

Institut für Europäische Politik: 15 September 2006

How to achieve coherence and effectiveness in the framework of the existing treaty?

Thanks to Dr. Jopp and to you all for the opportunity to speak on these issues.

You have already had a great deal of input from all parts of the EU system. I have participated in some of these sessions. Impressed by your probing questions about what we actually do in this idiosyncratic place. You should continue to watch us carefully and critically.

Ensuring some kind of coherence in the EU's external policy is a real challenge. But we have to take up this challenge, in the interest of the EU and the member states. And you have an important role in this.

Appropriate that the Anna Lindh Award ceremony and the Anna Lindh lecture should take place during this conference. Her support for the development of the EU's external policy was a matter of deep personal commitment. The practical results of this remain with us, for example in Macedonia. But also in our continuing efforts to respond to crisis situations with the right combination of civilian and military instruments.

I won't try to take up points of discord or concord which have arisen over the last few days. But would like to look at three questions that I think are crucial to the way we work towards a coherent external policy which responds to the needs of the EU and its citizens.

These can be summarised as:

“EU external policy: What for? What with? and How?”

“What for?” relates to the impetus for EU external policy. Where does that impetus come from? Why do we need EU external policy? What added value does it bring for the EU, its member states and its citizens.

“What with?” concerns the assets we have available to conduct external policy, both in the member states and in the institutions. Our leverage includes a range of traditional external policy tools, but our internal policies such as energy and monetary/financial policy increasingly have important external policy implications.

“How?” is the question of how to make best use of these assets in a coherent and effective way. Making sure that our policies have the desired impact and visibility. The EU’s leverage is substantial, but do we use it as effectively as we could?

You will recognise that these are the issues we tried to address in the “Europe in the World” Communication which President Barroso presented to the European Council in June. Copies are available if you want to re-familiarise yourselves with it.

I will draw on the analysis and proposals in the paper. If I go beyond what the paper says, then these comments are personal, but I hope still useful.

I just add that the paper and my comments are based on current treaty provisions. What happens to the Constitutional Treaty is a complex issue, with a lot of players, so I have no ambition for us to resolve that this evening. The Communication says specifically that it is looking at how to improve how we conduct external

policy on the basis of the **current treaties**. But it also says that institutional reform is needed and that the proposals in the draft treaty would be welcome and beneficial.

So first question: “**External policy: what for?**”

Whether we like it or not, the EU is a major player, with a population of almost half a billion, accounting for a quarter of world income, over a fifth of world trade and some 60% of global development assistance.

In short we project a lot of influence and we have a lot to protect.

Internally the public expects national governments and the EU to promote and protect their interests. And recent polls indicate that 69 % of our citizens expect the EU itself to play an enhanced role in this.

And externally, many of our partners outside the EU want us to play an active role internationally.

So having no external policy not an option: this would waste EU leverage, upset our citizens, cause consternation outside the EU and risk serious misjudgements among third country partners at times of crisis.

But consensus on the principle does not bring automatic consensus on the policy options.

Recent events in the Lebanon have highlighted again how a major external crisis can quickly become close to home, not just in terms of geography, but in terms of internal politics. Several leaders of EU member states have come under strong domestic pressure over national and EU reactions to these events. And there has again

been debate in several member states about the deployment of national military resources to areas of conflict.

So while these events have given public profile to the **need** for EU involvement, they have not resolved the continuing uncertainties about the **kind** of external policy the EU and its member states should pursue. Other examples of differences over policy are not hard to find: in the Balkans, the Gulf, or towards Russia.

We should not be too surprised by this. It is natural for each member state to see relations with a particular third country or a particular region through a different prism, given their different historical experience or geographical position.

But in fact the natural instinct to consult within the EU has grown remarkably over the last 20 years, from European Political Cooperation through the Maastricht, Amsterdam and Nice Treaties to the machinery we have in place today.

I would argue, as even some in the press admit, that Europe has had some successes.

- In the Lebanon for example, where we have recently responded with a range of external policy tools, from member state military assets through finance for reconstruction to support for governance under the European Neighbourhood Policy.
- In June the European Council reached agreement on an external energy policy.
- And in the Balkans we have in recent years combined the perspective of enlargement with shorter term military engagements in a way which is successful enough not to provoke any substantial public comment.

So we should not be panicked by commentators into gloom about a particular European inability to reach consensus on anything important. And there are plenty of national administrations both inside and outside the EU where tension among different power centres is endemic.

But reaching consensus in the EU is hard work.

National leaders bear a heavy responsibility. Ideally they should not blame the EU when things go wrong and take the credit when there is an EU success. As President Barroso said in Dublin last year, capitals cannot blame the EU from Monday to Saturday and expect their electorates to vote yes in a referendum on Sunday.

And Commissioners and officials in Brussels must develop solutions on specific foreign policy challenges which can find consensus among member states, often very quickly. The urgent proposals for channelling resources direct to the Palestinian people which Commissioner Ferrero-Waldner presented to the Council this summer are a case in point.

But I think we also have a wider responsibility, that is to help define broader EU external policy strategy. I agree strongly with Dr. Jopp's opening comments on this.

Conceptually, we first need to distinguish between our **interests** and our **policy options**.

Our **interests** are independent of other actors: predictable energy supplies, freedom from terrorist attack, viable policies on migration or the environment for example.

Our policies will pursue our interests, but our **policy options** are constrained by other actors and by our existing commitments, both

to our partners and to values such as the rule of law and multilateralism.

In recent years the EU has been slow to define its interests, perhaps because the task became so complex once the pre 1989 balance of instability ceased. But perhaps also because of the long-standing “puissance Europe” debate within the EU and the “for us or against us” rhetoric which we have heard more recently from outside.

One way or the other, defining our **interests** should not upset any third country and does not require us to take a view on whether “puissance Europe” is our long-term objective or not.

As for our **policy options**, the EU, just like its member states and any other international player, can only develop its reputation as a trustworthy interlocutor over time. Without hubris I believe the EU **can** count on a considerable store of goodwill, with a reputation for consistency rather than pyrotechnics in its external policy. But this reputation has to be fostered.

There is then a third element, and that is our **ambition**.

The former US Secretary of State James Baker commented early in the Balkans crisis that the US did not have a dog in that fight. I am sure he was wrong, in the sense that even at 8000 km distance the US had no interest in festering insecurity in South Eastern Europe.

But in the EU we also need to look carefully at the extent and nature of our interests in other regions.

Personally I think there are very few fights where Europe does not have a dog, or to put it more diplomatically, regions where we do not have an interest.

Many of you may share that view. But it is a **specialist** view. For while it may be easy to explain to public opinion why we need a policy towards Russia, the same may not be true about Afghanistan or Congo or Taiwan.

At a conference about a year ago I was savaged by a participant who was outraged that his tax money was being used to support EU involvement in Aceh. I explained that the EU has no interest in a mini basket case at the top end of the Malacca Straits, through which passes 25% of the world's seaborne trade, and so on.

I am not sure he was convinced, but for us there is a clear message. As specialists we have a duty not only to follow the short term foreign policy pressures of public opinion, but also to anticipate and if possible forestall problems **before** they become a matter of public concern.

This is a job for us all. We all have a duty to explain.

And those responsible for making policy recommendations at the political level have an additional duty to prioritise in the use of scarce resources, under the watchful eye of a public opinion which wants neither mistakes nor waste.

During the summer, I picked up an anthology of essays by the British historian AJP Taylor from the 1970's. In one essay, he argues that foreign policy was by 1970 no longer a part-time occupation for the aristocracy and its sons, but had to be conducted in public. To illustrate his point, he describes how, at a difficult point in the negotiations at the Congress of Vienna, Tsar Alexander had himself driven past the house of Metternich's mistress. Seeing Metternich's carriage parked outside, he sought an interview.

Thus the future of Poland was settled for the coming decades.

You do not have to be Pole to see the injustice of this. Thankfully this kind of diplomacy is now even less prevalent than when Taylor wrote. But clearly public oversight poses important challenges, in particular the tension between short term pressures and long term strategy. Whether we like it or not the debate about “Foreign Policy: What for?” will increasingly be conducted in public. In Europe it has been distressingly slow to start.

My second question is **“External Policy: What with?”**

The EU has a wide range of external policy tools, diplomatic, economic, financial, trade and military. Some of these assets are the responsibility of the member states, some of the Community. The Commission itself has regional and thematic expertise at headquarters and a network of 125 Delegations overseas.

And increasingly our internal policies have important implications for external policy and for the way we define our interests and protect them outside the EU. In fact the internal/external divide is becoming less and less clear. The Energy paper I mentioned earlier brought home the message that the external projection of our internal policies is of real significance. Similar considerations apply to ‘freedom, security and justice’ policies, including the fight against terrorism and migration policy; the external dimension of the Euro; environment issues and health.

Moreover many of these issues are the ones that concern public opinion most.

In Joe Nye’s terms the EU is a substantial soft power, with, as you have discussed this week, increasingly important hard edges. While the Commission has no direct responsibility for ESDP, the

June Communication welcomes its development and the decisions taken by member state governments in this area.

But for the moment the centre of gravity of the EU's influence lies in its soft power leverage. And the fact that we do not have a major hard power projection capability makes it is all the more necessary to make full use of that leverage.

This thesis is at the heart of the discussion about the nature and objectives of the post-modern state. And it is anchored in the Constitutional Treaty where all arms of external action are grouped in Title V without hierarchy.

So, for the purposes of this conference, we should be careful not to use the term CFSP as a synonym for External Policy. CFSP is a **part** of external policy, and its relationship with other aspects of external policy is at the heart of the debate in Brussels over the last two years, since the Constitutional Treaty was signed and the "period of reflection" began.

We should also beware of the idea that EU external policy began with the Maastricht Treaty. Perhaps the two most important developments in Europe during the second half of the 20th Century were the events of 1989 and the EU enlargement process.

Enlargement is at the very intersection of EU internal and external policy. 1989 was of course heavily influenced by US policy, but the pattern for the way the Central Europeans wanted to live was set by the EU.

Both of these developments took place well before Maastricht and the introduction of our CFSP tools. But they were nonetheless crucial external policy events instigated or influenced by the EU.

The test now for the EU is to assemble and deploy the full range of its external policy assets effectively, through a broadly transparent process to which member states commit themselves voluntarily. This is not the Congress of Vienna or the Treaty of Versailles.

So the challenge of “What with?” is not so much a lack of resources or an unwelcome regional hegemony, but rather whether our resources are deployed as purposefully, effectively and coherently as possible in a post-modern environment.

My third question is “**How?**”

I have mentioned already some of the political opportunities and constraints which face. And I won’t take you through the 24 proposals in the Commission Communication, which you can read at your leisure.

But I will finally just recall again the institutional state of play. We have a Constitutional Treaty on ice, which includes institutional proposals for the conduct of external policy. These are generally welcome to the member states and the institutions, and do not seem to provoke horror among our citizens, but they cannot be implemented for the moment.

In the meantime external policy continues to challenge us, with problems which are arguably more complex than was the case 20 years ago.

Against this background we have set ourselves the objectives of:

(i) better strategic planning on policy in the institutions and with the member states;

ii) enhanced coherence across the pillars in external policy, taking account of the influence of our internal policies with external implications;

(ii) increased effectiveness and impact through better delivery e.g. faster and more flexible decision-making and financial procedures;

(iii) better operational cooperation between EU institutions and Member States e.g. exchange of personnel, double-hatting EUSRs/Heads of Delegation;

(iv) enhanced visibility for EU external policy; and

(v) greater accountability to the European Parliament and national parliaments, with the aim of developing a wider consensus on the objectives of EU external policy.

For the Commission our rationale is that there are benefits for the EU in establishing closer and mutually supportive relations between all those involved in external policy at both EU and national level.

In the short-term, individual actors and institutions may see advantages in the freedom of manoeuvre that comes from exercising their responsibilities in an autonomous way. But in the medium and long term, the overall effectiveness and thus the global influence of the EU depend on optimal use of all available leverage. The practical steps we have proposed are based on the conviction that flexibility, the provision of value-added in external policy, and the building of common approaches among the Member States and the institutions must be our priority.

Peter Dun Brussels 15 September 2006