. At the Hampton Court European Council in October 2005 there was a broad agreement that the CFSP budget should be increased to around €300 million per annum. Solana outlined the problems of CFSP funding in a paper presented to the December European Council three months later. He pointed to the difficulties of current funding of CFSP and ESDP operations, especially as there were different mechanisms for civilian and military operations. This had led to delays in establishing operations. He called for member states to agree on adequate funding for the CFSP in the next Financial Perspectives and the annual budget process. Solana's paper was timely as it was drafted just before agreement was reached on the budget for the period 2007–13 at the December 2005 European Council. This amounted to just 1.045 per cent of the EU's GDP, which was somewhat lower than the 1.23 per cent that the European Commission had proposed in light of enlargement and new policy commitments. The Commission proposed a modest increase in the budget for external affairs from €6.28 billion (9.3 per cent of the EU budget in 2006) to €8.07 billion (9.9 per cent in 2013). The Commission also proposed to simplify and rationalise the financial instruments through which the EU delivers its policies, condensing over 30 legislative instruments into just six, of which four were new. The new instruments were: the Development Co-operation and Economic Co-operation Instrument, for the drive to raise living conditions worldwide; the European Neighbourhood and Partnership Instrument (ENPI), to build closer relations with the EU's nearest neighbours (including Russia); the Pre-Accession Instrument, assisting EU candidate countries (Turkey and Croatia) and potential candidates on the road towards membership; and the Instrument for Stability, a new mechanism to tackle crisis and instability in third countries. Two existing instruments – Humanitarian Aid and Macro Financial

In the early years of the CFSP, debates on policy were too often overshadowed by ideological arguments over whether an action was to be funded by member states or by the Community budget. The usual result was to use the Community budget for CFSP actions, a move that inevitably brought complaints from the Commission. Such disputes remain a handicap to the efficient operation of the CFSP (as does the woefully inadequate budget) but they also explain the enduring co-existence of a CFSP mentality and a first-pillar mentality amongst Commission staff. The management of the Commission's input has been plagued with the vagaries and intricacies of the three-pillar system. There are regular battles as to whether an action should be financed from the first- or second-pillar budget with all the consequent competence questions. The co-operation programme between the EU and Russia in the field of non-proliferation and disarmament (managed by the security unit in the CFSP directorate of the Commission) is a case in point.

It is difficult to reconcile the rather modest budget for external affairs with the EU's stated ambition to be a global actor. The UK Presidency actually presented a budget to the December 2005 European Council that would have reduced assistance to the Western Balkans exactly when those countries most needed aid to carry out their reform policies. In 2011 the British prime minister, David Cameron, again sought to limit the EU budget at a time of growing crises in the neighbourhood. The attempt by Catherine Ashton to secure a 5 per cent increase in the budget for the EEAS was roundly condemned by William Hague, his foreign secretary. In the summer of 2011 the Commission proposed a modest increase of 5 per cent for the period 2014–21. The external relations part was set at €70.2 billion. Explaining the increase President Barroso said:

shifting alliances and emerging new powers mean that Europe must do more to make its voice count. €16 billion will be allocated to our Neighbourhood Policy to promote democracy and prosperity around Europe. We will also continue delivering on our commitments to help the poorest in the world. The Development and Cooperation Instrument (DCI) will receive €20.6 billion to focus on poverty eradication and to maintain our pledge to the Millennium Development Goals (MDGs).

Lisbon Treaty

The foreign policy changes that occurred under the 2009 Treaty of Lisbon were the most radical since the establishment of the EU in 1958 (see Appendix 1). The principles of the Union's external action are set out in Article 21 of the TEU and are described as those that 'have inspired its own creation, development and enlargement, and which it seeks to advance in the wider world: democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations and the Charter of

international law'. The Union will conduct policy in this area by defining general guidelines and adopting decisions (the latter incorporates the previous distinction between common strategies, common positions and joint actions). The Union now acquires legal personality and the pillar structure is overcome with the new high representative charged with the important role of ensuring coherence between EU institutions and between the institutions and member states. Whilst enhanced cooperation is extended across all areas of the Treaty (now requiring at least nine member states), the articles referring to CFSP and CSDP reiterate the norm of taking decisions by unanimity as well as underlining that this is an area where legislation is excluded. A new and detailed section covers the Common Security and Defence Policy (CSDP), which is described as an integral part of the CFSP and can draw upon civilian and military assets to carry out missions outside the Union for 'peace-keeping, conflict prevention and strengthening international security in accordance with the principles of the United Nations Charter'.

In response to criticism about the lack of flexibility in the CFSP budget, a new decision was to be adopted setting out procedures for 'guaranteed rapid access' to the Union's budget and a new start-up fund is introduced (adopted by QMV) for tasks not charged to the Union's budget (e.g. military crisis management, defence-related spending, or procurement of military/defence-related goods by third states). This start-up fund will be made up of member states' contributions. The key innovations in the area of foreign affairs and defence followed those introduced in the Constitutional Treaty but with one notable change where the title 'Union Minister for Foreign Affairs' was replaced by a new High Representative for Foreign Affairs and Security Policy. However, the substance of the role remains including the important fact that the high representative will be double-hatted as a vice president (VP) of the European Commission and will be supported by a European External Action Service (EEAS) – which effectively overcomes the existing pillar I and pillar II structure and incorporates a role for member states diplomats. The European External Action Service will consist of personnel from the Council General Secretariat, the Commission and seconded staff from national diplomatic services. The inclusion of the latter will be important in fulfilling the EEAS dual mandate of supporting the high representatives and working 'in cooperation with the diplomatic services of the Member States'.

The Lisbon Treaty also confirms the job description of the high representative and sets out that the HR will conduct the CFSP and will be appointed, with the agreement of the president of the Commission, by QMV. The HR shall chair the Foreign Affairs Council and be one of the vice-presidents (VP) of the Commission thereby charged with delivering greater consistency and coordination. A further evolution in institutional and personal relations is created by the new permanent president of the Council who will chair the European Council, and more noteworthy shall 'at his or her level and in that capacity, ensure the external representation of the Union on issues concerning its common foreign and security policy, without prejudice to the powers of the High Representative'.

Conclusion

The move from EPC to CFSP was recognition that the growing economic power of the EU needed a political dimension. The changed geopolitical circumstances of 1989–91 provided the catalyst for the introduction of the CFSP, which largely built on the structures of EPC. There were major divisions between the member states on how the CFSP should be organised and on whether it should have its own defence capability. Furthermore, the new, ambitious policy could hardly have been launched at a less auspicious moment. As the negotiations on the CFSP continued in the second half of 1991, Yugoslavia disintegrated into civil war. The Luxembourg foreign minister, Jacques Poos, proudly forecast that 'the hour of Europe' had arrived. But, far from the EU being regarded as the strong actor that could bang heads together and bring peace to the warring factions in Yugoslavia, it was regarded as weak and divided, both in the Balkans and in Washington. The experience in Yugoslavia did have some positive results. First, it demonstrated to member states the futility of trying to pursue diplomacy without some military capability. Second, it led to greater efforts to produce more integrated policy making, albeit with mixed success. Third, the EU learned to use a judicious mix of carrots and sticks to ensure the spread of its norms, whether political or economic, throughout the continent, and now has an extensive web of agreements covering practically all its neighbours from Morocco to Russia. The EU, however, has not been able to build a consensus in all areas. There have been disputes, for example, over how to respond to violations of human rights in third countries and how to deal with Iraq. But the overall trend has been towards greater EU cohesion in its external policies towards the rest of the world. These developments have led to the EU playing an important leadership role on many global issues. Many third countries also perceive the EU as an alternative kind of power to that of the US. Its 'soft' power and its unique model of governance are increasingly cited as attractive concepts by other countries and regions.

The Lisbon Treaty led to significant changes in how the EU conducts its external affairs with a new position and a new service created to ensure greater coherence and continuity in foreign policy. The first year after the new treaty entered into force was taken up mainly with bureaucratic in-fighting and personnel wrangles. The EEAS officially came into existence on 1 December 2009 without any fanfare. There was no public event, no press release, nothing on the EEAS website and consequently very little press coverage. The new external action service did not have an easy birth and Catherine Ashton was heavily criticised in some quarters.

Key questions

1. How successful was European Political Co-operation?
2. Why did the EU establish the CFSP?
3. What did the EU achieve in the first decade of the CFSP?
4. How significant is the problem of coherence in EU external relations?

5. Is the budget for foreign affairs sufficient for the EU's ambitions in this field?
6. What were the main changes regarding external relations under the Lisbon Treaty?

Further reading

EPC and the CFSP are described in detail by Nuttall (2000). For an assessment of the early years of the CFSP, see Holland (2002). Other assessments are provided by Pappas and Vanhoonacker (1996), Smith (2003), while Hill and Smith (2000) provide a useful collection of key documents on EU foreign policy. See also Hill's (1993) article. The annual publication of core documents on EU security and defence by the EU Institute for Security Studies is also essential reading. For an analysis of the Lisbon Treaty and the establishment of the EAS see the websites of think tanks such as the EPC, CEPS, Egmont, CER, SWP, FRIDE.

3 The EU foreign policy machinery

Summary

The machinery of EU external relations is highly complicated owing to the existence of different systems or pillars for different aspects of external policy (foreign and security policy, trade, development, etc.). During the 1990s and early 2000 there was a strengthening of the institutional system in Brussels that included the creation of the position of High Representative for the CFSP, a political and security committee plus a military staff and committee. There were further attempts to deepen the machinery in the Lisbon Treaty including the position of an EU foreign minister and an EU diplomatic service. The first year of the treaty in operation has not shown any radical change in the CFSP. Foreign and security policy remains a very sensitive area for the member states.

Introduction

It is a fact of life that bureaucracies spend much time on internal power struggles. Between 1993 and 2010 there were constant turf wars within and between the Commission and the Council on foreign policy issues. Within the Commission there were struggles over who should control which directorate generals (DGs) and budget lines. Within the Council there were struggles for the ear of Solana. The appointment of a double-hatted High Representative/Vice President of the Commission was supposed to end this warfare. At the same time the member states play their own game, sometimes supportive of the EU institutions and sometimes preferring to plough their own furrow. Most member states have been reluctant to grant the Commission increased powers over what they consider to be foreign and security policy. Yet, as we have seen in Chapter 1, this depends on the definition of foreign policy. The Commission is very much in the driving seat when it comes to trade policy, enlargement and development policy; but it is the Council, representing the member states, that leads on political–security issues. It is not always apparent, however, where the dividing line rests, and this has led to continuing turf wars between the Commission and the Council, which have been detrimental to the aim of a more coherent foreign policy and which have been very confusing to the outside world. In one case the Commission