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This multi-author publication, edited by Álvaro de Vasconcelos, presents EUISS forecasts and perspectives on the European Union's foreign policy strategy in the post-Lisbon Treaty context. A comprehensive range of topics affecting EU foreign policy are analysed by the EUISS research team as well as several external contributors. The geographical topics covered include: Afghanistan, Pakistan and India (Luis Peral); Africa (Damien Helly); the Balkans (Jacques Rupnik); Brazil (Paulo Wrobel); China (Nicola Casarini); Iran (Rouzbeh Parsi); the Middle East (Esra Bulut); Russia and the Eastern Neighbourhood (Sabine Fischer) and EU policy in the Mediterranean (Erwan Lannon). Broader questions as they impact on EU foreign policy that are examined in this report include: the values and principles that should guide the EU's external action (Álvaro de Vasconcelos); CSDP (Daniel Keohane); global governance (Giovanni Grevi); institutional coherence after the Lisbon Treaty (Damien Helly); effective multilateralism and regional issues, international peace (Luis Peral); transatlantic relations and the EU's strategic partnerships (Marcin Zaborowski); disarmament and non-proliferation (Jean Pascal Zanders) and climate change (Juha Jokela).

A STRATEGY FOR EU FOREIGN POLICY

EXECUTIVE SUMMARY

The EUISS Report for 2010 seeks to define what should be the basic guiding principles of EU foreign policy and how they should be applied in a set of priority areas.

The Lisbon Treaty did not transform the European Union into a super-state. The EU's ability to influence the international order will in future depend not only on its ability to bring together the whole of the EU – i.e. the institutions and, crucially, the Member States, who remain decisive in foreign and security affairs – but just as importantly on drawing up a strategy for EU international policy to guide external action as a whole.

The European Union remains essentially a civilian power that confines the use of force to the most exceptional circumstances and broad international legitimacy. Soft power, nonetheless, is real power. This is all the more the case in today's interdependent world with its highly interlinked and networked information society. Powers of influence and persuasion, even when the use of force is called for, are primarily a function of the EU's own internal model of democratic peace, unity based on diversity and association between states, and social cohesion.

The Lisbon Treaty offers an opportunity for the European Union to take on a world role compatible with its status and aspirations. This implies that, in its own policy formulation and in all areas relating to international policy, *the EU must act in accordance with three basic principles – autonomy, consistency and coherence – while striving to shape a multilateral world order*.

To ensure that soft power effectively yields real power the EU must:

• **Be autonomous**. The EU should avoid letting its goals fall hostage to the alliances, bilateral cooperation processes, and multilateral organisations and frameworks in which it is involved. The EU should define how it stands on international issues and what its aims are for multilateral initiatives and organisations independently of what it is able to agree with its multiple partners. *Agreement and consensus should be the outcome of diplomatic bargaining, not the result of self-limitation and compromises at the outset.*
• **Be consistent**. EU foreign policy must be consistent with its founding values and principles – the same values and principles that it seeks to advance in the wider world, as clearly set forth in the Treaty on European Union [article 21]. The promotion of democracy, peace, sustainable human development and a multilateral world order regulated by well-functioning and fair institutions, as a projection of the EU's own experience and internal model, are the basic elements of the EU's identity in the international arena and the fundamental components of its soft power. *Remaining a normative power is one of the EU's main strengths on the world stage.*

- **Be coherent**. The EU's international strategy must be comprehensive and over-arching: it must unite all EU institutions behind the same set of goals, and critically draw on their ability to bring about convergence with and among Member States. This will depend both on defining common approaches and overcoming differences with regard to certain crucial issues and on expanding decision-making by qualified majority voting, which should gradually become the established procedure; another aspect of coherence that must be explored is the representation of the EU in the UN and other international organisations. *Merging the formidable weight of EU institutions and members behind one common drive will allow for the soft power of the Union to bear on the world stage with full might.*
- **Be comprehensive**. EU external action must link up in a coherent and consistent way with many aspects of different EU policies, including notably trade, development, and the promotion of good governance and the rule of law. A particularly important part of this comprehensive approach is to integrate security and defence more ef-fectively into the broader picture of EU-wide international policy. This should help ensure that EU action really delivers results in difficult theatres, and that national policies are consistent with EU goals. Ultimately, while the Lisbon reforms should help, the future success of CSDP operations will depend on the commitment of EU governments – meaning not only their ability to agree on effective common policies, but also on their willingness to contribute adequate resources. *Adopting a comprehen-sive, results-based approach to external action will allow the EU to do more with less.*
- **Be multilateral**. The Union must take full account of all the consequences of the extraordinary transformation of the international scene that has taken place in recent years – a dramatic redistribution of world power as a result of the rise of yes-terday's developing nations. Its international strategy must be designed to cope with the difficulties of acting in a world where its model of deep integration among states is not the rule but the exception, and where it is therefore imperative to engage with others to promote effective solutions to problems which are in effect common to Europeans and the world at large. *In a multipolar world where power is shifting and re-gionalism is subsiding, a multilateral order is not a matter of choice but rather of necessity for the European Union.*

The recommendations contained in this report for the future course of EU external action can be summarised as follows:

BRINGING ABOUT A MULTILATERAL WORLD ORDER

The ongoing transition of the post-Cold War international system to a new one, marked by the redistribution of power at the global level and deep interdependence, needs to be matched by the reform of the multilateral order. Making multilateral structures more effective and more legiti-mate is both a matter of principle and a question of interest for the EU. As a collective interna-tional actor well suited to manage interdependence but at pains with geopolitical competition, the Union can take a leading role in international cooperation and has a vital interest in promoting effective multilateralism and global governance. For that to come about, the EU needs to respond to the growing demand for coherence and joined-up policy making.

1. Linking international peace and justice to human security

The EU should actively help to build the necessary international consensus on the fundamental legal concepts governing international peace and security, which is inseparably linked to consensual interpretation on their applicability, which in turn requires the institutionalisation of new mechanisms for avoiding arbitrary decisions. In this perspective international peace bridges both security and human rights and certainly overlaps with the concept of human security. A comprehensive and realistic concept of international peace thus extends to deterring, reducing and preventing intra-state conflict in a broad sense, whether this be a result of public disorder or of mass persecution. The EU should try to consolidate the concept of the responsibility to protect and the International Criminal Court as the two priorities in its visionof human security.

2. Disarmament and denuclearisation

For historical reasons there exists no single governance model for restricting non-conventional weapons. Compliance monitoring and enforcement may be organised differently, depending on the nature of technology and the doctrinal roles of weaponry. Since the adoption of the Strategy against the proliferation of Weapons of Mass Destruction in 2003, the EU supports a wide variety of existing initiatives through joint actions or the coordination of positions and policies. With the creation of the European External Action Service, the EU should come to play a much more prominent and proactive role in disarmament and arms control. Following the 2010 review conference of the Nuclear Non-Proliferation Treaty, it must determine a common security interest and strategy in nuclear disarmament, as well as follow through with its own initiatives in support of Global Nuclear Security Summit recommendations to secure nuclear materials. It must equally lead in updating governance models for other non-conventional weapons and their delivery systems in the light of scientific, technological and security developments, as well as sustain initiatives seeking to promote regional disarmament, arms control and confidence building, particularly in the Middle East.

3. Climate change

The EU should continue to work towards a new multilateral framework to limit and manage climate change. For the EU this is a matter of principle, a strategic objective and a question of economic interest. As the successful establishment of a globally binding multilateral agreement has been called into question, at least in the near future, it should also search for alternative avenues to facilitate international consensus and promote action at global, regional, national and local levels. This question should be on the agenda of all strategic partnerships summits. The role of tran-

snational specialist networks and non-governmental organisations should be fully utilised. The EU should also reassure others that it is still willing to lead by example. Due to the impact of the economic crisis on growth and subsequently on emissions, the EU's current target of a unilateral 20 percent reduction by the year 2020 is no longer as impressive as it seemed in 2007-2008. The EU should go back to the drawing board and set new targets.

SHAPING A EUROPEAN ORDER: THE EU AND ITS CLOSE NEIGHBOURS

The first priority of EU foreign policy is Europe itself – the continent – and its immediate neighbourhood. This is also the region where its tools as a civilian power are most effective and where soft power exercises greater attraction. Enlargement and the neighbourhood policy, now under the same Commissioner, are the fundamental tools that will enable the EU to achieve a peaceful and democratic regional European order that includes the immediate vicinity, but they will still depend on the ability of the Union to use the whole array of instruments at its disposal to resolve conflicts and crises.

4. Democratic inclusion through enlargement – the first priority of the Union

Enlargement policy remains a fundamental component of the EU drive for an integrated and free European continent. Successful expansion requires moving the Balkans policy from an agenda dominated by security issues related to the wars that accompanied the dissolution of Yugoslavia to an agenda focused on the future accession of the Western Balkans to the EU. Emphasis should thus be put on a coherent regional approach, giving all countries candidate status and setting a date for opening negotiations. Member States, particularly those closer to the region, need to be deeply involved. EU membership for the Balkan countries should come neither at the expense of Turkey's nor, conversely, be tied to Turkey's accession. The consolidation of democracy in Turkey, and closely involving Turkey in the EU's foreign and security policy, remain imperative.

5. Give a multilateral sense to the Neighbourhood policy

The Eastern Partnership has, for the first time, introduced a multilateral dimension in EU policy towards the eastern neighbourhood. This is a step in the right direction. The EU should think of new and stronger incentives for the eastern partners to engage in multilateral cooperation. A strong bilateral dimension in relations with the eastern neighbours is important both for the EU and for its eastern partners, who depend on political and economic cooperation with the Union. However, the bilateral focus has made it difficult for the Union to act as a mediator in the unresolved conflicts in the region. If it wants to take on this role in the future, the EU should seek ways to engage constructively with all parties to the conflicts.

Using the new mechanisms and provisions of the Lisbon Treaty, a common European approach encompassing the whole variety of bilateral and multilateral mechanisms in existence as well as national bilateral relations should be devised for the Mediterranean. Central European Member States and civil societies must be fully brought on board, and although the EU should define its policy objectives in complete autonomy from outside pressure, it must also listen to partner states and civil societies to understand what their aims and expectations are. This 'joint EU strategy' for the Mediterranean must also factor in developments in the region, where the rise of political Islam can no longer be ignored, and restore the EU's image as a reliable crisis mediator, seriously compromised as a result of the EU's attitude towards Hamas after it won the 2006 Palestinian elections. Bilateral relations with all southern partner states including Israel must be guided by the same objectives that govern the whole of the EU's external action, which include full compliance with international law.

6. Russia: back to Europe

First, the EU should strive to cooperate with Russia on global and European security. Russia's participation in the ESDP operation in Chad as well as cooperation on anti-piracy operations could become models for more engagement of this kind. The EU and Russia both play a crucial role for European security – of which, again, they have very different ideas and understandings. The Russian proposal concerning a new European security architecture, at least in its present rather vague terms, is not embraced by a majority of EU Member States. Nevertheless the EU should actively engage in a dialogue with Moscow (as well as with the other capitals in the eastern neighbourhood) on the future of European security and the place of Russia in it. The second pillar of the EU's strategy towards Russia should focus on finding solutions for political and security problems in the common neighbourhood. Cooperation on modernisation should be the third pillar of the Union's policy towards Russia. Taken together these three pillars could provide for a more solid basis for EU-Russia cooperation and, ultimately, make a vital contribution to peace and stability in Europe.

REGIONAL POLICIES AND PRIORITIES: CONSISTENT UNIVERSALISM

EU foreign policy should be guided by the principle of universalism. For countries and regions beyond its neighbourhood, the EU needs to strike a delicate balance between genuine universalism and the prioritisation of specific geographical areas where the action of the Union can make a difference and where its responsibility is at stake, as in preventing mass violence, supporting democratic regimes under threat or in the event of a serious challenge to international security. Such prioritisation should be based on the principles of effectiveness and be consistent with the common interest of the EU as opposed to short-term interests of Member States.

7. The Middle East: a case for EU autonomy

The Middle East is perhaps the conflict where the EU has invested the most constant efforts and where it used to have a more distinctive voice. Efforts to resolve the Israeli-Arab conflict have become constrained by the EU's own difficulties in forging a meaningful consensus and, in the last years, by its participation in the Quartet which became a 'gilded cage' for the EU and undermined its singularity. The EU needs to regain its autonomy and room for strategic manoeuvre, the best way to support parallel American peace initiatives. This means to proactively bring regional players into conflict-resolution efforts, and oppose the *de facto* partition of Palestine. The priority must be to end Israeli collective punishment of the Gazan population. Decisive action on these fronts must be accompanied by sustained and determined support for the establishment of a representative Palestinian government exercising coordinated control over both the West Bank and Gaza Strip, and a diplomatic process that draws Hamas into state-building and peace efforts on the basis of reciprocal region-wide commitment to non-violence.

8. Iran: multi-level engagement

In order to make any substantial headway the European Union needs to differentiate the dual-track approach and adopt a much more long-term strategy that is not uniquely focused on the nuclear question, but on re-engaging and re-integrating Iran in the region and international society at large. Iran has legitimate concerns regarding the situation in Afghanistan and in Iraq and is an important actor with regard to the resolution of these crises. The EU's engagement with Iran needs to be pursued with different interlocutors at various levels of the Iranian political hierarchy and a variety of non-state actors. Engagement, dialogue and economic cooperation are the best option, provided that reciprocity is forthcoming. From a human rights perspective, engaging Iran, critiquing its human rights record and insisting on transparent communications and exchanges (academic, political, business, etc.) is the best way to help Iran honour its commitments to international treaties on human rights in general and individual rights and liberties in particular.

9. Afghanistan and Pakistan: making the civilian approach work

The EU as a primarily civilian actor has little clout in the midst of prominently military and military-led operations. The EU needs to work towards an adequate balance between the military and the civilian dimensions of international operations, including by the establishment of a unified chain of command under civilian leadership which could be fully integrated in the UN framework as necessary. In parallel, the EU should contribute more decisively to strengthening the UN and particularly the UN model of intervention, which entails full subordination of the military compo-

nents – including coalitions or NATO forces where they are needed to protect international action – to an international civilian authority. Considering the present Afghan context in particular, the EU should reshape its presence in order to make a distinctive contribution mainly along two fronts: enhancing civilian police training, which should be extended to the training of civil servants; and supporting relevant mediation tracks and reconciliation efforts at the local, national and regional levels.

10. Africa: a case for coordination among all the EU strategic partners

The EU should focus on three priorities, in addition to pursuing its efforts to support the African states to prevent, manage and resolve wars and crises.
First, it should intensify its coherent political representation on the continent. Second, it should adopt approaches reconciling long-term poverty alleviation objectives with foreign policy goals, in synergy with development aid programming for 2014-2020. Third, it should seek for long-term innovative partnerships and co-funding with key groups of actors to address sustainable development challenges: on the one hand, African non-state actors including diaspora communities, private foundations, sponsors and investors, and on the other, international corporate organisations – increasingly from global powers like the United States, China, India and Brazil.

A NEW PARADIGM FOR STRATEGIC PARTNERSHIPS
The EU needs to define a new paradigm for its strategic partnerships, old and new. The latter must evolve from pure bilateralism focused on trade and aid, to recognising that the EU's newer strategic partners have grown into political and security actors on the world stage, who are essential to the solution of major regional and global problems, and with whom the Union needs to engage, albeit with differences of emphasis according to the issue at hand, in order to resolve common problems and bring about a multilateral world order. The EU should launch multilateral initiatives involving several of its strategic partners at a time. The United States, China, India and Brazil – in addition to Russia – are the main strategic counterparts of the Union.

11. The EU and US: close partners for an effective multilateral international order

The combined efforts of the United States and Europe are no longer sufficient to shape international relations. Recognising this fact, the Obama administration has reverted to the multilateral tradition of the United States. However, transatlantic consensus remains a basic precondition for any effective international coalition. Transatlantic cooperation should nevertheless become more inclusive and take into account the diminished role of the West in the world. The US seems to have adapted better than the EU to the changing reality of the new global order. Few in Europe accept that the EU is over-represented in global bodies, such as the IMF, World Bank, the UN Security Council or even the G20. The US and the EU should make greater efforts in consulting each other about their global initiatives. While NATO would

remain the central forum for the conduct of transatlantic defence relations, it is clear that the importance of bilateral EU-US ties is growing, including in the field of security, and this calls for the creation of a Transatlantic Political Council.

12. China: building multilateral partnerships

The EU has been and should continue to be a partner of China as it continues on its peaceful rise, but it now needs to add a multilateral dimension to its relations with China not only through common participation in international frameworks like the G-20 but also through a number of jointly-promoted multilateral initiatives. The trilateral cooperation between the EU, Africa and China has proved to be a useful instrument for addressing issues of mutual interest and concern. There is a need for the EU to take the initiative in stepping up cooperation with China in areas like climate change and non-proliferation and disarmament. Cooperative frameworks should also certainly involve the United States. Others must also be involved depending on the issues at stake. This could give the EU a voice in what may become a major trend of global governance – *ad hoc* issue-based groupings of states set on advancing a set of goals – and provide the EU with an opportunity to promote its interests and fundamental values. The EU should be aware, however, of the dangers of an over-abundance of such fora especially if they are based on China-US-EU trilateral frameworks that might be the prelude to a kind of global *directoire*, and actively work to make the more inclusive global governance initiatives, like the G-20, more effective.

13. India: partners beyond trade

In as much as it needs to transcend bilateral trade relations, the EU-India partnership should at least guarantee that bilateral commercial interests are compatible with advancing towards fair multilateral trade agreements, in particular at WTO level, which will in turn benefit sustainable development worldwide. But trade is not sufficient to build a genuine strategic partnership with the world's largest democracy. Genuine commitment can be generated on symbiotic or complementary action in matters of mutual interest and common concern. In this spirit, joint or concerted action in the fields of peacekeeping and peace building, including cooperation on crisis management and particularly maritime security, as well the fight against terrorism under international law should be explored.

14. Brazil: partners for protecting the Earth

The environment is perhaps the most relevant area of concern for EU-Brazil relations. The disappointing results of the climate change conference in Copenhagen

in December 2009 have left many actors despondent, but in the case of both Brazil and the EU there are no major areas of disagreement. By the end of January 2010, according to what had been agreed in Copenhagen, both presented their respective targets for cutting greenhouse gas emissions by 2020, and the EU, along with other European partners such as Norway, is playing a key role in helping Brazil to reach its very ambitious target to curb deforestation by 80 percent in 2020.

INTRODUCTION

Álvaro de Vasconcelos

Each year the EUISS research team selects what will most likely be the international development of the greatest magnitude and significance, from the point of view of the EU. This topic becomes the central theme and focus of our yearly report. Last year, the radical change in US foreign policy ushered in by the advent of the Obama administration was the theme of our first annual report. In 2010, we believe that the key development is the entry into force of the Lisbon Treaty, following its ratification last November. We therefore dedicate this report to a discussion of how to take full advantage of the new treaty in order to make the Union a more coherent and effective actor on the world stage and to explore how the priorities of EU international action should be redefined in view of the new tools at the EU's disposal.

We thus hope to make a useful contribution to the debate on the implementation of EU foreign policy that will inevitably follow the setting in place of the fully-fledged institutional structures envisaged by the Lisbon Treaty.

The reforms introduced by the Lisbon Treaty seek to achieve coherence among EU institutions, consistency with the EU's values and principles, and promote continuity of action and purpose among Member States. These are three dimensions of comprehensive or multidimensional coherence.

Comprehensive coherence: the political challenge

Comprehensive coherence and consistency across the board will not be achieved, however, simply by setting up the European External Action Service, following the appointment of the new President of the European Council and of the High Representative of the Union for Foreign Affairs and Security Policy whose task it is to supervise and ensure the unity and continuity of EU external action. There will still be a need to get EU Member States to overcome their different perspectives on key foreign policy issues, e.g. concerning the Middle East and Russia, and to develop a common approach. Achieving multidimensional coherence and consistency depends first and foremost on the strategic guidelines and specific priorities to be addressed by the whole foreign and security policy apparatus.

The European Council shall identify the Union's strategic interests, determine the objectives of the common foreign and security policy and define general guidelines for the CFSP, including for matters with defence implications as foreseen by the Lisbon

Treaty. It must formulate a real strategic concept for EU foreign policy, one that is binding for both EU institutions and Member States. This will ensure that the Union will be able to promote convergence between the institutions and the states of the Union and speak with a strong single voice on the international scene.

Defining priorities for the external action of the Union as a whole is never an easy exercise. It is made even more difficult as we go through an extremely volatile period in international relations. The present report, written in the first half of 2010, thus attempts to look ahead in a strategic perspective, taking into account what are the most likely foreseeable developments, in order to make good on the promise of the Lisbon Treaty so that the EU assumes its rightful place on the world stage.

Advising a certain course of action takes into consideration the specific nature of the EU, whose members share vital interests and whose general interests converge. The starting point is the awareness of the distinctive nature of the EU as an international actor and the principles and values that according to the Treaty should guide EU foreign and security policy. It is also imperative that the EU as an international actor goes beyond the two traditional dimensions of its external policy – trade and aid – and emerges as a strong political actor.

Comprehensive coherence: the institutional challenges

In many respects, the entry into force of the Lisbon Treaty is a point of departure and not of arrival. This is certainly the case when it comes to the foreign policy and external action of the European Union. In these domains, the Lisbon Treaty marks the starting point for much-needed innovation. The challenge lies in moving from framework provisions at treaty level to viable, robust and flexible policy-making structures.

A concerted effort must be made by all EU Member States in order to guarantee coherence and consistency in the formulation and implementation of EU foreign and security policy. This will require consensus among all EU actors, combining strong central coordination with flexibility.

Coordination and unity of purpose at the top level between the President of the European Council, the President of the Commission and the High Representative will be critical to formulate and deliver a single EU message on key political issues. Likewise, cooperation at all levels between the European External Action Service and the relevant services in the Commission will be essential to shape a strategic approach to policy areas such as the neighbourhood policy, enlargement, trade, development, energy security and justice and home affairs, among others.

Conversely, flexibility is essential for the ability of the Union to take advantage of the sensibilities, interests and initiative capacity of the Member States, in particular now that the rotating presidencies in the CFSP domain have come to an end. The High Representative could call for the collaboration of individual Member States or rather groups of states in a given area. At the same time, Member States could channel and promote their initiatives through the European Council or through the Council of Ministers so as to build shared ownership while taking the lead on distinctive issues. These forms of flexibility could even be extended to the sphere of the EU's relations with some regions of the world and global partners.

This being said, coherence and flexibility will only be possible if the Member States agree not only on a common strategy for foreign and security policy but at the same time ensure that their national policies conform to the Union's positions, including in the international bodies where they are represented, as stated in the Lisbon Treaty. That will be a major test of multidimensional or comprehensive coherence.

I. COHERENCE AND CONSISTENCY IN THE EU'S FOREIGN POLICY

A VALUES-BASED FOREIGN AND SECURITY POLICY

The Lisbon Treaty clearly sets forth the values that should inform and the principles that should guide EU external action. There is now a need to discuss the political implications of the treaty's provisions in order to ensure that a distinctive principled, values-based foreign and security policy – recognised as such by EU citizens and the world at large – will translate into concrete action.

The TEU reaffirms [article 21] that the EU foreign and security policy is guided by '*the principles 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 Charter and international law.*'

These same principles, consistently applied with virtually no exception, have governed EU 'internal' external foreign affairs – that is to say, relations among Member States – since the 1957 Treaty of Rome. The Lisbon Treaty restates that those principles must also guide the external relations of the Union. It is the principled, value-based nature of its external policy that makes the Union a normative power in world politics.

This policy is built on the conviction that if Europeans are bound together by common interests that transcend the divide imposed by statehood, the same is true for Europeans and citizens of other continents, without artificial cultural, religious or civilisational barriers. It is underpinned by the belief that it is possible to build a foreign policy that takes into account the common interest of humanity, as part of a drive to boost a 'global patriotism' that rejects all forms of identity-based nationalism.

Delegitimisation of power politics as a prerequisite for world peace

The process of European integration was born out of the necessity of delegitimising power politics and extreme nationalism in Europe after the tragedy of the Second World War in order to guarantee lasting peace. The Union has developed first and

foremost as a civilian power: the use of military force is legitimate only in the interests of peace and never to advance the EU's own interests. For the European Union there is no contradiction between the defence of its values and principles and its long-term interests.

The founders of the Union made it clear that the principal aim of integration was to put a definitive end to intra-European wars. This remains the most important common vital interest among Member States and as such the main driver of EU foreign and security policy. As a consequence of the fact that power politics as a way of conducting relations between Member States has been discredited, the EU cannot behave differently on the international scene without compromising its very legitimacy as well as its unity and, equally, its ability to act in the international arena. The implication follows that the Union must ensure that its international action, its contribution to crisis management and peacebuilding, including in the field of security and defence, must meet all European and international legitimacy criteria, and must also be conducted under the highest standards of human rights and international justice. This is particularly important in situations where it feels that there is no alternative but to resort to the use of force.

Human security should be the guiding principle of EU security and defence policy. Indeed, security and defence should be conceived as an integral part of EU foreign policy – as articulated in the 2003 European Security Strategy, and reaffirmed in 2008, The development of 'a stronger international society, well-functioning international institutions (...) and a rule-based international order' is the EU's objective.

Multilateralism is a fundamental interest of the Union

The Union has a fundamental interest in playing a prominent global role and in fostering the international acceptance of its concept of effective multilateralism. First and foremost because its own model of integration constitutes the most advanced form of multilateralism, and its experience equips it with a global reach. Multilateralism for the Union is a means to achieve the resolution of global or regional problems and a commitment to multilateralism is shared by the Member States, as well as by regional organisations and civil society. This commitment is based on the conviction that citizens of different states and regions of the world share common interests.

But for the Union multilateralism is not only the preferred avenue for the conduct of international action: it is also part of its own identity and so the Union has a vital interest in an international system based on norms and rules that facilitates the survival and expansion of its own model. A revisited balance-of-power system would be the worst scenario for the EU, which needs an effective multilateral system to breathe and grow. A system based on antagonism and confrontation between the big powers would not only undermine the capacity of the Union to act but would exacerbate divisions

among Member States, as the divisions over the war in Iraq in 2003 illustrated. In a global system shaped by norms and rules, the Union can aspire to be a world player if it acts in a coherent way. Furthermore, the present international situation, where sustainable development issues prevail among the major concerns of the new global powers, is in line with the EU's civilian power nature and is favourable to its playing a more consistent world leadership role.

Soft power is real power

The power of attraction of the Union – what is commonly termed 'soft power' – matters in today's interdependent world with its highly interlinked and networked information society. Powers of influence and persuasion, even in contexts where the use of force is called for, are primarily a function of the EU's own internal model of democratic peace, association between states, and social cohesion. The Union is in that sense an international public good and an example that has inspired a number of regional initiatives and that generates a lot of goodwill in relation to the Union's international initiatives. For this reason, for the European Union the internal is external, that is to say that the way it preserves the values it affirms to stand for, its founding values in the internal order, will shape the perceptions of the other international players – as well as its own self-perception. This is particularly the case regarding its unique model of association among national states, of social cohesion and solidarity, and of unity within diversity. Particularly important in this context is the way it capitalises on its diversity as an asset in relating to the world – an aspect that is particularly critical against the backdrop of the popularity of theories regarding the 'clash of civilisations'. The way in which the EU deals with migration and its degree of success in preventing xenophobia from poisoning European civic and political life will ultimately define the Union's future identity and attractiveness to countries who aspire to EU membership. The success of the enlargement negotiations process with Turkey would boost the EU's image, in particular in the Middle East and in countries with Muslim-majority populations.

Human rights: a guiding principle for all EU policies

The Lisbon Treaty confers legal personality on the European Union, which is now in a position to be a party to international treaties. Accession to the main UN conventions on the part of the Union would add immense symbolic and practical value – in that it would formally commit EU policies and legislation to international law – to its human rights promotion strategies. These are an important part of the distinctive international identity of the EU, and should thus cut across all EU policies and the entire spectrum of instruments and mechanisms at its disposal, from the democratic clauses in bilateral agreements to political dialogues. But consistency demands that the Union should also be prepared to react with a wide array of sanctions targeting individuals responsible for human rights abuses and in particular crimes against

humanity, and even resort to coercive measures to protect victims of human rights violations. Coherence, on the other hand, demands that the difficulties in finding unanimity among Member States on human rights – and international law-related issues, notably at the UN level, be resolved without delay. The Union should in particular guarantee that the right to seek asylum in Member States is not jeopardised by artificial barriers or subjected to narrow interpretations. It is time for the Union to become a leading global actor on human rights law, considering also that the Treaty now incorporates the Charter of Fundamental Rights as a legally binding instrument for EU institutions. The EU should lead in strengthening the International Criminal Court, including by seeking the 're-accession' of the United States, which have for some time adopted a more cooperative attitude towards the ICC.

THE COHERENCE CHALLENGE: THINKING BEYOND LISBON

In 2010, the EU has a unique opportunity to reinvent itself. Failure to seize this opportunity may seriously jeopardise its future. The challenge today is to make the best use of the Lisbon Treaty by following in the footsteps of those who have historically played a key role in the construction of political Europe. The most dangerous threat to Europe today is its own Member States' reluctance to accept additional shifts of sovereignty from national to European levels of governance in foreign policy-making. Clearly, it is essential that Europe emerges as a coherent foreign policy actor. In the short term, coherence will have to be sought between the European External Action Service (EEAS), the Member States and the Commission. In the longer term, EU foreign policy coherence needs stronger leadership, smoother voting procedures and stable representation at the UN Security Council in order to develop.

There are policy fields or geographic areas, like Neighbourhood countries for instance, where coherence will require particular efforts between Member States, the European Commission (DG Enlargement) and the new European External Action Service. In developing countries in Africa, the EEAS will have to cooperate with DG DEV and Member States.

The EU's internal coherence, and the image it projects to the world, have been undermined this year by the difficulties the Member States had in agreeing on financial regulation, on how best to alleviate the financial crisis in Greece and by their inability to commit to ambitious qualitative steps – common economic or energy policies. With the new treaty having entered into force, external coherence should not be allowed to fall hostage to internal wrangling over economic and financial policies.

As a global actor in the making, the EU still needs to be much more assertive and effective. Divided, Europeans are already unable to exert influence over the global powers, not only economically, commercially and financially, but also politically and militarily. Despite the fact that the EU has articulated its commitment towards coherence, the two main historic pillars of our external action, trade and aid, are already pursuing sometimes contradictory objectives, and this will probably continue to be the case because of conceptual incompatibilities between free trade and food sovereignty. The fundamental values enshrined in the Union's treaties and strategic documents are not always easy to reconcile: wealth and generosity, interests and values, liberalism and protectionism, freedom and equality, profitability and redistribution.

How should and can the EU act so that protecting our current way of life does not entail making some of the world's population poorer and less safe? Is our post-World War II European development model (based on economic growth, trade globalisation, regionalism, industrialisation and unfettered access to raw materials all over

the world) compatible with global sustainable development? Are European citizens ready to accept that they need to make major changes to their lifestyle? Our current financial and welfare system costs us so much that the risk is that the EU will become a long-term debtor of its international political competitors. Will our long familiarity with the US financial system stand us in good stead when it comes to managing growing interdependencies with new financial powers?

Global governance experts argue that managing interdependencies is the new challenge. But it is a full-time job. Heads of state and governments however are still too distracted by internal politics to be fully committed to it. As has been suggested in the past, what European states need is full-time deputy heads of governments ('ministers for Europe') in their governments, fully dedicated to European affairs and European cooperation.

Protecting Member States' interests while advancing common (if not supranational) projects or frameworks based on cooperation has been at the heart of European political leadership in the last sixty years. Today, the world is changing faster than European multi-level governance strategies and tactics. Despite efforts to set up the EAS in the most efficient manner, there is still a risk that the nascent EU foreign policy-making structures may become too complex (with the co-existence of the EAS and existing external action-related committees) and start to undermine the EU's global and potentially influential role. What is probably needed is more delegation of sovereign power by Member States and increasingly closer intergovernmental cooperation and supranational policies (with the introduction of qualified majority voting for foreign policy) in certain policy fields: i.e. the economy, research and innovation, and crisis management.

In the meantime, the supposedly bright future of coherent EU external action will depend on the currently sub-optimal system of tradeoffs and ad-hocery: the division of a diverse range of tasks (categorised by region, country or theme) among Member States, strengthened schemes of cooperation and variable geometry formats such as core groups and contact groups. In the best cases, reciprocal arrangements may make it possible to obtain hopefully more and more consensus on foreign policy decisions by qualified majority voting (QMV) – some countries abstaining from vetoing new initiatives. All this will take decades unless we start negotiating a more structural reform of the current voting procedure for foreign policy decision-making. Coherence will be enhanced by checks and balances in foreign policy-making.

Sceptics may say that this scenario will not work and that extending QMV undermines sovereignty. But they are ignoring reality: it is clear that the EU needs to rapidly move towards more unity to avoid steady marginalisation by global giants and it does not have an unlimited number of options available to it in order to do so. The alternative, of course, is to turn the clock back, and this can be done in various ways: dismantling monetary union; watering down financial and economic cooperation and harmonisa-

tion; pursuing exclusively national strategies in the fields of education, energy or defence expenditure; disagreeing on the most appropriate frameworks (the UN, NATO, the EU or bilateral channels) in which to act on the international stage.

In addition to QMV in foreign and defence policy, another coherence issue needs to be tackled by the EU and the two Member States having a permanent seat at the UN Security Council (UNSC), France and the UK. Although it is hard to imagine those two countries agreeing to give up their seats overnight, European representation in the UNSC ought to become more stable, if not permanent, to ensure that Europe speaks with a single voice in this forum. Several options have already been explored. What is the best way to ensure that the UK and France represent the collective views of the EU in the UNSC? How can the EU as such be given more of a voice both at the UNSC and at the UN General Assembly? This challenge has to be faced by all EU Member States: a consensus needs to be reached on how the EU should be represented in a reformed UN and new global governance frameworks. Informal debate on this matter within the EU should continue.

Attempts to forge strong political alliances with non-European partners will most likely fail on the essentials: food sovereignty, energy security, and freedom from fear, freedom from want, and the protection of human rights. There is no real alternative to stronger unity and hence stronger coherence: failure to realise this and to act accordingly will entail a very high cost.

The 'spirit' of the treaties, to use Javier Solana's words when he addressed the EUISS 2009 Annual Conference, needs to be rejuvenated. This is all the more urgent given that in the last few years the Union has undergone a very painful process with the failure of the Constitutional Treaty project and negative referenda results stalling institutional reform. In order to address 'institutional fatigue', it is essential to focus on political priorities: what matters?; where and how can European countries act together? This being said, focusing on strategic priorities should not obviate the need to consider future institutional challenges that may yet hinder our capacity to decide and to act. It is also time to catch up with lost opportunities with renewed political courage, vision and ambitions. To this end, as soon as the new European External Action Service is launched and fully operational, the European Council should task it to draft a white paper on the institutional arrangements required to cope with an increasingly fast-changing world. The paper will have to deal, among other issues, with the representation of the EU in international organisations and initiatives that urgently need to be undertaken, namely in the UN. These transformations will be crucial to the EU's future effectiveness as a foreign policy actor.

CSDP: TOWARDS A COMPREHENSIVE FOREIGN POLICY

In principle, defence policy forms only one part of a much broader EU foreign and security policy, which uses a wide range of tools from diplomats and development workers to judges and police, and – when necessary – soldiers. As the 2003 European Security Strategy (ESS) explains, none of the threats and challenges in today's international security environment are purely military, nor can any be tackled by purely military means.

In practice, the EU's common security and defence policy (CSDP) is an international crisis management policy, whose aims include helping to prevent conflict and rebuild societies emerging from war. Since their first peacekeeping operation in 2003, EU governments have so far initiated some 24 CSDP missions, mixing both civil and military resources. Just as interesting has been their sophistication and diversity: their mandates range from quelling civil unrest in the former Yugoslav Republic of Macedonia, to reforming the Congolese army and the Georgian judicial system, to training Afghan and Iraqi police forces, monitoring the Rafah crossing point in Gaza, and overseeing the implementation of a peace agreement in Aceh, Indonesia.

Most EU operations have taken place in its neighbourhood, namely the Balkans, the Caucasus, the Middle East and Africa. This fits in with a strategic trend. The US is stretched thin due to the wars in Iraq and Afghanistan, and its security priorities these days are in the Middle East and Asia, not in the Balkans or Africa. Plus, EU operations are becoming larger and more politically challenging, such as the 2008 deployments in Georgia (300 ceasefire monitors), Kosovo (2,000 police, judges and customs officials) and Chad (3,700 soldiers).

EU operations have been most effective when there has been a clear convergence of Member States' interests. The EU monitoring mission in Georgia has been a case in point. It was deployed only weeks after the August 2008 war between Russia and Georgia, and shows that the political determination of EU Member States can translate into a mission that makes a difference on the ground. The rapid EU deployment ensured that the ceasefire between Georgia and Russia held, when no other international actor could intervene.

The power of political commitment also explains the decision to launch a naval operation off the coasts of Somalia to fight piracy, protect trade routes and enable the delivery of humanitarian aid. Since the end of 2008 the EU has deterred several pirate attacks and handed over numerous pirates to the Kenyan authorities for prosecution, while more than 340,000 metric tonnes of food aid were delivered to Somalia under EU protection.

In some cases, however, the link between EU foreign policy and CSDP has been rather loose, which has created serious problems for some CSDP operations. As a November

2009 report from the Istituto Affari Internazionali described the problem: 'Too many activities are in danger of appearing superficial and some EU Member States are still more interested in the "image" of a mission instead of the concrete outcomes'.

This has been the case, for example, for EUPOL Afghanistan, for the two CSDP missions in the Palestinian Territories and, in some respects, for EULEX Kosovo. For very different reasons, these missions have faced considerable political obstacles in implementing their mandates. In part, this has been caused by the vagueness of the EU's foreign policy stance on the controversial political issues surrounding the intervention. The success of CSDP operations, therefore, crucially depends on the political assessment by EU governments of three things: the challenges they face; their ability to identify their key common interests; and whether or not a CSDP operation is the most suitable tool to use.

Furthermore, the distinction between military and civilian crisis management operations reflects outdated institutional patterns rather than the reality on the ground. As the Swedish Foreign Minister Carl Bildt stressed at an EUISS conference in Brussels in July 2009, most crises are first and foremost political ones and require a political response. Such responses may require a different mix of military and civilian means at different times. EU Member States need to arrive at a shared assessment of the nature of a crisis and the purpose of an intervention to begin with, and need to put their combined political weight behind CSDP missions. In other words, CSDP should be a key tool for a broader foreign policy strategy, which benefits from tailored and informed analysis.

A December 2009 study from the German Institute for International and Security Affairs (SWP) says: 'If EU member states wish to pursue sustainable crisis management (as opposed to short-term crisis intervention) they must ensure that the mandate, resources and implementation strategy of each mission and operation are matched to the specific circumstances on the ground'. The existing practice of joint fact-finding missions should be further developed, and directly linked to more joined-up planning structures in Brussels, such as the new Crisis Management Planning Department (CMPD). Short of a good match between the mandate of the mission and requirements on the ground, the risk may be to embark on 'declaratory' missions that cannot really make much difference.

In addition, every CSDP operation requires resources – including money, personnel and equipment – which belong to the Member States (although a lot of the costs of civilian CSDP missions are covered by the Community budget). EU operations have sometimes experienced real difficulties, such as a lack of qualified civilian personnel or adequate military equipment. In particular, more needs to be done to establish the capacity for the rapid deployment of CSDP assets, and in the case of civilian operations to guarantee adequate mission support such as protection in dangerous theatres. Revisiting the concepts and degree of readiness of the Battle Groups and

the Civilian Response Teams – among other formats for rapid intervention – should help improve the performance of CSDP when time is pressing and action is of the essence.

Whatever the resources made available, however, in most theatres CSDP can only succeed if it works in close partnership with other major crisis management actors. These partnerships should be developed further, with a focus on relations with the UN, NATO, the OSCE and the African Union. Almost all CSDP missions have been deployed before, alongside or after the often sizeable presence of these organisations on the ground. Aside from multilateral bodies, the EU will need to reinforce its partnerships with two other groups: third countries which contribute large numbers of personnel to EU operations, such as Turkey, Norway and Canada; and major powers involved in crisis management such as the US, India, China, Brazil and Russia.

The reforms contained in the Lisbon Treaty should help overcome some of the shortcomings hitherto experienced by CSDP operations. The 'European External Action Service' proposed in the treaty should join up the diplomatic and military power that the Member States co-ordinate through the EU Council with the development assistance, state-building and reconstruction funds of the European Commission. Plus, the new High Representative of the Union for Foreign Affairs and Security Policy, Baroness Ashton, is both a Vice-President of the Commission and chairs the EU Foreign Affairs Council. This should help ensure that EU action really delivers results in difficult theatres, and that national policies are consistent with EU goals. Ultimately, while the Lisbon reforms should help, the future success of CSDP operations will depend on the political commitment of EU governments – meaning not only their ability to agree on effective common policies, but also on their willingness to contribute adequate resources.

II. GLOBAL GOVERNANCE

THE EU IN A CHANGING WORLD

The ongoing transition from the post-Cold War international system to a new one, marked by the redistribution of power at the global level and deep interdependence, needs to be matched by the reform of the multilateral order. Making multilateral structures more effective and more legitimate is both a matter of principle and a question of interest for the EU.

The Treaty of Lisbon clearly states that the action of the Union on the international scene is to be guided by the principles that have inspired its own creation, development and enlargement, which the EU seeks to advance in the wider world. These include the principles of the UN Charter and international law, and promoting multilateral solutions to common problems. The 2003 European Security Strategy regards an international order based on effective multilateralism as a strategic objective of the Union, an assessment fully confirmed by the 2008 report on the implementation of the strategy.

As a collective international actor well suited to manage interdependence but having to cope with geopolitical competition, the Union can play a leading role in international cooperation but is less comfortable at playing a balance-of-power game. In fact, power politics challenges the very purpose of the EU and highlights its weaknesses. More broadly, however, a drift towards unrestrained competition would lead to a 'lose-lose' state of affairs for all major powers and the international community at large.

As all countries fear the deepening of the financial crisis, the impact of climate change, turmoil in fragile countries and the proliferation of non-conventional weapons, their medium-term shared interests far outweigh short-term relative gains. Awareness of the fact that no country can ensure its prosperity and security by ignoring or affecting the prosperity and security of others is also growing. Arguably, therefore, enhancing old and new multilateral frameworks to strengthen global governance is a priority not only for the EU but for its major partners as well. The Obama administration has made a strong case for finding common solutions to common problems.

And yet, the way ahead is fraught with major difficulties. Four are worth pointing out briefly. First, the international system is becoming more heterogeneous, with established and emerging powers expressing different worldviews and pursuing distinctive domestic models of political and economic governance. In particular, different approaches to sovereignty carry far-reaching implications when it comes to discuss-

ing humanitarian interventions or even mechanisms to monitor and verify national measures to deal with climate change, among other issues.

Second, a new balance needs to be struck between the inclusiveness of multilateral frameworks and their effectiveness. However, another variable needs to be added to the equation, namely responsibility. Calling for the deeper engagement of emerging powers in collective problem-solving without ensuring their adequate representation in relevant forums is problematic. But a serious assessment is necessary in order to establish the actual readiness of actors like China and India to engage in formal institutional structures, abide by common rules and take over corresponding responsibilities.

Third, multilateral frameworks require revision because of the discrepancy between their fragmented competences and complex challenges such as climate change, migration and development. The EU faces a growing demand for coherence and joined-up policy-making, at a time when new institutional structures are being set up following the ratification of the Lisbon Treaty.

Fourth, while challenges are common, they impact different countries in different ways and over different time-scales. Besides, perceptions may diverge depending on, among other factors, the vagaries of domestic politics. Increasingly, international cooperation carries extensive implications for domestic legislation, with the boundary between internal and external affairs proving ever more elusive. Conversely, the domestic political decisions of major powers affect the scope for international agreements. The conjunction of these two trends brought the Copenhagen negotiations on climate change to virtual deadlock. Bridging the gap between domestic debates and multilateral negotiations, and aligning priorities and timelines, will be critically important.

These and other obstacles impede the reform of global governance structures. At the same time, the agenda facing the international community is daunting. The fundamental issues related to international peace and security, human rights, disarmament and non-proliferation and climate change are explored in this section. Devising multilateral solutions to all of these problems, and identifying the specific contribution of the EU in this endeavour, requires confronting the challenges sketched out above and testing new options. From this standpoint, three evolving dimensions of global governance seem of particular interest to guide debate and action in the future.

First, the role of informal summits, such as the G-20, to build consensus and set the agenda. The key issue is the link between informal structures and institutionalised, more inclusive forms of cooperation. For the EU, the question is also how to organise its own representation in both summit diplomacy and multilateral institutions.

Second, the potential contribution of non-state actors to multilateral processes. Non-state actors can prove a vital source of expertise, as for example in the fields of climate change and disarmament and non-proliferation. Multi-stakeholder networks can help build trust and implement new regulations, create political space for ambitious initiatives, enhance the accountability of international deliberations and multiply people-to-people contacts.

Third, the connection between the global, the regional and the local. On a variety of issues, from crisis management to sustainable development, lasting results can only be achieved in the presence of global consensus on framework principles and rules, the active engagement of regional players and the mobilisation of local actors who have a sense of ownership with regard to the issues at hand.

DISARMAMENT AND NON-PROLIFERATION

For historical reasons there exists no single governance model for restricting weapon use, acquisition and possession. With respect to international treaties, compliance monitoring and enforcement may be organised differently. Technology and the doctrinal roles of weaponry also affect the nature of governance. Over the past couple of decades, precursor technologies with both civilian and military applications have become a central focus of non-conventional weapon control. As an immediate consequence, actors other than states – such as the relevant industrial sectors – are now directly involved in the design and negotiation of disarmament and arms control treaties. Other non-state actors, including terrorist and criminal entities, have raised new challenges to the prevention of weapon acquisition and led to new types of control mechanisms that focus on national implementation of measures foreseen in international treaties, resolutions adopted by the United Nations Security Council, or other guidance issued by multinational organisations.

Since the late 1990s, efforts at new arms control or disarmament treaties through multilateral negotiations have stalled. Instead, high-level gatherings of major powers such as the G-8 or G-20 have generated political momentum for general norm setting. Informal arrangements (e.g., the Australia Group for chemical and biological weapon technologies and the Missile Technology Control Regime) seek to coordinate the relevant technology transfer regulations among a select number of participants, and have in some instances been able to set export control standards that are being adopted by other states. Interdiction of technology transfers or rolling back proliferation by military means have proven more controversial, both in terms of practical implementation and effectiveness.

Over the past two years, multilateral disarmament and arms control, rather than non-proliferation, have regained favour among the policy communities. President Barack Obama captured the mood in his Prague speech on nuclear disarmament in April 2009. His vision for a Fissile Material Cut-off Treaty and the new bilateral treaty with Russia on the mutual reduction of strategic nuclear arsenals include effective verification measures. The renewed centrality of verification almost automatically implies the return to prominence of international organisations to oversee treaty implementation in order to give the participating states guarantees of compliance. This return is no accident. An international organisation mandated to oversee the implementation of a disarmament or arms control agreement, such as the Organisation for the Prohibition of Chemical Weapons (OPCW) or the International Atomic Energy Agency (IAEA) stands halfway between the paralysis that an institution such as the UN Security Council may experience in trying to act decisively and effectively against treaty violations, on the one hand, and the action-oriented voluntarism of counter-proliferation coalitions whose membership or degree of consensus may vary, on the other hand. The design of a new organisation in future treaties would

nevertheless remain complex due to the multiplicity of tasks it would have to undertake and the necessity to accommodate the roles of new stakeholders.

The challenges posed by North Korea and Iran to the formal regimes of nuclear weapon control are a case in point. Military strikes run the risk of activating mutual defence agreements (e.g. North Korea) or having a temporary impact on activities at best (e.g. Iran). Shifts in relative global power also mean that Western states may experience growing frustration with international non-responsiveness to their resolution proposals in the Security Council.

A formal international organisation offers the advantage that each member state has a single voice and that decisions to act against treaty breaches are based on obtaining simple or qualified majorities as required by the circumstances. Obtaining vetoes on this level is virtually impossible. Referral to the Security Council only happens under the extreme circumstance that the international organisation cannot resolve a matter of grave concern. The Security Council could also be called upon to act in cases involving states that are not party to the treaty.

An international organisation also has the advantage of bureaucratic decision-making to support action against violators. It may not have the capacity to act swiftly or in a way that is decisive from a short-term perspective, but it does operate independently from the electoral cycles or domestic politics in one or more member states. Furthermore, within an international organisation, particular issues of concern need not be elevated to high levels of public controversy. Consequently, a challenged state is less likely to experience loss of face when it returns to full treaty compliance.

The greatest challenge to the future governance of disarmament and arms control by means of formal international institutions may come from a policy area unrelated to security. During the past three decades there has been a growing movement against big government and unwieldy bureaucracies, and by extension against international organisations. The movement has supported the preference for non- and counter-proliferation policies and informal arrangements and varying coalitions. These views may thwart future multilateral disarmament initiatives, as national politics will still determine the ratification of weapon reduction treaties.

It is an open challenge how to maximise the opportunities represented by emerging visions of disarmament and arms control. Since the adoption of the Strategy against proliferation of Weapons of Mass Destruction in 2003, the EU has not stated a clear policy preference for one of the disarmament/arms control/non-proliferation governance models. Its role has been mostly supportive of existing initiatives through the adoption of joint actions, which enable the financing of priority programmes run by international organisations, or through the coordination of positions and policies. Particularly at meetings of the states parties to a particular treaty or at review conferences, the common position of the 27 EU members together with other states that associate themselves with the EU position can carry a lot of international weight. Internally, the

EU exerts a lot of influence on its members for the comprehensive implementation of treaty obligations by all and the adoption of common standards in areas such as export controls for dual-use technologies. The EU also supports and participates in less formal arrangements, such as the G-8 Global Partnership, the Proliferation Security Initiative, and export control coordination initiatives, including the Australia Group and the Missile Technology Control Regime. The one area in which the EU has not been able to carve out a leading role concerns the initiation or conception of new disarmament and arms control negotiations. Armament policies (and therefore decisions to forego certain weapon categories) have thus far remained a national prerogative, as the current debates on global nuclear disarmament or the removal of tactical nuclear weapons from European soil demonstrate. Nevertheless, it is not beyond the imagination that under the Lisbon Treaty opportunities for more coordinated action in this area too will emerge.

CLIMATE CHANGE

The EU should continue to work for a new multilateral framework to limit and manage climate change. For the EU this is a matter of principle, a strategic objective and a question of economic interest. As the success of establishing a globally binding multilateral agreement has been called into question, at least in the near future, it should also search for alternative avenues to facilitate international consensus and promote action at global, regional, national and local levels.

According to UN reports, uncontrolled climate change will devastate food production in many regions. It will increase poverty and lead to the spread of diseases and to competition for resources. Even if the international community manages to limit global warming, serious change with global ramifications will still take place.

As scientific knowledge has accumulated, a common vision has emerged: to avoid a climate catastrophe, the countries of the world must join and work together to stop global warming. And yet, there is no harder issue to deal with in global governance than climate change because it involves increasing number of actors with differing short- and medium-term interests, and touches upon issues traditionally located at the heart of national sovereignty such as energy and land use.

In order to bring multilateral solutions to common problems, the EU has assumed a leading role in mediating the global response to climate change. It has aimed to lead by example, by supporting and implementing the Kyoto Protocol even in the absence of the US, and setting up a regional emissions trading scheme. In addition to its strategic aim to promote effective multilateralism, these actions are expected to gear the world economy towards green technology which will over time provide competitive advantages. Significant investment in greener technologies has taken place also in other countries such as the US and China. This might result in increasing competition in shaping the future landscape of the world economy.

So far the EU's leadership has resulted in modest outcomes in the United Nation's Framework Convention on Climate Change (UNFCCC), which includes 192 state as well as a large number of non-state actors. While inclusiveness is widely seen as the greatest advantage of the UNFCCC, it has also proved to be its greatest disadvantage. Although countries and many stakeholders around the world have regarded it as a legitimate and authoritative forum, it has also proved to be a bureaucratic and inefficient body.

The slow progress has also cast a shadow over the EU's capabilities to lead the process, and increased calls for US engagement both in Brussels and Washington. Because of domestic disagreement the US has however largely failed to facilitate significant progress towards a comprehensive post-2012 agreement. Its key diplomatic role in the

end game of the Copenhagen climate summit should be noted. Yet the results can hardly be seen as a final breakthrough.

Thus the EU needs to make the most of the new foreign policy tools provided by the Lisbon Treaty, in order to provide joint EU-US leadership and engage in partnership with other major emitters in the UNFCCC and beyond. First and foremost, the EU should continue to deliver a strong and unitary message in all of the relevant forums; a disunited EU will be sidelined.

The EU should also reassure others that it is still willing to lead by example. Due to the impact of the economic crisis, the EU's current target of a unilateral 20 percent reduction is no longer as impressive as it seemed in 2007–2008.[1] This could potentially undermine the EU's aspirations for leadership and influence.

Alternative avenues to build consensus and set the agenda should also be explored. The EU-US relationship and the G-7 provide possibilities to consolidate agreement among the highly developed economies. The G-20 and the 17-member Major Economies Forum on Energy and Climate launched by President Obama in March 2009 can also generate consensus among key emitters. Climate funding should be among the key issues of the approaching G-20 meetings. The EU should work closely with the South Korean chairmanship on the agenda of this new powerful group, and facilitate discussions on selected crunch issues among the main economies, such as enhancing the international transparency of national mitigation actions. Climate change should be a central topic of the EU strategic partnerships with the new global players.

Instead of mainly working for a top-down global consensus, it is essential to increasingly facilitate international consensus by regional, national and local level action through region-to-region relations, strategic partnerships and development policies, for instance.

The role of the transnational specialist networks and public-private partnerships should also be fully utilised. They could contribute to robust monitoring, reporting and verification of the improved multilateral framework, for example. A shift towards a bottom-up approach might become imperative should the UNFCCC fail to agree on a meaningful climate treaty due to resistance from the US and emerging economies.

This highlights the need of climate change prevention activities to increasingly draw on the capital, technologies and support of the private sector. Indeed, many of the multinational corporations have introduced energy-efficiency policies and emission reduction schemes by improving logistics as well as developing and adapting new

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1. Thomas Spencer, Christian Tangen and Anna Korppoo, *The EU and the Global Climate Regime: Getting Back in the Game*. FIIA Briefing Paper 55, 2010. Available at http://www.upi-fiia.fi/en/publication/106.

technologies. The private sector has also noted the need for consistent regulation to reduce risks and promote a durable investment environment. These trends are manifested, for instance, in the major business initiative to Combat Climate Change (3C), which is endorsed and actively promoted by 66 top executives of the world's largest corporations.

Lastly, and relatedly, the non-governmental organisations and many transnational networks play a pivotal role in scrutinising and raising awareness of climate change. They constitute an increasingly important element of the legitimacy of the emerging climate regime. Any credible policy proposal should focus on the question of building political support for ambitious emissions reductions and clean energy, and offer an effective political strategy to do so. An improved multilateral framework should also be able to channel local voices into regional and global climate politics.

INTERNATIONAL PEACE

International security and stability, which at first sight relate to peace defined as the absence of war among states, are concepts inherent to the classical dimension of sovereignty. The fact is, however, that stability will not prevail within and potentially beyond borders without social and political violence being reduced to a minimal level whereby societies can construct and organise themselves so that basic human rights can be upheld and development sustained. In this perspective, already reflected in the Helsinki Act of 1975, international peace bridges both security and human rights and certainly overlaps with the concept of human security. A comprehensive and realistic concept of international peace thus extends to deterring, reducing and preventing intra-state conflict in a broad sense, whether it be a result of public disorder or of mass persecution.

All states therefore have a fundamental genuine interest in generalised violence not erupting within any other country or between any two countries. So that this interest cannot be unilaterally interpreted by a given state or set of states, the UN Security Council (UNSC) remains an ultimate formal guarantor, while the feasibility and even the legitimacy of its decisions greatly depend on the underlying general consensus – that needs be reflected in the specific allocation of means and resources – of the international community. Global and regional powers do have a particular responsibility in this regard, even if they are not adequately represented in the Security Council.

The fact is, however, that this and other factors such as the twenty-first century's first decade of predominant US unilateralism have undermined the capacity of the UN system to effectively implement the principle of human security. The EU, together with existing and emerging global actors, should reverse this trend both within and alongside the UN, so that the burgeoning multipolar order does not trump effective multilateralism and international peace. Focusing too exclusively on the slim prospects of enlarging the Security Council's membership has already proven unhelpful.

The question, therefore, is how should the EU better discharge its share of responsibility as a global actor in this realm following the entry into force of the Lisbon Treaty at the normative, decision-making and operational levels?

1. The EU should actively help to build the necessary international consensus on the fundamental legal concepts governing international peace and security, which is inseparably linked to consensual interpretation on their applicability, which in turn requires the institutionalisation of new mechanisms for avoiding arbitrary decisions. Being itself based on the rule of law, the EU is well placed to promote the necessary adjustments so that consistency and non-discrimination are maximised in the deci-

sion-making process of relevant international institutions. This is particularly important in the case of the UNSC, which needs to overcome a growing deficit of legitimacy as the prospects of its reform appear to have receded for some years to come.

EU endorsement of legal principles such as the responsibility to protect (R2P) will remain inconsequential in the absence of *depoliticised* procedures of international interpretation. This essentially implies independent expert assessment of the situation regarding which enforcement action is or could be considered by the Council, ranging from the likelihood of genocide and war crimes to the potential impact of eventual international sanctions on the population affected. In this way, the risk of contradictions with eventual posterior judgements of the International Court of Justice (ICJ) or the International Criminal Court (ICC), whose work the EU should consistently support, will diminish. The objectivity of such assessment will be of course without prejudice to the response given to the situation, which is to be decided solely by the UNSC in the framework of the UN Charter, or by the EU Council under the Treaty of Lisbon. In the case of the UNSC, a relative reduction of its discretionary powers as to the applicability – not the actual application – of legal principles will in turn facilitate adherence of those states challenging present membership, and will definitely deprive of arguments those who believe that R2P is in fact a blank cheque for legitimising interventionism.

2. Two additional developments for enhancing the connection between the UN and the EU can be pursued at the decision-making and operational levels respectively. On the one hand, the fact that EU foreign policy has become a genuine European policy under the Lisbon Treaty favours associating the High Representative of the Union for Foreign Affairs and Security Policy with the work of the UNSC, at least concerning issues previously considered by the Council of the EU. This simply appears a natural consequence of the principle of consistency, if not the only way in which the UK and France can discharge their obligations within the EU in spite of the ambiguities of article 34 of the TEU, and will be facilitated if a more objective mechanism for the interpretation of international legal principles is adopted at the EU level.

On the other hand, and without prejudice of autonomous action where appropriate, the EU should be ready to go a step beyond the Joint Declaration of 2004 on cooperation with the UN in crisis management. It should in particular explore ways in which CSDP operations develop tasks *within* – not just in coordination with – UN integrated operations. EU Battle Groups should not only perform 'bridge operations' but also specific delicate or technology-intensive tasks in cooperation with and within UN operations. On the civilian side, the specific expertise that the Union may develop in Security Sector Reform or through future Civilian Response Teams should also be at the disposal of the UN, while current proposals to enhance EU mediation and facilitation mechanisms in full association with the UN structures should be promptly fulfilled. It is evident that procedural norms and other considerations, such as the autonomy of the European chain of command, can and should

be made compatible with deepening effective multilateralism as the governing principle of EU external action.

The EU should promote inclusion of troop-contributing countries, together with its own Member States, in the UN planning and command structures. In parallel –and this is among the strongest recommendations of this chapter – it should open up more decisively CSDP operations to the participation of third countries, especially strategic partners, taking full advantage of complementarities.

3. Finally, as a fundamental contribution to the preservation of international peace, the EU should champion both preparedness measures and a *practical* and *specific* approach to conflict prevention. To ensure that existing early-warning mechanisms are effective, streamlined means of action in response to crisis should be created, from speedy responses to natural disasters which dispense with time-consuming coordination procedures to an agreed international legal framework for judging suspected pirates and other criminals. The EU should be able to offer distinctive contributions in this realm, i.e. on Security Sector Reform or conflict mediation along different tracks, while preserving and enhancing the UN's overall leadership. The EU should also promote the broadening and deepening of the UN Peacebuilding Commission's mandate and functioning so that it can effectively contribute to preventing the re-emergence of conflict. To that end, reconstruction and economic recovery need to be complemented with effective international action in support of socio-economic cohesion to reverse past discrimination, as well as transitional justice and reconciliation processes, from truth-finding mechanisms to criminal justice, be it national or international, and reparation and reintegration schemes. The EU can play a crucial role in advancing this conception of peacebuilding to which the UNSC has recently adhered.[1]

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1. See Security Council Presidential Statement on Post-Conflict Peacebuilding, S/PRST/2010/7, United Nations, 16 April 2010.

III. BUILDING A EUROPEAN REGIONAL ORDER

A REGIONAL ORDER: EUROPE AND ITS CLOSE NEIGHBOURS

The first priority of EU foreign policy is Europe itself – the continent – and its immediate neighbourhood. This is also the region where its tools as a civilian power are most effective and where soft power exercises greater attraction. Enlargement and neighbourhood policy, now under the same Commissioner, are the fundamental tools to achieve this objective but they will still depend on the ability of the Union to use the whole array of foreign and security policy instruments at its disposal to resolve conflicts and crises.

The current context, however, makes it difficult for the EU to implement the policy of democracy and peace through enlargement in a coherent fashion. With the exceptions of the countries of the Western Balkans, most notably Croatia and the Former Yugoslav Republic of Macedonia, and Turkey (negotiations over whose application for membership have run into difficulties) membership of the Union may no longer be a realistic prospect for other aspirant countries. Thus, relations with the Eastern and Southern neighbourhoods increasingly tend to appear as the intersection between the internal and external dimensions of EU policies. In this sense, the Union for the Mediterranean (UfM) and the Eastern Partnership (EaP) define 'regions' to which the Union will endeavour to devote its best efforts in all different dimensions of external relations in order to foster compatible political and socioeconomic reforms, as well as infrastructures. As a litmus test on consistency, the traditional dichotomy between widening and deepening needs to evolve towards new forms of engagement in the near abroad, with a definition of the end goals of the Neighbourhood Policy that falls short of full integration in the EU.

Moreover, the EU will fail in projecting its influence – its much-vaunted soft power – if it does not prove able to efficiently help resolve conflicts in its neighbourhood that undermine its multilateral initiatives in the east and paralyse them in the Mediterranean. It should thus show the commitment and determination needed to surmount the obstacles to peace in the Middle East, but also with regard to conflicts in the Caucasus and the Western Sahara. Stability and prosperity in the neighbourhood are periodically threatened by the resurgence of these unresolved conflicts, while (sadly still inadequate) European action reflects political divisions among Member States on some of its priorities in building a regional order of peace and shared values. This is certainly the case in relation to Russia and the Middle East. A new European regional order, enlarged over time to its neighbourhoods, would be an enormous contribution to international peace. However, this is not an endeavour that the EU can assume alone but one that requires the full participation of the United States and Russia, as well as all states directly involved. In fact, this is the natural conclusion of the process of building a united and free Europe that was started in 1989.

THE BALKANS: FROM CRISIS MANAGEMENT TO ENLARGEMENT

Today, the overall thrust of the EU's Balkans policy has moved from an agenda dominated by security issues related to the wars that accompanied the dissolution of Yugoslavia to an agenda focused on the Western Balkans' EU accession prospects. A formal political commitment of all EU Members States to accession has existed since the Thessaloniki summit of June 2003. Kosovo's independence in February 2008 can be seen as the turning point between the final stage of post-Yugoslav fragmentation and the region's engagement in the European integration process.

The question of coherence between regional and individual approaches to EU integration

The current assumption is that the 'regatta' approach works fine for the EU as it makes the enlargement process 'discreet' enough to meet with acceptance among Western public opinion and the political elites of the countries concerned. All of them support the swift accession of Croatia which they see as opening the door to the EU for the rest of the Western Balkans. The logic of emulation may work for some such as the Former Yugoslav Republic of Macedonia (FYROM) or Montenegro, both of which have already submitted their applications for EU membership. But for 'unfinished' states such as Bosnia, Kosovo and Serbia there may be a case for a parallel accession to the EU. The shared European roof was meant to help defuse and overcome contentious territorial and institutional issues. To be sure, no country's accession should in principle be held hostage to the intransigence of its neighbour(s). But given the possible repercussions of different aspects of the 'Serbian question' it also seems prudent to make sure that unfinished statehood issues are settled simultaneously during the accession process when leverage is strongest.

It also helps to answer concern regarding the solution of unresolved conflicts during the EU accession process. There is no shortage of bilateral tensions and contentious issues. Croatia, to take the example of the frontrunner for EU accession, has pending border issues with all its neighbours. The most difficult one obviously concerns relations between Serbia and Kosovo as even the most pro-European Serbian politicians keep repeating that recognition is out of question. The third bilateral difficulty on the road to the EU concerns the Former Yugoslav Republic of Macedonia's quest for a post-FYROM identity acceptable to its Greek neighbour.

Coherence between EU policies and those of its Member States

The proximity and involvement of an EU Member State is usually considered to be a powerful vector of EU influence in the region. But it can sometimes become an impediment. Athens' unresolved conflict with Skopje over the name of the Macedonian state has blocked the latter's joining NATO. Croatia's difficulty or reluctance in settling the border issue with Slovenia has led the latter country to remind Zagreb that its consent is necessary to ratify Croatia's membership of NATO. The inclusion of Croatia in the EU would certainly contribute to the stabilisation of democracy there. However, the impact on neighbouring Bosnia-Herzegovina (BiH) remains debatable as Croats from Bosnia-Herzegovina, the majority of whom hold Croatian passports, are losing interest in the future of their state (there are more voters registered in Croatia than there are actual citizens). In short, a coherent enlargement policy should also entail a careful consideration of its impact on neighbours .

From protectorates to integration through nation-state building

The EU's two main successive strategic approaches in the region can be summed up as follows: (i) moving from crisis management to Europeanised protectorates; (ii) overseeing the transition of Bosnia-Herzegovina and Kosovo from protectorates to EU candidate states. The difficulty (and this is where consistency is most immediately tested) is that the EU is for the first time in its history directly involved in assisting in the creation of its future Member States. There are three 'unfinished' states in the Western Balkans: Bosnia, Kosovo and Serbia. Protectorates cannot be integrated in the EU. Nor can unfinished states. This is why two (hopefully) vanishing protectorates should be examined as test cases.

Bosnia-Herzegovina: Is Bosnia a stable state? Is Bosnia a functional state? Clearly the answer to both these questions has to be negative. Fifteen years after Dayton it is a country with a constitution that separates its ethnic communities to ensure peace but prevents the emergence of an integrated polity. The country has no Supreme Court, no independent judiciary, and operates under three legal systems and four penal codes. The European Court of Human Rights has recently condemned BiH for preventing one of its citizens from running for president on grounds of ethnicity. In short, the country needs to move from the Dayton constitution to a Brussels-oriented constitution.

The protectorate ensured stability but reinforced dysfunctionality. Can the transition from the protectorate and a shift to a pre-accession agenda generate a powerful enough leverage to push through the institutional reform that is vital to develop a sense of ownership among the population and make BiH a viable polity? This is where one man's plea for the credibility of the European leverage borders on another man's act of faith. The one major positive development to report is that Belgrade and Zagreb have, for reasons associated with their European accession prospects,

abandoned the divisive policies of the past. This in turn could help the process of reconciliation without which the trust necessary for overcoming the prevailing logic of ethnic exclusion cannot be built.

Kosovo's independence, proclaimed in February 2008, has gradually led to the scaling down of the United Nations Mission in Kosovo (UNMIK) and launched EULEX as the largest civilian mission ever launched under ESDP. The challenge is to assist in Kosovo's transition from protectorate status and build up a new state in a process where the EU presence would be transformed into a pre-accession monitoring role. The rationale sounds coherent enough on the surface: but the EU still coexists with UNMIK and the International Civilian Office (ICO). EULEX is supposed to assist the rule of law in the new state, but it officially remains 'status-neutral' given that five EU Member States have not recognised Kosovo independence. Meanwhile it remains unclear which legislation applies when in Kosovo: is it the international regulations adopted in the past decade under UNMIK? Is it the new laws voted by the democratically elected Kosovo parliament? Or is it (in the Northern enclave around Mitrovica) Serbian/ex-Yugoslav law? And this, in turn, leads to other related questions: which state, which international agency, which law? This surely is the most formidable 'consistency challenge' for the EU. Hence also the question: will Kosovo be able to establish a new relationship with its Serbian minority and with Serbia on their parallel tracks into the EU?

These are some of the main dilemmas raised in examining the coherence of the EU's approaches to the Western Balkans. There is a stark contrast between stated goals and their implementation. No less important is the erosion of popular support for EU accession (strongest where it is least advanced, in Albania; weakest where it is most advanced, in Croatia). This points to the need for tangible measures that would facilitate citizens' direct identification with Europe. Visa liberalisation has obviously been the most important both symbolically and politically. EU accession does not concern just governments and institutions and must involve the societies concerned. Money spent by the EU on assistance to civil society actors is the best investment in the success of the process.

The agenda for both the countries of the Western Balkans and for the EU seems clear enough. For the former the priority must be to respond to the doubts raised about the rule of law by tackling the question of corruption and clientelism and by addressing its main sources: the legacies of the war economy, the privatisation process and the use of public sector employment for patronage and state capture. These countries must show that nationalisms can be made 'eurocompatible' with a binding commitment to resolve the mentioned border disputes which could become a serious impediment to EU accession.

For the EU, the Balkans require it to rethink its concept of enlargement which cannot, for the reasons outlined above, be simply a replica of the pattern successfully

implemented in Central Europe. The EU should strengthen the regional approach by granting candidate status to all the countries of the region and setting a date to open negotiations. Such a tangible and assertive European commitment to the Balkans, which is not challenged within the EU, would also be the best way for the EU to downplay its divisions (over Kosovo), overcome its hesitations between containment and integration, and restore its credibility both in the region and as an international actor.

THE EU'S EASTERN NEIGHBOURHOOD:

INTEGRATION WITHOUT MEMBERSHIP

In parallel to its big-bang enlargement in 2004 the EU set out to pursue an active policy of engagement and *rapprochement* in relations with its new eastern neighbours. The European Neighbourhood Policy (ENP), and, more recently, the Eastern Partnership (EaP), aim to increase political stability and economic prosperity through reform, as well as enhance regional security and conflict resolution through regional cooperation. Despite repeated requests from the eastern neighbours and some Member States, the Union does not currently offer those countries a membership perspective.

Therefore, the eastern neighbours remain outsiders. Nevertheless, the EU transcends the boundary between inside and outside both at the bilateral and the multilateral levels of its policy towards these countries. At the bilateral level, the EU extends its spaces of governance in certain policy areas by projecting its rules and norms and by shaping the neighbouring polities according to its own models of governance. At the multilateral level, EU policy intends to foster increased regional interaction and enforce this process of *rapprochement*.

In order to make sure that its policies have the desired effect, the Union needs to take into account the complex realities on the ground. In the eastern neighbourhood three factors stand out.

First, the eastern neighbourhood is diverse. It encompasses countries at different stages of internal political and economic development and with different foreign policy orientations. Some of them aspire to become EU members and, therefore, are much more interested in quick bilateral *rapprochement* than in multilateral cooperation with their neighbours in the region. Others display a sceptical attitude towards the transformative claim that underpins the Union's approach and, consequently, are not interested in conceding it a bigger role, be it on the bilateral or on the multilateral level. As a consequence, the EU does not enjoy the same access to all the countries concerned and experiences very different reactions to the policy instruments it applies.

Secondly, the degree of cooperation and integration in the region is very low. While some degree of cooperation can be observed among the western CIS countries, the South Caucasus remains an extremely fragmented and volatile area. Internal crises, state weakness and the persistence of unresolved conflicts undermine the capacity and will of political elites in the region to pursue regional cooperation as a policy goal.

Thirdly, the region has been increasingly polarised between the EU (as well as NATO and the US) and Russia in the past few years. From Moscow's perspective, the EU's goal to build up a ring of well-governed states clashes with Russia's idea of a sphere

of privileged interests in the post-Soviet space. With tensions between Brussels and Moscow on the rise the eastern neighbours find themselves squeezed between two rival centres of gravity, which further undermines regional cooperation and effective multilateralism. From an EU perspective, multilateral cooperation with Russia in the region and beyond *and* rapprochement with the EaP countries has become increasingly difficult to reconcile.

These three factors are mutually reinforcing and make for a complex regional environment whose implications for the effectiveness of EU policy should not be underestimated. The EU has become a key player in its eastern neighbourhood, and its deepened engagement has set many positive processes in motion. Nevertheless, regional relations remain fragile and problems abound. The Union's capacities to solve these problems are limited, as much by conditions on the ground as by EU internal constraints. The EU has to carefully fine-tune its approaches if it does not want to aggravate existing negative trends. Three aspects deserve special attention here.

Firstly, a strong bilateral dimension in relations with the six eastern neighbours is important both for the EU and for the respective countries, who depend on political and economic cooperation with the Union. The Eastern Partnership offers association agreements, deep and comprehensive free trade agreements, and progress on the free movement of citizens. Real headway in the negotiations on visa facilitation and visa-free regimes would send a strong political message to these countries and could make their respective governments more open towards EU policy despite the lack of a membership perspective.

The focus on bilateral relations has made it difficult for the Union to act as a mediator in the unresolved conflicts in the region. If it wants to take on this role in the future, it should seek for ways to engage constructively with all parties to the conflicts.

The second point is that the Eastern Partnership has, for the first time, introduced a multilateral dimension in Brussels' policy towards the eastern neighbourhood. This is a step in the right direction which needs to be elaborated further in order to give the eastern partners more and stronger incentives to engage in multilateral cooperation.

Last but not least, the EU has to look for ways to reconcile its relations with the eastern neighbours and its relationship with Russia. While deeper EU engagement in the neighbourhood is not negotiable, it is important to reflect on how to accommodate this with the Union's wish to develop a strategic partnership with Russia. An open dialogue between the EU, the eastern neighbours and Russia about potential synergies between the different policies applied in the region could help foster greater coherence both in the region and in EU policy.

THE MEDITERRANEAN: THE NEED FOR A NEW POLICY

The EU's Mediterranean policy has undergone significant developments during the last few years as a number of new policies, structures and instruments have been introduced. First of all, the European Neighbourhood Policy (ENP) has reshaped the relationships between the EU and its neighbours. The ENP is currently the EU's main tool for promoting the social, economic and political reforms in the EU's neighbourhood as the integration of the *acquis* is at the core of the new methodology of integration pointing now towards a deeper free trade area.

The Union for the Mediterranean (UfM), launched in July 2008 at the Paris Summit, envisaged the progressive establishment of a new institutional structure (Co-Presidency, Secretariat, Joint Permanent Committee) and welcomed four new Mediterranean Partners (Monaco, Bosnia and Herzegovina, Croatia and Montenegro). Six concrete region-wide projects have also been identified. For the time being the discussions on the modalities of the set-up of the Secretariat have not yet been finalised but a Jordanian General Secretary has been appointed. What will happen to the Barcelona Process and the Euro-Mediterranean Partnership remains to be seen. The UfM project is still quite unclear in this regard. Only the process of its implementation will reveal if the UfM is going to definitively absorb the former Euro-Mediterranean structures of dialogue and cooperation at multilateral level.

Differentiation has increased through the implementation of the ENP and the design of a new framework for an EU-Morocco Advanced Status agreed in October 2008. Negotiations in order to establish special relations with other Mediterranean Partner Countries are also being discussed. Differentiated bilateral relationships with Mediterranean Partners are for the time being better promoted than multilateral initiatives, a consequence of the late implementation of the decisions made in Paris and Marseilles within the framework of the UfM.

The entry into force of the Lisbon Treaty, in December 2009, introduced major innovations in the field of external relations starting with a new institutional architecture. Apart from the President of the European Council, the High Representative of the Union for Foreign Affairs and Security Policy and the European External Action Service (EEAS) it should be noted that, at the level of the European Commission, the new Commissioner in charge of Enlargement and the European Neighbourhood Policy is the same. This new arrangement, i.e. the merging of Enlargement and ENP, is of great political significance but is also perhaps a bit confusing for Mediterranean Partners. At administrative level very much will depend on how the different EU institutions and services will work together on the Mediterranean dossier. This coordination will be crucial as the new Union for the Mediterranean is conceived mainly as an intergovernmental process.

New possibilities are also offered in the fields of CFSP and CSDP. One should note here the reinforced Petersberg tasks as two Mediterranean Partners (Morocco and Turkey) were already associated to CFSP missions in the Balkans. The solidarity clause is also to be taken into consideration in the context of the Mediterranean as it concerns two cases of major importance for the region, namely 'terrorist attacks' and 'natural' or 'man-made' disasters. The reinforced Petersberg tasks of the article 43 TEU (Lisbon) may also 'contribute to the fight against terrorism, including by supporting third countries in combating terrorism in their territories'. With regard to the so-called new 'permanent structured cooperation' it remains to be seen if they are going to be implemented and how.

Another issue to be addressed is the need for more consistency between on the one hand the EU's policy towards the Mediterranean region and, on the other hand, its principles and values. For instance, the decisions taken after the election of Hamas in the Gaza Strip generated very strong reactions in the Mediterranean and the Middle East. It was thus easy for some politicians to criticise the double-standard approach of the EU as it was recognised by all that Hamas was democratically elected.

Political Islam cannot be ignored anymore and must be considered by the EU as an important political actor in the region. In other words, the EU should not remain the hostage of a policy primarily based on preserving the stability of authoritarian political regimes.

It is quite clear that what is now urgently needed is the preparation of a new strategic concept for the EU's Mediterranean policy to embrace all the above-mentioned policies and strategies. It is absolutely crucial to try to progressively develop an autonomous EU Mediterranean policy.

The main point will be to adopt a Declaration within the framework of the conclusions of a European Council and/or use Article 32 of the Lisbon Treaty (TEU) so that Member States determine a 'common approach' on a new strategic concept for the EU's Mediterranean policy. This should obviously be done at the level of the supreme political authority of the EU. Given the new institutional architecture, the President of the European Council, the High Representative (with the future EEAS), the President of the European Commission and the Commissioner in charge of the ENP and enlargement have to be involved in the preparation process.

The adoption of a new strategic concept for the EU's Mediterranean policy at this level should also be the result of a preliminary genuine debate held at European but also Euro-Mediterranean levels. Even if we are talking about defining a 'concept for the EU's Mediterranean policy' it is important to understand the main needs and expectations of the Mediterranean partners themselves. Such preparatory work should involve policymakers, diplomats, experts and representatives of civil society organi-

sations. At the level of the European debate it would be very important to associate the new Member States and their civil societies in a sense of ownership.

The adoption of a new strategic concept for the EU's Mediterranean policy should be aimed at:

- In the context of the implementation of the Lisbon Treaty: defining the new objectives and perspectives for the EU as a whole regarding its bilateral and multilateral relations with the Mediterranean Partners.
- Clarifying the coordination and the interconnections between the various policies and strategies conducted in the Mediterranean by the EU and its Member States (ENP, UfM, EMP, MEPP etc.)
- Preparing the position of the EU regarding new common goals for the next decade – along the same lines as the goal of creating a free trade area by 2010 – to be proposed to the Mediterranean Partners in clear and attractive terms. This is to be considered as the EU's 'Common Approach' *vis-à-vis* Mediterranean affairs.

RUSSIA IN EUROPE

The European Security Strategy of 2003 highlights the EU's intent 'to continue to work for closer relations with Russia, [which is] a major factor in our security and prosperity. Respect for common values will reinforce progress towards a strategic partnership.'[1] Two things are important to note here.

First, the quotation makes it clear why a strategic partnership with Russia is a desirable goal for the European Union: Russia is the biggest player in the EU's immediate neighbourhood and the Union's most important energy supplier. It plays a decisive role with regard to political, economic and societal developments in Eastern Europe and on the European continent as a whole. Therefore, a strategic partnership with Russia would, from an EU perspective, help to foster peace, stability and prosperity in Europe.

Secondly, the formation of a strategic partnership is clearly declared a future goal, not an existing reality. This is highlighted again in the Report on the Implementation of the European Security Strategy of December 2008: 'Our relations with Russia have deteriorated over the conflict in Georgia. The EU expects Russia to honour its commitments in a way that will restore the necessary confidence. Our partnership should be based on respect for common values, notably human rights, democracy, and market economic principles, as well as common interests and objectives.'[2]

Developments in the past few years have not brought the EU and Russia much closer to a strategic partnership. On the contrary, problems with launching the negotiations on the post-PCA agreement, the Russian-Georgian war in August 2008 and the gas crisis between Russia and Ukraine at the beginning of 2009 have severely strained the relationship and have damaged mutual trust.

It is, therefore, important to take a closer look at the obstacles that undermine the emergence of a strategic partnership between the EU and Russia.

At the bilateral level, the EU aims to establish a set of shared values, norms and rules as the basis for its strategic partnership with Russia. Moscow, on the other hand, insists on sovereignty and autonomy, and dismisses the transformative dimension of EU foreign policy. In crucial areas, such as energy relations, Moscow often prefers to rely on bilateral relations with individual Member States rather than the Union as a whole. These fundamentally different approaches also surface in differences between the two sides' concepts of strategic partnership. While the Union promotes the post-

1. Council of the European Union, *A Secure Europe in a Better World – The European Security Strategy*, Brussels, 12 December 2003.

2. Council of the European Union, Report on the Implementation of the European Security Strategy – *Providing Security in a Changing World*, S407/08, Brussels, 11 December 2008.

modern idea of a value-based partnership that transcends the boundary between the national and the international, the Russian view is more pragmatic, aiming at cooperation at the international level where interests coincide.

Russia and the EU approach their common neighbourhood with different, even competing models of regional governance. The Union's desire to help create a ring of well-governed states along its borders is driven by the idea of projecting EU norms and rules beyond its borders. By pursuing policies such as the European Neighbourhood Policy (ENP) and the Eastern Partnership (EaP), the EU extends the boundaries of its influence into its neighbourhood. Such an approach clashes with Moscow's perception of a sphere of (privileged) interests in which it intends to shape models and rules of governance according to its own needs.

The state of EU-Russia relations halfway through 2010 offers a mixed picture. On the one hand they have deteriorated over issues such as Georgia, energy transit and the Eastern Partnership. On the other hand, the global economic meltdown has forced Russia and the EU to think about joint efforts to resolve the crisis: this has defused some of the tensions between them and made Moscow more open to cooperation with the EU.

Over the past couple of months, a growing number of voices in Russia have been calling for the modernisation of the country's economy and political system. This gives a new twist to the Russian debate, which has been dominated by the dictum of sovereign democracy for most of the past decade. Changing discourses and growing awareness of the structural problems affecting the country's economy could provide a toehold for external actors such as the EU to promote the idea of modernisation in Russia.

The EU does not have to give up on its goal of developing a strategic partnership with Russia that is based on shared norms and rules. However, it has to devise a medium and long-term policy that enables dialogue despite the existing conceptual and political disagreements.

First, the EU should strive to cooperate with Russia on global and European security. The Russian participation in the ESDP operation in Chad and the cooperation on the anti-piracy operations in the Gulf of Aden could become a starting point for more engagement of this kind. The EU and Russia both play a crucial role for European security – of which, again, they have very different ideas and understandings. The Russian proposal for a new European security architecture is not embraced, at least in its present form, by a majority of EU Member States. Nevertheless the EU should actively engage in a dialogue with Moscow (as well as with the other capitals in the eastern neighbourhood) on the future of European security and Russia's place in that framework.

The second pillar of the EU's strategy towards Russia should focus on the common neighbourhood. Even though relations between Russia and the EU are currently im-

proving there is a risk that if disagreements over the common neighbourhood are not addressed pro-actively, they will again have a negative impact in the future. The EU cannot be compromising about its presence in its eastern neighbourhood *per se* (see the chapter on the eastern neighbourhood in this report), but should look for possibilities to improve both political and security cooperation with Russia in the region, and also to create synergies between its policies towards Russia and the Eastern Partnership countries. Moscow does not currently demonstrate strong interest in this kind of cooperation. EU policy, however, should be more forward-looking and insist on a constructive regional dimension as an integral part of bilateral EU-Russia relations.

Cooperation on modernisation should be the third pillar of the Union's policy towards Russia. The EU should actively pursue the Partnership for Modernisation that was launched at the EU-Russia summit in Rostov-on-Don in May 2010. Disagreements over the concept of modernisation should be addressed in an open dialogue aiming at a conceptual *rapprochement* in the medium and long term. Most importantly, steps should be taken that can bring tangible progress in the eyes of those involved in everyday economic and societal interaction between the EU and Russia. The removal of bureaucratic hurdles, efficient anti-corruption measures, and, above all, progress on free movement could send out important political signals and help to rebuild trust on both sides. In the end, it is those small things that will provide the basis for a future strategic partnership on the bilateral, regional and international levels.

IV. CONSISTENT UNIVERSALISM

UNIVERSALISM AND FLEXIBLE REGIONALISATION

EU foreign policy should be guided by the principle of universalism, thus based on *horizontal* policies, instruments and programmes which are predicated on the most objective assessment of circumstances. However, even in the absence of geographic priorities for external action, the EU needs to identify where and when the application of some of these horizontal tools can bear fruit. It thus needs to constantly define and adapt the specific content of its relations with each different region and country of the world. The future European External Action Service should provide continuous bottom-up analysis simultaneously to the EU institutions and Member States, which will favour common positions of the Union, as the Lisbon Treaty says, in particular with regard to matters of a 'geographical or thematic' nature. This will indeed facilitate the convergence of Member States' national interests and the emergence of a truly common foreign policy.

As a global actor, the EU has a vested interest in strengthening multilateral and thus regional cooperation across the spectrum of international relations and in contributing to the solution of conflicts and tensions beyond its borders – particularly those which are regional or potentially international in scope. A certain *regionalisation* of its global strategy is in this sense required. Proximity, in particular, is an obvious criterion for a more comprehensive engagement even in times when further EU enlargement is not contemplated, but it needs to be reconciled with efforts at enhancing sustainable global peace and sustainable development worldwide.

Basic universal solidarity

The EU needs to strike a delicate balance between genuine universalism and the prioritisation of specific geographical areas that are the focus of its attention regarding certain dimensions of external action. Prioritisation should be based on the principles of effectiveness and coherence as opposed to short-term interests. Universalism entails treating comparable situations equally while respecting priorities set by the third country concerned, in as much as they do not discriminate among segments of its population.

EU action relating to humanitarian assistance and development aid should be consistent with the Millennium Development Goals (MDG) and the Principles for Good Humanitarian Donorship or the Paris Declaration on Aid Effectiveness, as endorsed

and complemented by the European Consensus on Development (2006) and Humanitarian Aid (2008). Preferential trade treatment traditionally granted to 79 African, Caribbean and Pacific (ACP) states is currently under revision for not complying with World Trade Organisation (WTO) rules. In contrast, new democracy and development-oriented but project-based financial instruments, such as the European Instrument for Democracy and Human Rights (EIDHR) and the Instrument for Stability (IfS) are not geographically circumscribed. Moreover, new instruments may be needed to face new challenges, such as the proposed but shelved EU fund to support developing countries in their efforts to fight climate change. Legitimacy of these financial instruments nevertheless depends on fulfilling committed Official Development Aid thresholds. A more intensive and coherent use of other cooperation tools, such us technology transfer, is thus imperative.

As regards the existing instruments, fragmentation remains the main cause of the lack of effectiveness of EU performance, entailing the needless waste of those ever-scarce resources that are devoted to covering basic human needs worldwide. The Treaty of Lisbon represents a missed opportunity in this sense. The EU and its Member States enjoy 'shared parallel competences' in development and humanitarian aid whereas effectively implementing the abovementioned consensus should in fact do away with the margin of appreciation of donors – if needs were objectively assessed, why then should EU aid be 'autonomous' from that of Member States? The challenge of coherence in line with the European Consensus certainly calls for the establishment of a Common Development and Humanitarian Policy at least at the practical level. A non-rhetorical emphasis on peacebuilding, particularly through the UN, has been called for elsewhere in this report.

Influence and opportunity

EU action beyond the abovementioned differentiated treatment should be flexible and adapted to the needs and requests of each particular region and/or country in the world, as well as rooted in EU values and long-term interests. Creativity and motivation to find adequate non-economic incentives but also sanctions that do not impose an extra burden on the affected population, and are preferably enacted through the relevant international organisations, are indispensable. It is on the other hand unacceptable that Member States' different perceptions and interests can weaken EU political dialogue with third countries and jeopardise the implementation of common positions, a possibility which calls for the establishment of internal transparency and accountability mechanisms.

There is no major impediment to concentrating political and diplomatic efforts in certain regions on specific areas of cooperation in cases where the action of the Union can make a difference. In fact, the EU frequently projects its influence by promoting regionalism both directly and indirectly, Mercosul-Mercosur being to date the

regional construct most clearly inspired by the EU model. Africa has been a constant priority for the EU in a conflict-prevention and peacekeeping perspective (hence the establishment of the African Peace Facility) with a focus on developing indigenous capacities. However, the EU should commit more efforts to Africa with regard to other acute security-related challenges such as the exploitation of natural resources and, more broadly, the impact that business and trade have on peace and development. As regards Latin America, local efforts, including the consolidation of democratic processes and regional initiatives, still lack adequate backing, while complementarities between EU and Latin American countries beyond economic and trade relations, i.e. in the sphere of international crisis management, still deserve thoughtful exploration. New challenges also demand intensifying activities in certain areas: considering the energy dilemma of guaranteeing supplies while limiting CO_2 emissions, but also in view of the influence that the EU has on some of the most acute conflicts of today, closer political engagement with the Gulf region needs to be pursued.

Last but not least, EU action should deliberately be concentrated in those areas of the world which are of international concern, especially where a volatile situation potentially threatens international or regional security. A responsible global actor needs to be actively present where local and regional developments have a potential global impact. Iran and North Korea are obvious cases in point, since their non-transparent nuclear policies represent a global threat, but Iraq and Afghanistan also come to mind, particularly considering the need to reverse the adverse consequences in the region of the US-led military intervention. This constitutes an opportunity in terms of developing new tools and approaches, which should not abrogate the principle of universality.

In these scenarios of global concern, the EU should aim to offer distinctive contributions which can actually have a positive impact in a given situation while preserving and enhancing the UN's overall leadership – i.e. on Security Sector Reform or conflict mediation along different tracks. The Union cannot be effective without developing specific tools and expertise on certain dimensions of crisis management and peace-building but it will not be multilateral unless its actions are less and less 'autonomous' and favour *interoperability* at both the civilian and political levels.

THE MIDDLE EAST: PROJECTING A DISTINCTIVE AND CREDIBLE VOICE

The stagnant Middle East Peace Process has represented a significant test of the EU's ability to effectively combine multilateral and bilateral conflict-resolution strategies towards the Arab-Israeli conflict. The EU has invested heavily in the implementation of peace initiatives driven by other actors, in particular the US. In that sense criticism of the EU as a 'payer but not a player' is overly simplistic. The EU has not only been a 'payer' but a substantial '*team player*,' underwriting processes largely formulated and agreed upon by others. It is often suggested that this role, which might aptly be dubbed that of 'team payer,' has suited Europeans well, with EU intergovernmental decision-making, divergences among Member States and historical responsibilities regarded as disqualifying them from a more hands-on role as lead negotiator or broker in the conflict. Yet such a reading of the scope of the EU's potential role, apart from feeding into a problematic myth of European insignificance, suffers from a disproportionate focus on money and mediation at the expense of other factors.

In actual fact, the role of third parties in helping frame the political agenda and shape the situation on the ground is undeniable. For example, the EU has inadvertently played more of a role, and a multilateral one at that, in the disintegration of the Palestinian body politic than policymakers might like to admit. The myth of European insignificance is a dangerous indulgence given that the EU is already deeply embedded in a particular strategy towards the conflict, which has assumed a 'West Bank first' experimental nature. The EU cannot afford, either literally or politically, to underwrite processes in which it has no strategic voice.

This has not escaped the attention of EU decision-makers. Alongside the apparent tendency to wait for momentum from Washington DC, European policymakers have explored various means for magnifying their voice in the framing of overall strategy towards the conflict. The establishment of the Middle East Quartet in 2002 was perhaps the most structured step in this direction. However, the Quartet came under criticism as a 'flimsy framework of ritual and tradition'[1] at worst and a 'gilded cage' at best. Some suggest recent developments illustrate that the EU can play a more meaningful strategic role. However it remains to be seen whether an almost decade-long pattern whereby EU room for strategic manoeuvre is constrained even further by its membership of the Quartet can be broken.

A long-standing, admittedly very subtle, trend provides the backdrop to such efforts. In formulating and fine-tuning the EU's position, Europeans have influenced the conflict resolution agenda by articulating, formalising and, at times, pioneering shifting norms and objectives regarding the conflict. These positions, while often criticised for falling short of a detailed unified EU strategy to end the conflict, draw

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1. Alvaro de Soto, United Nations Special Coordinator for the Middle East Peace Process, End of Mission Report, May 2007.

our attention to ways in which the EU can play on its strengths rather than dwell on its inherent weaknesses. The Lisbon Treaty implementation process offers an opportune moment for such exploration.

First, relations with the US are clearly crucial to the EU's role in the conflict. The EU can only be an effective partner if it is aware of US strategy and tactics. While it is understandable in a delicate peace-making context that Europeans might sometimes learn of US initiatives through the conflicting parties rather than directly through their American counterparts, a regular pattern suggests a systemic communication problem. While a number of factors are at play, the multiplicity of European interlocutors undoubtedly complicates interaction. In this respect the implementation of the Lisbon Treaty offers an opportunity, but only if it results in streamlined efficient entry-points into the EU machinery for partners and parties.

Second, the question of the EU's leverage *vis-à-vis* the parties is related to the complicated question of whether conditionality works – with past experience not boding well. Thus rather than fixating on a supposed lack of leverage *vis-à-vis* the parties and other players, it is worth exploring how the EU can build up its credibility as a distinct actor with its own interests, expectations and obligations. A substantial stock of credibility is a basic prerequisite for any significant EU third party role in the event of a peace deal. The EU's international and internal legal obligations should be used as a resource to present a more consistent and firmer stance to all parties across issue areas, from Israeli settlements to Palestinian rule of law.

This firmness is required not simply, or really, because it might affect the behaviour of Palestinians, Israelis and other third parties, but because it is only through consistent commitment to human rights, rule of law, and the duty of non-recognition of legal violations that the EU can start to establish its credibility. The implementation of the Lisbon Treaty promises a pooling of foreign policy capacities, in particular technical expertise and instruments and diplomatic know-how and back-up. This could greatly facilitate a more credible EU approach, but only if there is political will among Member States to provide the necessary political cover for holding firm on its principles and obligations.

Finally, EU policymakers are extremely well-placed to think 'out of the box' on crafting adequately multilateral conflict-resolution mechanisms. There are obvious drawbacks to envisaging the Quartet as a representative of the 'international community'. The UN's status within the Quartet is problematic, as is the way in which its different organs have come to be identified with different camps of the conflict. Furthermore, regional players from Saudia Arabia to Turkey, from Iran to Egypt, are clearly not integrated into a meaningful multilateral framework at present. While in a period in which breakthrough among the parties looks unlikely, and tensions over WMDs in the region have reached new heights, it might seem frivolous to discuss how regional players might be drawn into a multilateral drive for peace. In fact, the most fundamental challenge the region faces is one of converting regional insecurities, recogni-

tion issues and rivalries into momentum for problem-solving and lasting peace for all peoples in the region.

The EU is in a unique position to proactively lend vision to developing innovative strategies and mechanisms for bringing regional players into conflict-resolution efforts. The Quartet or the Arab Peace Initiative might present starting points, but the complexities of the region probably require a more radical format. Both humanitarian and long-term political and security considerations point to the overriding urgency of a regional compact for Gaza. All concerned actors, including the EU, share varying levels of responsibility for the humanitarian, political and socio-economic disaster in the Gaza Strip. The priority must be to end Israeli collective punishment of the Gazan population. Subsequently, the political process will require confidence-building measures to be undertaken, in particular to resolve the impasse over the release of Palestinian prisoners and Israeli soldier Gilad Shalit. Decisive action on these fronts must be accompanied by sustained and determined support for the establishment of a representative Palestinian Authority government exercising coordinated control over both the West Bank and Gaza Strip, and a diplomatic process that draws Hamas into peace efforts on the basis of reciprocal region-wide commitment to non-violence.

IRAN: MULTI-LEVEL ENGAGEMENT

The ongoing unrest and turmoil following the controversial presidential elections in June 2009 show, yet again, that the course of domestic politics in Iran is too volatile to be easily predicted. The primary focus in Europe and the US when dealing with Iran has been on the nuclear issue, demanding greater transparency from the Iranian government with regard to its nuclear technology programme.

The question is to what extent the present course of EU policy *vis-à-vis* Iran is productive and what other alternatives exist. The present strategy consists of the so-called dual track approach. This entails pursuing sanctions against Iran for its violations of the Non-Proliferation Treaty while trying to engage the country diplomatically. This approach has so far produced three Security Council resolutions admonishing, threatening and sanctioning Iran on its less-than-perfect track record in complying with IAEA demands. These sanctions have at best slowed down parts of Iran's nuclear programme but have not changed the impetus driving it and hence not diminished Iran's motivation to continue.

There is, however, an inherent dynamic in ineffective sanctions where the sanctioning party is tempted to insist on further sanctions thus undermining its own credibility (i.e. highlighting the fact that sanctions do not yield the desired result) or feels compelled to up the ante (whereby sanctions become a form of warfare). This dynamic is at work in the case of Iran in particular as the ostensible reason for the UNSC sanctions regime is the international community's suspicion that Iran is pursuing a nuclear weapons programme.

For both the EU and the US the nuclear issue remains in the spotlight regardless of domestic developments. This approach, based on the assumption of the urgency of stopping Iran from achieving the eventual goal of acquiring nuclear weapons (the so-called 'nuclear clock') has been called into question by the repercussions of the presidential election debacle.

The notion of a 'nuclear clock' is deceptive in the sense that it conveys the idea of an inexorable linear progression toward a stated and apocalyptic end goal. Thus ominous deadlines can be calculated based on the assumption of Iranian military nuclear ambitions moving steadily towards realisation. But the West's apprehensions are not fully borne out by the actual experience and information that we have on Iran's nuclear programme. Most likely political ambition as well as difficulties in acquiring and mastering nuclear technology have played a role in determining the uneven pace at which the programme has advanced. In short, the programme has so far not been conducted with the urgency that one might expect to characterise a programme intended solely for achieving weaponisation. Thus the nuclear clock is not ticking away inexorably but is powered by the ambitions of the Iranian ruling elite on the one hand, and on the other hand constrained by technological snags and difficulties.

As things stand today Tehran has mastered the fuel cycle and acquired the capability to enrich uranium, thus a fully satisfactory (from a Western perspective) reversal of Iranian nuclear policy seems highly unlikely. Iran is most probably aiming for a position of nuclear ambivalence (similar to Israel's) where it is not breaching the letter of the NPT by 'breaking out' as a declared nuclear weapon state while simultaneously not being adequately forthcoming in dispelling fears of weaponisation.

The second track in the dual-track approach, that of diplomatic engagement and dialogue, has stalled repeatedly for several reasons: lack of coordination between the US and the EU, lack of EU focus and persistence, and most importantly Iranian intransigence, recently exacerbated by the domestic political turmoil following the elections in June 2009.

There is a strategic imbalance between the two tracks. The nuclear pressure track is both more concrete politically and intrinsically technical in nature (which at times makes the issue seem deceptively simple). It reflects the traditional understanding of the primacy of hard power and never fails to grab the headlines. The 'other' track, in all senses of the word, is characterised by a lumping together of all kinds of issues where both pressure and engagement are relevant. Its nebulous nature makes defining and gauging progress much more difficult. Its various elements need to be clearly identified and separated in order to form the basis of a multi-pronged approach under the general rubric of engagement. It is also necessary to understand that this engagement is not unconditional nor without pitfalls. It does not preclude pressure, something that is absolutely necessary in, for instance, a discussion on Iran's human rights record and treatment of its citizens.

The Iranian government continues to imprison intellectuals, journalists and politicians and has executed a number of protestors (real or imagined) on rather flimsy evidence on charges of alleged sedition and terrorism. Inside Iran the issue of governance and human rights has much greater resonance and traction than the nuclear issue.

In the long run, the integration of Iran into a security framework for the region is the only viable option for convincing Tehran that there is no need for continuing down this path of eventual nuclear weaponisation. Such a regional approach would need to originate from the neighbourhood itself. While the US and the EU could play vital roles in such an approach (and here the European Union with its initiatives and experience would be particularly well suited to participate), ultimately the problem can only be resolved by the active engagement of local actors.

In this environment the EU's main task should be to maintain and enhance lines of communication, and help establish a new framework for political dialogue and negotiations in the region with Iran explicitly involved and engaged. These everyday contacts and exchanges, varying from low to high-level, can go a long way towards

establishing a less charged atmosphere and also towards bringing Iran on board with regard to developments in Iraq. The aim is of course not regime change as much as regime reconciliation, both domestically and externally. In this regard it would be very instructive and beneficial to draw on European experiences in the context of the OSCE, the Helsinki committee and similar institutional forums during the Cold War.

Furthermore, from a human rights perspective, engaging Iran, critiquing its human rights record and insisting on transparent communications and exchanges (academic, political etc) is the best way to help Iran honour its commitments to international treaties on human rights in general and individual rights and liberties in particular.

In order to make any substantial headway the European Union needs to differentiate the dual-track approach and adopt a much more long-term strategy in its ambition to curb Iran's nuclear programme as well as re-engage and re-integrate Iran in the region. There exists a possibility of charting a middle road between Turkey's zero problem policy and the US's hesitant and constrained diplomatic approach. The European Union's engagement with Iran needs to be bold both in breadth and in depth. For engagement to be successful it must be persistent and hard-nosed, based on dialogue with individuals and groups at all levels of the political and societal spectrum.

This strategy furthermore needs to show concretely that engagement is not premised on turning a deaf ear to the legitimate domestic opposition, and that the European Union will remain a safe haven for human rights activists and opposition figures renouncing violence.

AFRICA: STRATEGIES AND PARTNERSHIPS

FOR LONG-TERM DEVELOPMENT

The post-Lisbon context in Africa is characterised by three general trends in the EU's external action. First, institutional uncertainty offers as many opportunities as risks for the coherence of EU external action and in this regard the issue of the EU's political representation will be key in the future. Second, some Member States tend to increasingly prefer to pursue an autonomous approach and they seem to be against any shift towards the delegation of leadership from the national to the European level of foreign policy-making. Third, external action budgets are being reduced as a consequence of the financial crisis. Against this background, what will the entry into force of the Lisbon Treaty mean for Africa and what should the EU's priorities be in its dealings with that continent?

The EU in its post-Lisbon incarnation is potentially able to radically transform the nature of its relations with the African continent – on condition that Member States decide to invest more systematically in EU policies and instruments. This could be achieved by reforming the way in which the EU is represented in various political bodies and forums, by a reassessment of the role of development policies *vis-à-vis* foreign policy and the search for (because of significant budget cuts in Overseas Development Aid) new partnerships with the private sector and non-state actors (in particular, diaspora communities).

EU foreign policy strategies, tailored to local, national and regional contexts, will have to be formulated through more systematic joint programming and political analysis. Member States and the European External Action Service (EEAS) will have to find the right balance between strengthened strategic political cooperation with regional heavyweights (e.g. Nigeria, South Africa, DRC, Angola, Libya, Algeria, Egypt to name but a few) and support to continental and (sub)regional organisations. At the level of RECs (Regional Economic Communities) and of the African Union, the EU will also have to reconsider the way in which it is currently represented. CSDP missions in their various dimensions (civilian and military crisis management, support to security sector reform) will have to be deployed in a comprehensive, conflict-sensitive and culturally-aware manner according to existing guidelines (local ownership and democratic principles). In global multilateral arenas dealing with Africa, one remaining challenge will be to avoid multiple and thus counter-productive representation. The restructuring of Europe's political representation in Africa will take place with the transformation of European Commission delegations into EU delegations at country level. The Member States and EU institutions will need to agree on modalities governing the division of political labour on the continent. As for diplomatic negotiation and mediation, one test-case will be the readiness of Member States to reduce the number of their national special envoys and to advocate more systematically the appointment of EU Special Representatives.

The EU's primary foreign policy objective in sub-Saharan Africa will be to implement existing coherence commitments already expressed in a myriad of strategic documents. Efforts to ensure better implementation will materialise when the next aid programming phase (2013-2020) gets underway. Although the EU has expressed strong support to 'policy coherence for development' and adopted its 'code of conduct on the division of labour for aid effectiveness', there is still a long way to go before these concepts are fully understood, accepted and applied by Member States. In particular, available literature points at glaring contradictions between poverty alleviation and trade policies, with the Economic Partnership Agreements negotiations being a case in point (despite EU aid for trade assistance and special efforts on food security). Whether these contradictions will be seriously addressed in the post-Lisbon phase remains to be seen. Upcoming institutional uncertainty and the danger of a power vacuum in Brussels may mean that experienced EU staff working in the field will have scope to take initiatives and to exert a more tangible influence on the EU's foreign policy stance, thus empowering – at least temporarily – the EU's in-country presence in Africa. The EAS will also have potentially more political clout than the European Commission's DG Development to pursue a more balanced approach in closer coordination with trade and agriculture communities.

EU aid commitments to the realisation of the Millennium Development Goals (MDGs) need to be implemented to ensure the EU's credibility in the developing world. However, they are currently under threat because budget cuts induced by the financial crisis will probably continue (with domestic financial challenges becoming the utmost priority). If aid decreases, it could be expected that some Member States' development policies, especially in 'aid-orphan' countries, will be increasingly managed at EU level. An alternative scenario, however, could be to have a limited number of Member States (especially some who are already rather powerful in certain countries or regions) deciding to strengthen their national development policies to back up their national security or economic interests. This approach will obviously not favour the implementation of the EU code of conduct on division of labour, nor the EU's aid effectiveness in general.

Finally, and this trend has already begun, the EU and its Member States should increasingly be looking for new partners and additional financial resources in Africa to fill expected gaps in their development policy budgets. In the last few years, the role of non-state actors, and African diaspora communities in particular, has been explored by EU institutions and this should be continued. Co-funding with private foundations and sponsors, often associated with multinational companies' investments, will probably become part of a lasting 'ODA+' approach reflecting the financial constraints faced by EU states. Opening up partnerships with non-state actors will help strengthen existing efforts to promote democracy and human rights (including economic and social ones) in cooperation with African governments. Partnerships with investors in post-conflict contexts, long-term commitments with international (increasingly from global powers like China, India and Brazil) and African private donors and *ad-hoc* fund-

raising could also become more likely if the impact of the economic crisis proves to be severe and lasting.

In this context, the EU should focus on three priorities: (i) developing joint EU political strategies in Africa in partnership with leading countries but not at the expense of regional organisations; (ii) defining coherent approaches for 2013-2020, reconciling long-term poverty alleviation objectives with common foreign policy goals, and (iii) seeking long-term innovative partnerships with the private sector, non-state actors and global powers.

AFGHANISTAN AND PAKISTAN: MAKING THE CIVILIAN APPROACH WORK

The need to protect civilians as an alternative to searching for and killing enemies is the core principle of the strategy devised by General McChrystal, the current commander of both ISAF and US troops in Afghanistan. The principle is, however, proving very difficult to apply in practice. In spite of the strict guidance for revising the conduct of operations that he issued on 1 July 2009, civilian deaths caused by ISAF and US forces are still all too frequent. Since McChrystal believes that the previous strategy was in fact fuelling the insurgency precisely for that reason, NATO's calculation of some 50 percent reduction in casualties is unacceptable even from a pragmatic standpoint. Also, the need that some may still feel to proclaim 'victories' (even symbolic and more than likely temporary ones, as in Marjah) attributable to the US troop surge further narrows the political margin of manoeuvre of President Karzai in his efforts towards reconciliation with Taliban leaders – a strategy that was endorsed by the international community in London in January 2010. Local resistance movements and insurgencies are inherently resilient, and are generally made stronger by – particularly foreign – military operations, whereas associated terrorist attacks by suicide bombers cannot be prevented whatever the size of foreign and local armed forces.

There is thus a profound disconnect between ongoing counterinsurgency operations and political strategies announced in Afghanistan, which is mostly due to the fact that overwhelming military leadership of the international response seems inadequate for achieving a local non-military solution to the conflict. Not even the most accurate assessment will translate into the required operational and cultural transformation of ISAF unless a new international civilian leadership is established, to which the necessary military presence should be fully subordinated. However, the considerable increase in US resources over the last year has in fact led to a yet higher degree of *de facto* unilateralism; the unified command of the US (CSTC-A) and ISAF troops can only be in the hands of an American General. The January 2010 US *Afghanistan and Pakistan Regional Stabilization Strategy*, although well intended, does not represent a shift to truly multilateral action, the UN only being mentioned in passing a couple of times in a 30-page long document.

Moreover, the 'undesirable' consequences of a previous fundamentally misconceived and self-defeating strategy applied in Afghanistan may also be replicated along the Federally Administered Tribal Areas (FATA) in Pakistan, where US drone planes not subject to the command of McChrystal are dropping bombs on civilian villages and the Pakistani army is being urged to undertake intensive military operations against suspected Taliban insurgents. The US pledge to triple development aid cannot make amends for the devastating humanitarian and political consequences of these military operations, including radicalisation of the affected population. The fact is, however, that there is no national structure in place, and no plans have been advanced for creating international ones – not even military ones – to ensure protection for the local

population and to monitor the situation. In this context, the EU Council has urged Pakistan to 'meet its obligations to protect the civilian population'.[1]

What can the EU do? After nearly a decade of practically all EU Member States being present in Afghanistan in some form or other, during which time troop contributions have tripled and a total of over €8 billion has been spent in funding, the EU can at least draw a few fundamental lessons for this and future operations.

First, EU countries should be willing and able to find effective common ground in spite of the difficulties at the outset of any crisis with potential global implications. The fact that the EU Council endorsed an EU *Action Plan for Afghanistan and Pakistan* in October 2009 retrospectively shows how much more useful it would have been to reach consensus some eight years before. The premises of the Action Plan – rule of law, rural development, promoting sub-national governance – would have at least offered an alternative course of action to a misguided strategy. The EU has seen that US unilaterally-driven international operations can effectively prevent its Member States reaching common positions, which in turn weakens its credibility as an international actor. The need to forge political consensus in line with the values proclaimed in the Treaty of Lisbon is imperative as a basic contribution to effective multilateralism, which in fact calls for a *depolitisation* of assessments on the basis of which political decisions are taken (see the chapter on international peace in this report) as well as for some form of accountability at the EU level.

Second, the EU as a primarily civilian actor has little clout in the midst of prominently military and military-led operations. Incipient efforts of the EU towards ensuring an adequate balance between the military and the civilian dimensions of international operations, including by the establishment of a unified civilian chain of command, would have better served the axiom that there is no military solution to Afghanistan. The truth seems to be, though, that there is no military-led political solution to Afghanistan. The EU should thus contribute to the strengthening of the UN and particularly the UN model of intervention, which entails full subordination of the military components – including coalitions or NATO forces where they are needed to protect international action – to an international civilian authority. Moreover, as a result of January 2010 international meetings in Istanbul and London in order to reverse a self-defeating trend in Afghanistan, with a focus on reconciliation and reintegration of rank-and-file insurgents, and considering the announcement of President Obama that troops will initiate withdrawal in July 2010, it seems that the whole operation needs to evolve towards a UN-type peacekeeping strategy envisaging a power-sharing agreement. Recurrent accusations that the UN is being weak are not only counterproductive but also unfair. Only states provide the UN with, or deny it, the necessary means to perform its mandate.

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1. See *Strengthening EU Action in Afghanistan and Pakistan*, Council Conclusions, 2971st External Relations Council meeting, Luxembourg, 27 October 2009.

Third, even if there was a chance for establishing a multilateral civilian leadership in Afghanistan, the EU is not in a position to play a significant role. With the aim to make a distinctive contribution that helps protect civilians and favours reconciliation within the UN framework, the EU should think of launching and reshaping its presence on at least two fronts. On the one hand, EUPOL-Afghanistan, the police training mission of the EU, while a step in the right direction, still does not go far enough. The fact that NATO is currently staffing the training mission for the Afghan army and police established at the Strasbourg-Kelh Summit with a double-hatted military command for US and ISAF human resources further militarises the international leadership and chain of command of the whole Afghan operation and thus marginalises EUPOL-Afghanistan. It is urgent, but extremely difficult under the circumstances, that the EU finds a distinctive profile for its mission, although the fact that EU Member States are channeling relevant contributions through NATO or even bilaterally shows that they have little faith in the concept of civilian police advanced by the mission. Would the EU be better advised to concentrate on training Afghan civil servants? On the other hand, it would have been preferable if the EU had provided the funding and framework necessary to set up the peace *jirga* proposed by President Karzai – which finally took place in early June – as well as the local reconciliation processes that should follow on in order for the initiative to bear fruit. The relative neutrality of the EU as such, which derives from its low political and military profile on the ground, should at least have allowed it to take part in renewed talks with the Taliban along with Turkey and Saudi Arabia: is there still time for this to happen? Likewise, the EU should be able to play a supportive role in the Indo-Pakistani talks that have just resumed as well as in the launching of a track one 'Trialogue' that should also include Afghanistan.

Reconciliation cannot be a justification for mounting military action that has proved counterproductive for stabilising Afghanistan. It should be clear by now that peace and reconciliation, and even less so nation-building, cannot be imposed by military force or dictate from outside. The EU has not made full use of its mechanisms and resources to significantly contribute to the stabilisation of Afghanistan, while Member States subscribed to the predominantly military approach requested by the US, but both the EU institutions and Member States should aim now to make a distinctive civilian contribution within the framework of the UN integrated operation. To the broader and crucial question of what happens next after the eventual withdrawal of the US military, the EU can only advocate genuine UN leadership, which may entail a restructuring of the United Nations Assistance Mission in Afghanistan (UNAMA) and will surely entail providing it with resources which are commensurate to its mandate.

V. GIVING SUBSTANCE TO THE STRATEGIC PARTNERSHIPS

EU STRATEGIC PARTNERSHIPS

The European Security Strategy (ESS) committed the EU to the pursuit of its foreign policy goals through 'multilateral cooperation in international organisations and through partnerships with key actors'. The latter have since come to be referred to as strategic partners, which are identified in the ESS as the US, Russia, Japan, China, Canada and India. In recent years the EU has added Brazil and South Africa to the ranks of its strategic partners.

According to the vision outlined in the ESS, the EU's strategic partnerships are divided into three categories. The relationship with the United States is described in the ESS, the EU's strategic partnerships as 'irreplaceable' and the value of the EU and the US 'acting together' is strongly underlined throughout the document. It is interesting that the importance of transatlantic relations is emphasised so strongly in the document when one considers that it was adopted in 2003 in the midst of the Iraq crisis, which marked the lowest point in EU-US relations since the end of the Second World War. During George W. Bush's second presidency (2004-2008), an unspectacular, albeit steady, improvement in transatlantic relations took place. The subsequent election of Barack Obama led to a complete turnaround in the attitude of European public opinion towards the US, which has also translated into EU governments' willingness to cooperate closely with Washington. Most importantly here, while the fluctuations of domestic public opinion in Europe and the US matter, EU-US relations are based on firm structural foundations, the bonds of NATO, the transatlantic economic partnership and cultural affinities, which all combine to make this relationship unique and truly strategic.

The second relationship that is singled out in the ESS is the EU's relationship with Russia. The ESS calls for closer relations with Russia, which is described as 'a major factor in our security and prosperity'. The third category is a group of countries – Japan, Canada, China and India – with which the EU has sought to develop strategic relationships. Since the adoption of the ESS, the EU has signed strategic partnership documents with these countries as well as with Brazil and South Africa.

In its partnerships policy the EU aspires to move beyond bilateralism and endow its strategic partnerships with multilateral dimensions by incorporating global issues into the agendas of its summits. The EU also aims to promote the notion of responsible powers, whereby it expects that its recognition of the emerging powers' enhanced status will act as an incentive for them to take a larger share of responsibility for the maintenance of global peace and security.

Three structural questions need to be mentioned here in the context of the EU's pursuit of strategic partnerships. These are: (i) the relationship between the pursuit of multilateralism and privileged partnerships; (ii) the EU's ability to act as a global political actor; (iii) the effectiveness of strategic partnerships.

Multilateralism versus strategic partnerships

Arguably, there is an inherent tension between the pursuit of multilateralism, which implies that all states are equal in the eyes of international law, and the formation of partnerships with a select group of the most powerful states. On the other hand, it is often argued that there is no contradiction between both approaches, but that they are in fact intimately interlinked. According to this view, multilateralism will never be effective if it is ignored by the major powers and it is the responsibility of the EU to involve all the states that can make a difference – which means powerful ones – in this context. Strategic partnerships should therefore be seen as an instrument designed to foster the promotion of 'effective multilateralism'.

While it is difficult to question the logic of this argument it is also true that some issues remain problematic in this context. China, Russia and India are all questionable partners who have a different perspective on multilateralism from that of the EU: for them, multilateralism is essentially a way of balancing power. They are all sovereigntist and deeply committed to the principles of non-interference. In many respects these powers are not just lukewarm on effective multilateralism but – as in fact was also the case with the US during the Bush administration – they constitute major obstacles to the pursuit of effective multilateralism. Even more problematic is the impact that prioritising relations with the big powers will have on regional integration. The emergence of regional hegemons is one of the reasons why, beyond the EU, regional integration has progressed so little in recent years. Is the EU, which has been traditionally supportive of regional integration, sending the right signals to MERCOSUR, the Association of Southeast Asian Nations (ASEAN), the Commonwealth of Independent States (CIS) and the African Union (AU) by prioritising relations with regional hegemons?

The EU as a global political actor

Completing strategic partnerships with major powers is in many respects another indication of the EU's evolution into a fully-fledged political actor. But is the EU prepared and institutionally equipped to act in this capacity? The EU has already demonstrated on numerous occasions that it can speak with one voice and often be effective in the context of trade negotiations or other economic affairs. As far as foreign policy is concerned, the picture however is less rosy. Relations with 'strategic partners' are in fact often among the major sources of divisions within the EU. In

particular, the EU is divided *vis-à-vis* Russia, with some states pursuing closer integration with Moscow and some defining their foreign policy on the basis of their fear of Russia. The biggest EU Member States more often than not pursue their own bilateral agendas *vis-à-vis* major powers or in the context of multilateral negotiations.

It remains to be seen if the Lisbon Treaty succeeds in fostering the coherence of EU foreign policy, including with regard to the 'strategic partners'. The creation of the European External Action Service (EEAS) should have major implications in this context.

How effective are strategic partnerships?

Have the partnerships been effective in promoting the EU's worldview and its interests? The answer to this depends on how ambitious are the goals that we set for the EU. If the goal has been to turn the EU into the hub of an international coalition promoting a multilateral solution to the world's problems then the answer is negative. For example, the outcome of the Copenhagen conference on climate change was determined by the EU's strategic partners (the US and major developing nations) minus the EU itself. The EU did not exert a decisive influence in this instance. But this does not mean that strategic partnerships always fail to deliver. For example, the EU's dialogue with China had an impact on the adoption of greener technology targets by Beijing. The EU is not a superpower and it is unrealistic to expect that it could be cast in the role of chief facilitator. But perhaps it is through smaller, more gradual steps and the development of bilateral relations, and giving these a multilateral dimension, that the EU can make a difference.

THE UNITED STATES

The European Union and the United States form the strongest partnership in the world. Both the EU and the US are very much alike, their economies are closely connected and their security perceptions, although not identical, are very similar. No other political partnership in the world is as intimate, as enduring and as effective. The combined efforts of the transatlantic partners may no longer be sufficient to shape international relations, discipline the rogue states and other actors that both the EU and the US consider to be threats to their security or to define the balance of power in global institutions. However, a transatlantic consensus remains a basic precondition for an effective international coalition in most cases. Nowhere else was this more obvious than in relation to Iraq – in 1990 when the EU and the US agreed on military intervention and in 2003 when they did not. The results are well known.

Until recently transatlantic relations were mostly concerned with Europe's security. This changed after 9/11. Ensuring that Europe is 'whole and free' remains an important consideration in America's foreign policy and by extension an important aspect of the EU-US relationship, but it is no longer the most important one. Russia, post-Soviet states and energy security are of course still very significant for the US and even more so for the EU. However, the issues that have topped the EU-US agenda for some time now concern either other regions such as Afghanistan/Pakistan, Iran and the Middle East or global questions such as economic governance, climate change and non-proliferation.

Since the election of Barack Obama, the US and the EU mostly agree on what needs to be done. But in reality their cooperation is imperfect, and while they have similar interests, they often pursue disparate and uncoordinated agendas. One of the main reasons for this is the underlying institutional weakness of the relationship. Military cooperation is hindered by unresolved issues in EU-NATO relations. In reality this relationship has become largely dysfunctional and will not improve until institutional problems are ironed out and Turkey's concerns are accommodated. The relationship between the EU and the US is not dysfunctional but it badly needs to be backed by proper structures, not more annual summits.

Three approaches must be pursued in order to capitalise on this partnership.

Firstly, the US must work with the EU as the whole and not with individual Member States that happen to agree with it more on one particular issue than on others. During the Bush presidency, the US exploited divisions among the Europeans to garner the support it needed for the war in Iraq. In the short term this strategy delivered some support from individual EU Member States but it weakened the EU overall as a foreign policy actor. In many respects the EU has still not fully recovered from this crisis. By weakening the EU the Bush administration antagonised many Europeans and in the end it weakened itself.

It is important that the current administration returns to the traditional American position of support for European integration, including in the foreign policy arena. The creation of the Transatlantic Political Council could be seen as an extremely valuable initiative in this context. There is no doubt that, if established and centred on the meetings between US State Secretary and the High Representative of the Union for Foreign Affairs and Security Policy, the Council would provide a real boost to the position of the EU foreign policy chief. Here is an opportunity for the US to prove that it is in earnest when it says that it supports a stronger Europe.

Second, the Europeans and the Americans must renew their support for NATO and resolve the damaging dispute between NATO and the EU. In order to perform effectively as a security actor, the EU needs to be endowed with a civilian-military HQ. The US seems to have muted its past objections on the issue but it would help if it used its leverage inside the EU to support this policy. The EU and NATO need to complement the Berlin Plus arrangement with a more functional agreement that takes into account the EU's ambitions as an autonomous security and defence actor. In order to achieve that, the EU must be more accommodating of Turkey's desire for inclusion, especially in the context of the European Defence Agency and more broadly the CSDP. Both the EU and the US should work more intensively on finding a solution to the Cyprus issue.

While NATO would remain the central forum for the conduct of transatlantic defence relations, it is clear that the importance of bilateral EU-US ties is growing including in the field of security, which calls for a structured security arrangement between the US and the EU.

Thirdly, transatlantic cooperation should become more inclusive and take into account the diminished role of the West in the world. The US seems to have adapted better than the EU to the changing reality of the new global order. Few in Europe accept that the EU is over-represented in global bodies, such as the IMF, World Bank, UN Security Council or even the G20. The US should make a greater effort in consulting with the Europeans about its global initiatives. A vast majority of the Europeans agree with the principles outlined in the Prague and Cairo speeches or the Russia reset policy, but their perception of these initiatives and policies has been adversely affected due to the US's lack of consultation with them. This was particularly apparent during the Copenhagen conference, which left a bitter aftertaste for the Europeans.

During the Cold War and the 1990s the strength of the transatlantic alliance derived from common values, an ability to adapt to varied circumstances and an inclusive attitude. Today we are facing a very different world with different threats and challenges but the same recipe for success remains valid.

CHINA

Today, China is one of the EU's major strategic partners. As part of the partnership there are regular political, trade and economic dialogue meetings, as well as around 24 sectoral dialogues and agreements on issues ranging from environmental protection and industrial policy to culture and education. To reflect the depth and breadth of the EU-China strategic partnership, negotiations began in 2007 on a Partnership and Cooperation Agreement.

How effective has this strategic partnership been? The picture is far from being clear-cut and it depends on the way EU and Chinese policymakers perceive the meaning and objectives of their relationship. With regard to the EU, the strategic partnership with Beijing aims to: (i) promote economic and business opportunities in the Chinese market; (ii) support China's transition to an open society based on the rule of law and respect for human rights; (iii) encourage the ongoing integration of the country into the world economy and trading system and support the process of economic and social reforms; (iv) foster the emergence of the EU as a global actor by enrolling China in the promotion of 'effective multilateralism'.

The promotion of economic and business opportunities in the Chinese market has been largely successful. Yet European companies still encounter problems in accessing specific sectors. Today, China is the EU's second largest trade partner and the EU is China's largest trade partner. The EU's sectoral dialogues have proved to be an effective instrument in support of China's reform process, in particular on issues of a technical and regulatory nature. While economic and financial reforms advance, there seems to be little progress in the realm of human rights, judicial and legal affairs and this frustrates EU efforts to bring about domestic change in these areas.

The EU has succeeded in establishing dialogue mechanisms and collaboration with China on key regional and global issues. A notable example is the trilateral cooperation between the EU, Africa and China in areas such as migration, terrorism and development. China's Africa policy aims to acquire natural resources, open new markets for Chinese goods and enhance Beijing's global political influence. The trilateral cooperation allows the EU to address its concerns *vis-à-vis* China's growing presence on the African continent, advance EU interests and fundamental values in this part of the world and seek to find common ground with Beijing on addressing Africa's most pressing problems and needs.

The EU continues to look at China mainly through the prison of economic interests. The more political and security-related elements of the strategic partnership, including the various dialogue mechanisms, are seen as instruments to further enmesh China into a web of norms and rules and socialise Beijing into the international community. China, on the other hand, looks at the strategic partnership with the EU through the prism of its national interest and as a way of maximising the country's comprehensive national power.

China tends to view the EU mainly as an important source (probably the most important) of capital goods and advanced technology. For instance, cooperation with the EU in state-of-the-art Science and Technology projects (such as Galileo) is viewed in Beijing as a way of fostering the modernisation of the country's industrial – and military – sectors. Over the years, Chinese leaders have skilfully exploited divisions within the EU in order to obtain advantages in terms of market access and technology transfers. At the same time, China has come to support a stronger and more autonomous EU at critical junctures in order to promote multipolarity and balance the dominant position of the US.

In the domestic arena, China remains fiercely sovereigntist, deeply committed to the principles of non-interference and increasingly facing nationalistic trends. The country remains an authoritarian regime under the rule of the Chinese Communist Party. China's growing presence in parts of the world of traditional interest for the EU poses additional challenges to EU-China relations. Notwithstanding some profound differences in the way EU and Chinese policymakers perceive their partnership and more generally, how they look at the world, the two sides have become more and more interdependent. Their bilateral relations and common interests continue to grow by the day. What are the likely prospects of such a crucial partnership? Four principal recommendations can be made to the EU, with a view to fostering a successful partnership with China:

- The EU needs to come up with a clear (and short) list of the strategic elements that it considers to be part of the relationship. The EU should also be firm and principled on some key issues, such as human rights, but also ready to reward China on other key issues, such as the lifting of the arms embargo if conditions are met. Were China to showcase some of the positive results of its cooperation with the EU, that would greatly help in this regard.
- The EU should continue to channel resources and energy into issues of a technical and regulatory nature aimed at supporting China's reform process.The EU has succeeded in having an impact on, for instance, the adoption of greener technology targets and on banking and financial regulations (to name but a couple of areas).
- The EU should further the dialogue mechanisms with China. Trilateral cooperation between the EU, Africa and China has proved to be an effective instrument for addressing issues of mutual interest and concern. The EU could consider extending this form of cooperation with China to other regions such as Central Asia and the Gulf.
- Past experience shows that on global strategic issues there is now a need for a structured trilateral dialogue mechanism between the EU, China and the US. This could prevent the EU from being marginalised by too close relations between the US and China and give the EU an opportunity to promote its interests and fundamental values.

INDIA

The EU-India Summit process launched in 2000 and the strategic partnership proclaimed in 2004 may work well for both sides, at least at the symbolic level, since they represent mutual acknowledgment of the parties' status as fully-fledged global actors. A Joint Action Plan was adopted in 2005 and updated in 2008 in order to set goals and guidelines for the partnership, although its achievements are still meagre. In parallel, negotiations are underway since 2006 for the establishment of a Free Trade Area, and have recently been reinvigorated in spite of the partners having been on opposing sides for the past decade at the Doha Round.

India does not challenge the world order today as it did under Nehru, but its steady growth of some 9 percent despite the global financial crisis only confirms its stance as a major global actor in compliance with 'Western' economic rules. The present imbalance (India accounts for around 2 percent of the EU's total exports and imports, whereas the EU represents 21 percent of India's total exports and 16 percent of India's total imports as of 2008) is changing rapidly, which more generally calls – and the EU should pave the way in this regard – for rebalancing representation in multilateral financial and economic institutions, including the G-20.

On the one hand, trade relations will remain an essential component of the EU-India strategic partnership while, on the other hand, India represents much more than a commercial partner for the EU. The EU is, however, seen at times merely as a trade bloc by India, who may prefer to deal bilaterally with Member States on a range of issues beyond trade – and it is also true that India finds reliable European interlocutors at the national level. The prevailing view in India is that the EU as such is not yet ripe to act as a credible political partner, whereas the European view tends to be that India is either not ready to take on the responsibilities commensurate with her growing ambitions or is in fact buying time so as to defer acting as a responsible actor in the international arena. India claims a permanent seat at the UN Security Council in exchange for her solid contribution to peacekeeping, while the EU is divided on the scope of the (unlikely) reform of the Security Council. Other factors such as the privileged relationship with the US that India may prefer – as the EU also privileges the transatlantic link – especially given the significance of the Indo-US nuclear agreement as a milestone in India's foreign policy, should be no obstacle to a more modest but still meaningful engagement with the EU.

Can misperceptions and apparently differing interests spoil a 'win-win' opportunity? How can the strategic partnership contribute to a breakthrough? It seems obvious that rapidly growing trade and business exchanges between the EU and India, especially since 2002, are neither a consequence nor a goal of the partnership as such, but should at least provide a solid basis to give some content to it whenever the partners are willing and able. Moreover, the shared fundamental value of democracy should

help partners concentrate efforts on how to work together beyond trade relations, while their status as global actors transcends bilateral relations. Thus, the external dimension of the partnership as encapsulated in Chapter II of the Joint Action Plan, which is connected to the realisation of 'effective multilateralism', constitutes its core.

However, the implementation of this dimension of the partnership is far from satisfactory. An overview of the Summit Declarations shows that India and the EU either take note of commonly shared global challenges or announce bilateral commitments of potential global impact that do not meet the reality test. Ironically enough, the last Summit, convened in New Delhi, the tenth in a series, was devoted to climate change barely a month before India and others excluded the EU from the crucial negotiating table in Copenhagen – at least in this case, the EU could not have treated India the same way.

In the context of peacekeeping, peacebuilding and post-conflict assistance, the 2009 Summit Declaration merely stressed the need to 'further intensify dialogue' in accordance with the provisions of the Joint Action Plan adopted four years before and reviewed in 2008 as an instrument to concretise a decade-old Summit process.[1] Yet complementarity could have only led to fruitful combined action in this realm: India is one of the top troop contributors to UN peacekeeping operations, including on training, of which EU Member States are prominent financial contributors, while most CSDP operations are civilian-intensive and peacebuilding-oriented, often working closely with the UN. More precisely, the EU and India, although for different reasons, have a similar long-term non-militarised approach as regards Afghanistan and could thus explore possibilities of pooling resources in order to maximise their efforts to stabilise the country, which in turn could help to allay Pakistani fears about India's presumed intention of co-opting Afghanistan. Asian regional issues are, however, the most delicate part of the partnership. The EU needs to preserve a neutral stance also with regard to the efforts of both India and China to build their respective regional spheres of influence.

Overall, the partnership remains a golden opportunity for mutual benefit – particularly by fostering the parties' status as global players – which could in turn benefit the world community. In strictly bilateral terms, a functioning partnership will also allow for a new paradigm in which India is no longer 'stigmatised' as a developing country and the EU learns to overcome internal fragmentation, while both sides realistically adapt to the opportunities and constraints presented by a changing global situation. The risk is of course that the partnership remains symbolic, which in the medium term will be especially regretted by the EU. It thus seems clear which of the partners needs to make a greater effort in order to find a breakthrough.

Where to start? In as much as it needs to transcend bilateral relations, the partnership should at least guarantee that bilateral commercial interests are compatible with

1. India-EU Joint Statement, 10th EU-India Summit, New Delhi, 6 November 2009.

advancing towards fair multilateral trade agreements, which will in turn benefit sustainable development worldwide. Both India and the EU bear a certain responsibility in this respect, albeit to different degrees.

Trade, however, is not sufficient to build a genuine strategic partnership. Genuine commitment beyond trade can be generated more easily on symbiotic or complementary action which also enhances multilateral principles. All the different possibilities of concrete action in the fields of peacekeeping and peacebuilding, including cooperation on crisis management and particularly maritime security, as well as the fight against terrorism under international law, should be explored. This could be facilitated by the establishment of technical joint working groups that would provide practical and feasible proposals to the Summits. Attempts at restructuring and rationalising the constellation of dialogues and fora already in place will hardly yield results until the partners are willing and able to deliver under the existing framework.

BRAZIL

The first ever EU-Brazil Summit took place in July 2007 in Lisbon, under the Portuguese presidency, after the European Commission recommended that a strategic partnership with Brazil should be launched. The strategic partnership between the EU and Brazil recognises Brazil as the European Union's most important economic and political partner in Latin America, thus Brazil now occupies a prominent place among the EU's select number of strategic partners.

The EU believes that Latin America is a region that possesses key affinities with Europe, including common history, language, culture and religion, and shared views about prosperity and the need to strengthen their respective civil societies. But perhaps most importantly of all, the two regions share the view that multilateralism should be enhanced in order to ensure a stable global order that is conducive to prosperity, peace and security. In selecting Brazil as the 'representative' of Latin America for a strategic partnership, it seems that the EU has demonstrated its belief that Brazil is a positive moderating force in regional affairs and a leading actor in regional diplomacy as well as one of the crucial global players of the twenty-first century.

As a background to the first Summit held in Lisbon, the document 'Brazil - Country Strategy Paper 2007-2013' highlights the priorities for enhancing bilateral relations, and sets an agenda to move relations forward. Since then, three Summits of Heads of State have taken place, the last in Stockholm in October 2009, under the Swedish EU presidency. At the second Summit, in Rio de Janeiro in December 2008, under the French presidency, a Plan of Action was adopted. In parallel to the heads of state Summits, a Joint EU-Brazil Committee was set up, incorporating a large number of political and social actors underpinned by meetings with governmental officials and representatives of civil society.

Among the areas featuring on the agenda for bilateral cooperation, it seems four are worth mentioning: trade; science and technology; renewable energy; and the environment. Concerning trade, Brazil is today the EU's tenth trade partner, but accounts for less than 2 percent of EU total trade, while the EU has a share of slightly less than a quarter of Brazil's total trade. Trade also involves the ongoing negotiations towards a region-to-region trade agreement between the EU and Mercosur.

In multilateral trade issues, Brazil has been a very active player at the so far unsuccessful round of negotiations of the World Trade Organisation. Despite the difficulties in reaching a consensus that would enable the negotiations to move ahead, Brazil continues to believe that it would be important to strengthen the multilateral trade system through the conclusion of these trade talks. As one of the leaders among the G-20 group of WTO members, Brazil main priority is to open up European and US markets for its agricultural and agro-energy products. Brazil has also been a key player

in utilising the mechanism of the WTO to settle trade disputes. In fact, Brazil is one of the leaders in dispute settlement panels. In the last couple of months, for example, Brasilia and Washington have been engaged in negotiations to settle a dispute, which Brazil has already won, on US cotton subsidies.

In relation to Africa, the administration of President Lula da Silva has prioritised relations with as many African countries as possible. The opening up of diplomatic posts in many parts of Africa has accelerated, and some initiatives in the agricultural sector have been implemented, including the opening of an office for technology transfer of EMBRAPA, the very successful Brazilian agricultural research complex, in Accra, Ghana. On the other hand, both the government and the private sector are worried about losing business in Africa to China. Brazil's exports to Africa had declined by a third in April this year, when compared to the same month last year, while Chinese exports to Africa reached US$ 50 billion in 2009.

Brazilian engineering companies used to be big players in infrastructure projects in Africa, which ended up promoting Brazilian goods and services, but now China has taken over from Brazil in providing these services, along with the goods that Africans need to import.

On the other hand, despite some topical problems, both the EU and Mercosur, led by Brazil, have been successful in avoiding implementing protectionist measures in the context of the global economic and financial crises of the last two years. At the G-20 meetings, both Brazilian and European representatives have agreed that protectionism would only aggravate recession and make it more difficult for the global economy to recover. Furthermore, at the G-20 meetings, both Brazil and Europe have supported strong measures to reform the international financial system, strengthening the governance of the global economy and finding more effective ways to regulate banking and the financial sector.

In science and technology, it seems that cooperation has been quite successful. The inclusion of Brazil as an external member of the EU Seventh Research Framework Programme (FP7) for 2007-2013 has been a good basis for enhancing the participation of Brazilian scientists in FP research projects. There have been several areas of collaborative research, but perhaps the most important result is the recently concluded Brazil-EU agreement on nuclear fusion. The Brazilian Comissão Nacional de Energia Nuclear (CNEN - National Commission for Nuclear Energy) has set up a national group of scientists dedicated to research on nuclear fusion, and since November 2009 a formal agreement with the European Atomic Energy Community (EURATOM), the 'Agreement of Cooperation between Brazil and EURATOM in the Area of Fusion Research' is in place. An *ad-hoc* informal group met for the first time in early February 2010 at the 'Joint European Torus (JET) in Culham, UK, to explore forms of cooperation.

A third area where relations are deepening is renewable energy. Both Brazil and the EU are committed to expand the use of renewables for both energy security and the environment. As a key player in biofuels, Brazil is attracting a huge amount of European investment in the agri-business sector for the production of sugarcane ethanol as a fuel. The most recent European companies to announce substantial investment in this area in Brazil are the two largest oil companies in Europe, BP and Royal Dutch Shell. The former has a joint venture with Brazilian partners in a sugarcane plantation, and has earmarked one billion dollars to invest in this sector in the next five years. The latter announced, in early February 2010, an association with Cosan, the largest Brazilian ethanol producer and exporter, which will make Shell the key world player in biofuels. One interesting result of both BP's and Shell's substantial involvement in the ethanol sector in Brazil is that it will deepen the common interests between Brazil and Europe to further both domestic consumption and trade in biofuels.

The environment is perhaps the most relevant area of concern for EU-Brazil strategic relations. The somewhat disappointing results of the climate change conference in Copenhagen in December 2009 have left many actors despondent, but in the case of both Brazil and the EU there are no major areas of disagreement. By the end of January 2010, according to what had been agreed in Copenhagen, both presented their respective targets for cutting the emissions of greenhouse gases by 2020, and the EU, along with other European partners such as Norway, is playing a key role in helping Brazil to reach its very ambitious target to curb deforestation by 80 percent in 2020.

There are three initiatives that both the EU and Brazil could take that most certainly would deepen their bilateral relations. The first concerns the reform of the Security Council of the UN. As is well known, Brazil aspires to become a permanent member of the UNSC and has been working together with other members of the G-4 (Brazil, Germany, Japan and India). Despite the understandable political difficulties involved in the reforms, a firm endorsement from the EU would be very well received in Brazil. A second area where there is scope for a joint initiative is renewable energy. Now that European businesses are in Brazil producing and exporting biofuels on a large scale, coordination between Brazil and the EU to make biofuels a fully-traded energy commodity would be in the interest of both sides. The last area for immediate enhancing of bilateral cooperation is related to deforestation in Brazil in the context of the negotiations towards a Post-Kyoto agreement. Here the EU could use both its technical expertise and financial muscle to help Brazil in more concrete ways, including understanding all the complexities associated with sustainable development.

Abbreviations

BiH	Bosnia-Herzegovina
CFSP	Common Foreign and Security Policy
CIS	Commonwealth of Independent States
CMPD	Crisis Management Planning Department
CSDP	Common Security and Defence Policy
CSTC-A	Combined Security Transition Command - Afghanistan
DG DEV	Directorate General for Development
DRC	Democratic Republic of the Congo
EaP	Eastern Partnership
EEAS	European External Action Service
EMP	Euro-Mediterranean Partnership
ENP	European Neighbourhood Policy
ESDP	European Security and Defence Policy
ESS	European Security Strategy
EURATOM	European Atomic Energy Community
EUSR	EU Special Representative
GCC	Gulf Cooperation Council
HR	High Representative
IAEA	International Atomic Energy Agency
ICC	International Criminal Court
ICJ	International Court of Justice
IMF	International Monetary Fund
ISAF	International Security Assistance Force
MDG	Millennium Development Goals
MEPP	Middle East Peace Process
NATO	North Atlantic Treaty Organisation

NPT	Non-Proliferation Treaty
ODA	Official Development Assistance
OSCE	Organisation for Security and Co-operation in Europe
PCA	Partnership and Cooperation Agreement
PIC	Peace Implementation Council
QMV	Qualified Majority Voting
R2P	Responsibility to Protect
TEU	Treaty on European Union
UfM	Union for the Mediterranean
UN	United Nations
UNMIK	United Nations Mission in Kosovo
UNFCCC	United Nations Framework Convention on Climate Change
UNSC	United Nations Security Council
WMD	Weapons of Mass Destruction
WTO	World Trade Organisation

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