

The EU Presence in International Organizations

This study provides a comprehensive discussion of all aspects of the European Union presence in International Organisations (IOs). The editors seek to explore both the political and institutional implications of the EU's interaction with IOs and the effect of the EU's presence on the functioning of the respective IOs.

The result of an international workshop with an outstanding line up of experts, the book discusses a range of issues, including:

The impact of the EU security contributions to IO's such as the OSCE, NATO and the UN, and the EU's role in decision making.

- The role of EU–US relations in the development of major International Organisations.
- Participation in the Doha Development agenda and the EU's relationship with the WTO.
- The issues of leadership and coherence within and outside the EU.

Approaching the EU's international interactions from different theoretical and analytical angles, this work clearly discusses the broad spectrum of issues that surround the evolution and future of the European Union in an international context.

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Abbreviations

ACP	African, Caribbean and Pacific
AFSOUTH	Allied Forces Southern Europe
ASEAN	Association of South-East Asian Nations
AU	African Union
CFSP	Common Foreign and Security Policy
CFTA	Commonwealth Fund for Technical Assistance
CFTC	Commonwealth Fund for Technical Cooperation
CHOGMs	Commonwealth Heads of Government Meetings
CIS	Commonwealth of Independent States
ComSec	Commonwealth Secretariat
CPG	Comprehensive Political Guidance
CSCE	Conference on Security and Cooperation in Europe
DAC	Development Assistance Cooperation
DCI	Defence Capabilities Initiative
DDA	Doha Development Agenda
DMC	Declaration on EU Military Capabilities
DSC	Declaration on Strengthening Capabilities
EC	European Community
ECAP	European Capabilities Action Programme
ECHO	European Community Humanitarian Office
ECOWAS	Economic Community of West African States
EDA	European Defence Agency
EDF	European Development Fund
EDTIB	European Defence Technological and Industrial Base
EEAS	European External Action Service
EIDHR	European Initiative for Democracy and Human Rights
ENP	European Neighbourhood Policy
ENPI	European Neighbourhood Policy Instrument
EPC	European Political Cooperation
ESDP	European Security and Defence Policy
ESS	European Security Strategy
EUFOR ALTHEA	European Forces in Bosnia Herzegovina
GAC	General Affairs Council

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GATT	General Agreement on Tariffs and Trade
GMO	Genetically Modified Organisms
HLG	Headline Goal 2010
IFS	Instrument for Stability
IGCs	Intergovernmental Conferences
IGOs	Intergovernmental Organizations
IOs	International Organizations
IPA	Instrument for Pre-Accession
IRC	Institutional Role Conceptions
IRFFL	International Reconstruction Fund Facility
ISAF	International Security and Assistance Force
ISTAR	Intelligence, Surveillance, Target Acquisition, and Reconnaissance Capabilities
LDCs	Less Developed Countries
MFN	Most Favoured Nation
NAC	North Atlantic Council
NACDR	North Atlantic Council Defence Minister's Report
NAMA	Non-Agricultural Market Access
NATO	North Atlantic Treaty Organization
NRF	NATO Response Force
OECD	Organization for Economic Cooperation and Development
OIF	Organization Internationale de la Francophonie
OSCE	Organization for Security and Cooperation in Europe
PCC	Prague Capabilities Commitment
PMG	Political and Military Guidance
PSC	Political and Security Committee
RSD	Riga Summit Declaration
SAP	Stability and Association Process
SHAPE	Supreme Headquarters Allied Powers Europe
SPR	Single Progress Report on the Development of EU Military Capabilities
SPS	Sanitary and Phytosanitary
TBT	Technical Barriers to Trade
TEU	Treaty on European Union
TRIP	Trade-Related Aspects of Intellectual Property
UAV	Unmanned Air Vehicles
UN	United Nations
UNGA	United Nations General Assembly
UNMBIH	UN Mission in Bosnia and Herzegovina
WEU	Western European Union
WTO	World Trade Organization

1 Introduction

The EU presence in international organizations

Spyros Blavoukos and Dimitris Bourantonis

The growing international ascendance of the EU has been long associated with a debate about the overarching guiding principles and objectives that inform and delimit the broad range of policies articulating the EU's international identity. In 2003, the European Council adopted the *European Security Strategy* (ESS), which identified what the EU member-states perceived as the main security challenges as well as the appropriate way of dealing with them, multilaterally and in close cooperation with international organizations (IOs). The 2008 ESS revision has not altered substantially the EU security preoccupations, reinstating the increasingly complex nature of threats and challenges at regional and global level and the holistic EU approach to their tackling.

The embrace of 'effective multilateralism' as the cornerstone of the EU's interactions with the international community has added a new dimension in the debate about the EU's international presence and orientation (Biscop 2009a). Effective multilateralism suggests a specific modality of 'going international' for the EU, thus shifting the focus of the ongoing debate from policy objectives to the appropriate modality of action (Biscop 2009n: 13). In that respect, a new underlying question emerges: is such commitment to multilateralism principle- or interest-based (i.e. another means to pursue 'European interests')? Ontological considerations related to the *sui generis*, multilateral EU nature and its distinctive post-Westphalian international identity, which the EU seeks to project and export worldwide, point to the former. In that respect, it is possible to discern a normative and values-based orientation in the EU's international presence that testifies to the sincere and genuine adherence to the principles of multilateralism. In contrast, the interest-based approach highlights the multi-dimensionality of EU's international interactions. These interactions are not exclusively multilateral but integrate unilateral and even unilateral courses of action, from the EU as a whole but also from constituent member-states that may function complementary but also antagonistically to the EU. In that respect, the argument goes, multilateralism is no Holy Grail *per se* but rather an instrumental means to pursue specific policy objectives related with distinctive EU or member-states' interests.

In any case, proponents of multilateralism attribute a key role to IOs in the functioning of the international system. They constitute critical cooperation forums in areas in which cooperation entails advantages for all or most of their constituent

states (Bennett and Oliver 2002: 3). The more representative and legitimized IOs are and the more efficiently they operate, the more they contribute to international order and stability. Therefore, it is in the interest of international actors embracing multilateralism to take the necessary steps to ensure representativeness, legitimacy and efficiency of IOs, suggesting among others open ears to reform calls to address changing conditions in the international setting, either at systemic or institution-base level. Failure to do so undermines the credibility of the ‘multilateralists’ and raises doubts about their genuine adherence to the principles of multilateralism. ‘Yes, we do embrace multilateralism and resort to international institutions,’ the criticism goes, ‘but only as long as we control them in terms of membership and decision making rules and avoid harmful outcomes of multilateral deliberations.’

The security doctrine of the EU and the critical importance of IOs in a multilateral international order necessitate the closer examination of the EU interaction with IOs. This interaction constitutes the principal focus of this book. The EU engagement with IOs is by no means a new feature in the process of European integration. The European Court of Justice (ECJ) acknowledged already in the 1970s the possibility of the EC – at the time – becoming a founding member of another IO, arguing that since the EC had a legal personality, it had the capacity not only to enter into contractual relations but also to set up a ‘public international institution’.¹ However, acceding to an already existing IO was a different story. In the absence of an explicit Treaty provision regarding membership of an IO, the EU applied by analogy the procedure devised for the conclusion of international agreements by the Community (Sack 1995). This discussion and the related literature (Wessel and Wouters 2008; Eeckhout 2004; Govaere et al. 2004; Macleod et al. 1996; Brückner 1990) capture primarily the formal-legal aspects of the EU interaction with IOs. However, useful as their insights may be, these studies say little about the political dimension of this engagement.

In that respect, the intensification and extension of international governance through IOs, especially in the post-Cold War era, has evolved in parallel with the quest of the EU for an international identity and a political role in international affairs. Thus, there has emerged a need to explore the interrelationship between the EU and IOs, resulting in a series of studies of the political aspects of the EU engagement with major IOs and their agencies. A few of these studies target explicitly the EU interactions with IOs (see, in particular, the collective volumes of Jørgensen 2009b; Laatikainen and Smith 2006; Elgström and Smith 2006). Others address this issue through their broader focus on international politics and security (Ortega 2005; Hill 2005; Missiroli 2005; Schmitt 2005; Fassbender 2004; Smith 2004; Johansson-Nogués 2004; Tsakaloyannis and Bourantonis 1997), economic relations and trade (Smith 2009; Young 2002, 2007; Meunier and Nicolaidis 2006; Meunier 2005; Smaghi 2004; de Burca and Scott 2001; Woolcock 1993), environment (Bretherton and Vogler 2006; Vogler 2005, Sbragia 1998), communications (Sandholtz 1998), and human rights (Manners 2002, 2006). These studies have shown that the EU interaction with IOs has both an internal and an external dimension: the former encapsulates the intra-EU institutional and political implications of the interaction, comprising issues of

intra-EU policy-making coordination and formal institutional representation. The latter captures the effect of the EU's presence on the functioning of the respective IOs, in particular the EU effect on their institutional format and policy-making process and outputs.

Based on this focus and taking the existing literature further, this volume addresses three interrelated sets of research questions:

- First, which *endogenous* (i.e. EU related) and *exogenous* (i.e. systemic/IO-specific) parameters condition such interaction? For analytical purposes, we identify two broad clusters. The first, which is related with the institutional features of both the EU and the respective IOs, comprises, among others, decision-making rules within the EU and/or the IO including potential veto points, and the legal status of EU presence (i.e. formal–informal EU representation, overlapping membership between member-states and the EU, etc). The second cluster encapsulates the political component of the EU–IO relationship, in particular member-states' preferences and their effect on intra-EU cohesion (e.g. 'big' member-states' *directoire*, 'middle power' diplomacy, 'EU neutrals'). It also considers other third states' membership and role in an IO (e.g. US), as well as compatibility among multiple arenas of EU international presence (i.e. simultaneous participation in international *forums* of deliberation with contradicting objectives).
- Second, it is important to bear in mind the cross-temporal, dynamic nature of the EU–IOs interactions. In other words, the EU relationship with most IOs has evolved over time, thus generating the need for a historical overview of this evolving relationship as well as raising interesting questions about its conditioning parameters. In this pursuit, two important aspects should be taken into consideration: first, the changing membership both of the EU and the IOs. The successive rounds of EU enlargement have not only radically transformed its *modus operandi*, potentially at the expense of internal cohesion, but have also raised the EU collective capabilities. At the same time, membership expansion of IOs (e.g. NATO and WTO) alters internal balances and affects the EU's role in them. Second, the changing international role and aspirations of the EU and the IOs alike (e.g. NATO and the British Commonwealth) bring to the fore new issue areas of potential friction and new cleavages, transforming the EU–IO relationship.
- Third, our interest lies not only with the EU impact on the functioning of the IOs but also with the 'top-down' dimension of the EU–IOs interaction, in other words with the intra-EU effect of these interactions. What challenges may they entail for the EU political and institutional evolution, in terms of policy-making processes and outputs? Which actors – member-states or supranational bodies – are empowered by such interactions and what is their effect on the inter-institutional power constellation in the EU? Finally, is there any feedback to EU member-states, in the sense of triggering a process of national repositioning on policy issues?

At this point, we should clarify three issues recurring in all contributions in this volume. First, our understanding of the ‘EU international presence’ is not limited to the EU collective actions alone but incorporates the ‘presence’ and contributions of individual member-states with an effect on the EU dimension, especially given that in several cases the two cannot be easily disentangled. Such an expansionary definition creates a few analytical and methodological problems, not least those related with the necessity to establish specific criteria to discern between individual (i.e. national) and collective (i.e. EU) contributions. Perhaps the most illustrative example of such difficulties is the case of developmental assistance and financial aid, which constitute one of the core pillars of EU external action and in which the lines between national and EU allocations are often blurred. Acknowledging such methodological hurdles, we believe that such a broadening of the concept remains extremely useful, not least because it sheds light on the co-existence of the two sets of contributions. This scarcely researched relationship may not always be symbiotic, with national contributions also functioning potentially in an antagonistic way to the EU ones. Thus, we need to examine – inductively to begin with – the conditions under which national contributions emerge as liabilities rather than assets for the EU, undermining its international presence or cases where duplication of resources deprives the EU from fully capturing its international potential.

Second, in identifying the focus of our collective work, we have relied on the explicit distinction between international institutions and organizations, the latter defined as ‘... material entities possessing physical locations (or seats), offices, personnel, equipment, and budgets’ (Young 1989: 32). This emphasis on formalized aspects of international cooperation derives from three features of IOs: they have agency (for example, they make loans and send peacekeepers around the world), agenda-setting influence and a potentially important socializing effect (Simmons and Martin 2002: 193). In that respect, their organizational format and distinctive formal structures of bureaucratic administration provide a clear focus for the study of the EU international presence: the EU and/or its member-states participate in their respective deliberations, have voting rights, contribute to their budgets, and affect their policies and course of action. Still, besides the agentic qualities of IOs, it is also important to bear in mind their institutional characteristics, their roles, functions, authority, and capabilities as defined in their founding rules (Duffield 2006: 634–5). Thus, IOs are subject to continuous institutional evolution, not least affected by their dynamic interaction with the EU, which some authors also seek to capture in their contributions (i.e. the ‘EU effect’). The two most widely used criteria for the clustering and comparative analysis of IOs, to which we also adhere in this volume, comprise membership (IOs of regional or global status) and the scope of their functions or policy area (mono- or multi-thematic IOs) (Higgott 2006: 614–15).

Third, as Ojanen also argues in her contribution in this volume, the EU interactions with IOs may take various forms. The EU’s international identity is not exhausted with its presence *in* IOs. In that respect, the title of the volume may be slightly misleading but is justified on the ground of brevity and eloquence. The

EU may and does also function *through* IOs, outsourcing or delegating tasks to other IOs; *with* IOs, in parallel institutional structures with some or no degree of overlapping but largely in a symbiotic relationship; or even *against* other IOs, in a competitive and antagonistic relationship. These alternative forms of interaction come out prominently in several of the contributions. The variety of IOs covered and the diversification of the authors' research agenda within the broader research and analytical framework of this collective volume ensure that we have identified and captured hopefully many important aspects of these interactions.

Facets of 'effective multilateralism'

If the Cold War period is to be remembered for something positive that should be its rigidity at the centre of the international system and the deriving predictability of state-action for the majority of international actors. The collapse of the bipolar world after the events of 1989 brought about a new series of international challenges, bringing forward the need for security reconceptualization and the requirement for a new international regime. In this context, multilateralism emerged as an option of systemic organization that would remedy the traumas of the bipolar confrontation. In the pioneering work of John Ruggie and others, multilateralism was taken beyond the earlier nominal and formal dimension, focusing on the qualitative and substantive dimension of the concept. Multilateralism is not only about the practice of coordinating states' international actions in groups of three or more (Keohane 1990: 731), but also about the kind and nature of institutionalized relations. In other words, '... what is distinctive about multilateralism is not merely that it coordinates national policies in groups of three or more states, which is something that other organizational forms [like bilateralism and imperialism] also do, but additionally that it does so on the basis of certain principles of ordering relations among those states' (Ruggie 1992: 7).

Embracing multilateralism goes well beyond embracing multilateral organizations. It constitutes a generic institutional form, delineating the space and mode of conduct of international relations. The generalized principles specify appropriate courses of action, without regard to the particularistic interests of the parties or the strategic exigencies that may exist in any specific occurrence. A direct corollary is that these principles entail a behavioural indivisibility among the members of the collectivity that abide to multilateralism (Ruggie 1992: 11). It is not supposed to be a 'pick and mix' option, of which the principles are to be followed or obeyed only occasionally and at will, but rather generates pressure or expectations of cross-time, behavioural isomorphism.

Having acknowledged the institutional nature of multilateralism, the question arises why states prefer such an institutional format for the organization of their international interactions. This question relates with the broader issue '... whether multilateralism is a means or an end, an instrument or an expression, or both' (Caporaso 1992: 55). Assuming states are conscious, goal-oriented international actors with exogenous preferences, multilateralism, as an institutional form of international cooperation and coordination, is one functional means – among

others – to resort to, according to the instrumental calculus of each member of the international community (cf. Koremenos et al. 2001; Pierson 2000). By considering multilateralism as a means rather than an end, it is possible to consider alternative organizational options with equal or even superior utility for the constituent multitude, according to the exact configuration of state power and interests in particular issue areas. In that respect, multilateralism is a policy option to which states turn only if it serves their purposes best, whatever such purposes may be (Martin 1992: 91–2). For the US, for example, it seems that ‘... decisions to cooperate in multilateral forums will be determined predominantly by the extent to which any specific organization is perceived by important US domestic actors to be an effective and congenial vehicle for the promotion of America’s objectives’ (Foot et al. 2003: 14–19; cf. Risse 2005). In that respect, the embrace of multilateralism may derive from calculations of direct influence and control over multilateral forms of cooperation, in which the legitimizing function of multilateralism may be highly evaluated. Alternatively, it may be linked with conditions of international uncertainty in which the lock-in and constraining effect of multilateralism to *all* constituent members may be the issue in demand.

However, in contrast to ‘instrumental multilateralism’, the multilateral mode of international interactions may also be an end in itself. According to that approach, states simply prefer to do things multilaterally not because of a hidden agenda to pursue own interests but in appreciation of the principled course of action embodied in multilateralism. In that respect, multilateralism is not chosen on the basis of rigorous calculations of costs and benefits, but becomes part of an ongoing, taken-for-granted subjective understanding of international life (Caporaso 1992: 56). Such understanding comprises – among others – deliberative and communicative aspects, an emphasis in cooperation through mutual understanding, and norms-oriented behaviour. In its various applications, this ‘principled multilateralism’ embodies the values that significant international actors consider as indispensable components of a functioning (not necessarily functional), issue area-specific or more general, international system (Coicaud 2001). In the UN context, for example, the US and most international actors do not generally act out of institutional loyalty; in this, they are ‘... contrasted to *some* European actors that privilege institutions and processes above what the United States regards as substantive outcomes’ (Malone 2004: 637, emphasis added).

Thus, it is possible to identify two different variations of the institution of multilateralism, each one associated with a different underlying logic of action (‘logic of consequences’ vs. ‘logic of appropriateness’) (cf. March and Olsen 1998). These variations run through the relationship between states and IOs. The problem is that in practice it is often very difficult to identify these two variations or associate states’ attitude vis-à-vis IOs with either of them, as national positions are hidden behind diplomatic language and rhetorical embellishments. In any case, a longer time frame of reference should be used since they reflect broader states’ behavioural patterns not fully captured by one-off snapshots of international interactions. How each international actor conceptualizes multilateralism

depends on domestic political factors (administration in office, interest groups and civil society, policy-making ethos, etc.) as well as the country's status, current engagement and historical trajectory in the international system. All these features point to the distinctive, national, political and security culture that informs a country's conceptualization of and approach to international relations in general and IOs more specifically (Katzenstein 1996).

When it comes to the EU and its recent embrace of 'effective multilateralism,' it is even more difficult methodologically to identify the 'kind' of embraced multilateralism, not least because the EU is in itself a constantly evolving, negotiated multilateral order (Elgström and Smith 2000). Thus, the interaction of the EU with the international system is a typical case of 'intersecting multilateralisms'. Because of the need to foster consensus, the EU member-states spend most of the time in intra-EU negotiations to reach a position. If a single one eventually emerges, the EU has little flexibility in subsequent UN negotiations for fear of undermining the hard-reached, internal consensus (Laatikainen and Smith 2006: 19–20). However, such rigidity does not bode well with core working assumptions of multilateralism that presupposes some degree of negotiating flexibility to accommodate the concerns of the others partners engaged in any multilateral order. Inevitably, this situation generates bottlenecks in the practical application of the EU multilateral doctrine, with the EU being unable to pay due consideration to basic principles of multilateralism. Furthermore, especially in IOs with mixed membership and representation (i.e. EU and member-states), it is little surprise that the exact meaning of 'effective multilateralism' remains blurred, since different actors may espouse a different conceptualization of the notion. Such is the case particularly in the UN system, in which member-states (i.e. national delegations) as well as intergovernmental (i.e. Presidency) and supra-national (i.e. Commission) EU bodies are interchangeably present in different forums, acting and/or speaking potentially on behalf of the EU.

Still, it seems from the EU rhetoric at least that the EU approach tilts to a 'process' mind-set emphasizing multilateral cooperation as an end product in itself rather than its functional appropriateness in any given circumstances (Jørgensen 2009: 5–8). What comes out from the analysis of all official EU statements and documents is a strong belief in the value of multilateralism *per se*, although adding the effectiveness qualification does give an aura of instrumentality in the embraced security doctrine (European Council 2003, 2008; European Commission 2003, 2004, 2005; European Union 2004). Multilateralism seems to have an intrinsic value for the EU order, very much compatible and in congruence with the European values, self-images, and principles that arguably dictate the European political action at an international level (Lucarelli and Manners 2005). In general, such an understanding of multilateralism bodes well with the normative twist in the EU's foreign policy (Manners 2002). In the UN context, in particular, this approach reaffirms the strong self-perception of the Europeans as the 'better peoples of the United Nations,' adopting norms-, values-, and principles-oriented positions. However, a closer look at the European contribution to the promotion of the UN purposes and principles rather reveals a more complex

and contradictory picture (Fassbender 2004: 859). In that respect, the reform of the UN system constitutes a critical test for the assessment of the EU 'principled multilateralism' credentials, representing the cornerstone of the EU's investment in multilateralism (Chevallard 2005: 23).

Book structure

The book comprises eight contributions, covering a broad range of inter-organizational relations and capturing different aspects of the EU–IOs interaction from varying theoretical angles. From the beginning, we need to stress that the list of IOs covered is by no means exhaustive; emphasis has been given on security and international politics (Kirchner, Sperling, Ojanen, Hill) as well as the political economy and trade realm (Smith, Young, Kerremans), complemented by a study of an IO with a regional focus (Taylor). Obviously, this selection leaves out important fields, like, for example, environment, human rights or other issues of economic cooperation as well as other regional groupings. In these fields, the EU may have a distinctive presence and the specificities of the EU relationship with the respective IOs may bring to the fore different idiosyncratic features. Still, we believe the interactions studied in this volume cover the most important and salient aspects of the EU international presence. Nonetheless, as suggested before, they should be seen in juxtaposition with other relevant contributions in the field, their insights being complementary and not contradictory to the existing literature. Most of the contributions address simultaneously more than one of the research questions raised. Some of the contributors examine both the parameters – either exogenous or endogenous or in a few cases both – conditioning the EU–IOs interaction and the dynamic evolution of this interaction (Kirchner, Sperling, Ojanen, Smith, Young, Taylor). Others focus primarily on the intra-EU effect of these interactions, looking at the EU political and institutional evolution and the challenges raised, thus also adopting a dynamic view of the EU–IOs relationship (Hill, Kerremans). Furthermore, two of the contributions are comparative in nature, examining the EU relationship with more than one IO (Kirchner and Ojanen).

Following this introduction, Emil Kirchner explores inductively in the first contribution the cooperative relationship of the EU with other global and regional IOs. Based on the underlying assumption that greater resource allocation enhances the EU's international role, he examines the resources the EU commits to external security activities, either as a single entity or through individual member states. These interactions highlight the EU's role as both a contributor to the multilateral activities of other IOs and a benefactor of their own contributions to regional peace and security. While both perspectives are important in the pursuit of 'effective multilateralism,' Kirchner focuses more on the former, looking primarily at the EU contributions in financial and personnel (civilian and military) terms. Furthermore, he explores to a limited extent the institutional and/or operational links between the EU and the respective IOs involved in security activities. In line with earlier attempts to assess EU security actions, this investigation involves three main

functional areas of regional security cooperation: policies of prevention (dealing primarily with root causes of conflict and the non-proliferation of weapons of mass destruction), policies of assurance (measures taken in post-conflict situations) and policies of compellence (peace-making and peace enforcement intervention). Kirchner argues that the policies of compellence have so far defined the limits of security cooperation under the aegis of the EU, while the policies of prevention and assurance provide further opportunities for cooperative security operations. He draws attention to the fact that the EU is willing to use force for its security and defence objectives (as legitimized in the ESS), but more is required to translate growing contributions into effective outcomes, assume a leadership role, and evolve from a mere 'payer' to a 'player' in multilateral security affairs.

James Sperling looks at the EU–NATO interaction and especially the impact of the dynamic evolution of the European security order on it. He argues that for a long time the institutional roles assigned to NATO and the EU were relatively unambiguous for Americans and Europeans alike. The US viewed the EU primarily in economic terms and NATO constituted the sole guarantor of European security. The Europeans, in turn, had limited aspirations for the EU as a security actor and relied on NATO for security, despite the growing ambition of the EU to adopt a broader and more influential presence on the world stage. However, the changing security environment has introduced a progressively greater degree of ambiguity with respect to the security governance roles of the EU and NATO, as both independent and co-dependent actors. Sperling examines the internal and external factors that are shaping the trajectory of the evolving institutional relationships of the EU and NATO and asks whether the new policy initiatives of NATO constrain or enhance the EU's autonomy as a security actor. He identifies the security threats recognized by the EU and NATO and the security policies that each of the two is better equipped to execute. Adapting role theory to account for patterns of convergence and divergence between the institutionally self-ascribed and the nationally ascribed institutional role conceptions of the EU and NATO, he assesses the consequences of their competing institutional role concepts on the expected degree of autonomy and (inter)dependence. Sperling's analysis leads to three alternative versions of the EU's role vis-à-vis NATO: subordinate partner, cooperative pillar, or competing pole.

In her contribution, Hanna Ojanen concentrates on the EU's relations with the UN and NATO in the fields of foreign, security and defence policy, looking at the different forms of interaction each relationship entails and their two-way impact. She distinguishes between the 'in' (i.e., one organization acts as a unit within another) and the 'with' (i.e., two organizations act together – cooperate – as two separate actors) relationship, an analytical scheme that may also serve as a chronological approximation of how inter-organizational interactions have developed in time. All forms of relationship combine partnership and potential rivalry, with the 'against' dimension hovering in the background. Ojanen argues that the 'EU *in* NATO' type of relationship is the most challenging nowadays as a test for both the ESDP evolution and the future of NATO. The impact of these interactions can be intentional as well as unintentional, positive or negative, with

cooperation or rivalry with another IO shaping an IO's internal functioning and challenging its *raison d'être*.

Chris Hill examines one of the core causes of the dysfunctional EU international presence, namely the lack of leadership and coherence in the EU foreign policy. His contribution revolves around the top-down dimension of the EU–IOs interaction, focusing in particular on the intra-EU policy-making effect of this interaction. According to Hill, this effect takes the form of the emergence of an inner leadership group, an informal 'directoire' set in place from the early 1980s onwards to address the existing leadership vacuum. This group has, usually, consisted of Britain, France and Germany, although its membership is inherently variable, and contested. He argues that such a tendency has caused extra, and different, problems of incoherence from those already plaguing European foreign-policy making, in terms of both uncertain policy outputs and tensions between member states. Based on both a historical view of the evolution of inner groups over the last 30 years, and an analytical perspective on the issue, with a view to identifying the drivers of the tendency towards a directoire, Hill provides a balance sheet of its advantages and disadvantages. Finally, he discusses the arrival of the High Representative as a focal point for European diplomacy and a potential solution for the problems of leadership, together with the further innovations contained in the Treaty of Lisbon.

Moving away from security IOs, Michael Smith's contribution focuses on the EU–US relationship, especially their entanglement within a wide variety of IOs central to the governance of the global political economy and world trade. According to Smith, transatlantic relations constitute a critical conditioning parameter of the EU–IOs interactions. Due to different internal structures and cultures, the two partners/rivals often espouse different principles and processes of international cooperation. Hence, he argues that the US presence or absence affects critically the EU's role in an IO, facilitating or constraining the EU's leadership aspirations and institutional investment on it. In other words, the scope and modality of the EU's international engagement with IOs on trade issues arise directly out of the 'competitive interdependence' that characterizes EU–US relations in this field. Furthermore, the EU–US interaction within or around IOs has an impact on the EU capacity to 'upload' or 'download' principles, practices and rules to an IO and the global political economy more generally. In that respect, Smith highlights the US effect on EU regulatory and commercial policies, with the US presence in an IO delimiting not only the international opportunity structure for the EU to export its *modus operandi* but also the effectiveness and longevity of the respective IO.

Focusing also on issues of world trade, Alasdair Young examines the EU's engagement in the World Trade Organization (WTO), addressing the contradictory depiction of the EU in trade issues either as a paragon of international law or as a 'scofflaw'. The latter view is based on the EU's failures to comply with international rules, particularly adverse rulings by the WTO's Dispute Settlement Body (DSB). Young puts the EU's compliance performance in WTO into perspective by considering the cases of problematic compliance in the context of other EU measures, and examining how the EU has responded to adverse WTO rulings. He

argues that the EU has actually a generally impressive record of compliance, as reflected in the very low proportion of its policy measures challenged before the WTO and its compliance with the vast majority of the adverse rulings. Moreover, even in the most difficult cases, the EU has adopted policy changes, even if they have not (yet) been sufficient to placate the complainants. However, there are instances in which international obligations weigh light for the EU cases and it is difficult to discern the EU commitment to international law. In such cases, the EU's purported normative commitment to 'effective multilateralism' is not sufficient to overcome strong domestic political preferences. Thus, Young contends that the EU is similar to other powerful WTO members in the way it engages with WTO rules, thus questioning the EU's distinctiveness as a 'principled' international actor.

The interaction of the EU with the World Trade Organization also constitutes the focus of Bart Kerremans' contribution, albeit examined from a different perspective. He is interested in the intra-EU dimension of this interaction and its effect on the EU policy-making process with an emphasis on the role of the Commission as the EU's principal negotiator in the WTO. Engaged in a principal-agent relationship with the EU member-states, the Commission has certain limits in its trade negotiating authority. Kerremans argues that the WTO-specific negotiation agenda affects the Commission's opportunities and constraints and, subsequently, its ability to manage the internal pressures emanating from national governments. In order to explain this, he extends the existing principal-agent relationship with the notion of a 'delegation chain'. In this, national governments not only exert pressure on the Commission to ensure a WTO agreement that better reflects their interests, but are also exposed themselves to domestic pressures. Thus, opportunities arise for the Commission under certain conditions to manipulate and use strategically these domestic pressures. His empirical evidence draws from the negotiations of the Doha Development Agenda (DDA), which comprised both 'offensive' and 'defensive' EU interests, the latter being more easily subject to domestic political mobilization. The Commission has undertaken an effort to integrate all issues including agriculture in a single negotiating agenda to balance out competing intra-EU interests. Its failure to do so has put the Commission under serious pressure and has led to the questioning of its role as defender of member-states' distinctive interests in the Doha Round.

The last contribution of the volume examines the often neglected in the literature relationship of the EU with other regional organizations. Dealing with the British Commonwealth, Paul Taylor discusses how the EU imposes itself upon other IOs in its vicinity, often taking over their role and functions. The EU and the Commonwealth are not equal partners, the EU being vastly bigger, richer, and more bureaucratized, but they have intersecting agendas. He depicts a relationship whereby the EU takes the lead in joint projects and the Commonwealth makes useful but complementary contributions. However, there is a clear differentiation of their roles, the nature and evolution of which are examined. Since overlapping membership is limited to only three states (Britain, the Republic of Cyprus and Malta) and the latter two are small and have joined the EU relatively recently,

Taylor argues that it is premature to examine whether and to what extent they push together a Commonwealth agenda in the EU and/or vice versa. However, this may become a subject for future research. {newpage}

Notes

- 1 European Court of Justice, Opinion {1/76} (*Draft Agreement on the Establishment of a European Laying-up Fund for Inland Waterway Vessels*), [1977] ECR 741, at 755, para 5.

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2 EU contribution to and cooperation with multilateral organizations

Emil J. Kirchner

Introduction

The EU is an organization whose governance structure is characterized by multilateralism. This reflects not only its inner European multilateral process, but also its external orientation. Internally, the EU is confronted with a consensus-building exercise among twenty-seven member states, which involves delicate tasks of coordination and cooperation. Externally, as expressed in the *European Security Strategy (ESS)*, the aim is to build and strengthen an international order that is based on effective multilateralism (European Council 2003: 9–10). The latter are not necessarily new aims, and can be dated back to Duchêne's (1973) concept of a civilian power in which multilateralism and dialogue were prominent features. These aims also concur with EU experiences gained over many years in multilateral trade negotiations and in aid and development cooperation.

The challenge for the EU will be to extend that experience from trade and aid policies into the field of external security cooperation, where it is only gradually establishing appropriate instruments of statecraft. A number of aspects appear pertinent when considering EU effectiveness in this field. First, to what extent can the EU overcome internal divisions over perceived security threats and appropriate means of response, build up necessary civilian and military capabilities, and act collectively? Secondly, to what extent can the EU act independently of the US, be allowed to act independently, or preserve compatibility with NATO military planning and strategy considerations? Realists have raised doubts on both accounts, arguing that either the interests of 'big' member states will dominate EU activities (Hyde-Price 2006) or that US hegemony will influence, if not determine, EU action (Kempin and Mawdsley 2009).

One way to deal with the realists' claims is to examine what resources the EU commits, either through individual member states or as a single entity, to external security activities generally and to multilateral security cooperation particularly. It will be assumed here that greater resource allocations will enhance the EU's role in external security activities and in multilateral efforts generally. While multilateral security efforts involve EU cooperation with other states, like in the post-conflict engagement in the Western Balkans, the focus here will be on EU cooperation with other international organizations. The reason for this relates

to the argument that international organizations represent a collective interest of states which enhances multilateral security efforts. International organizations, in the words of Robert Keohane, 'entrench particular forms of behaviour among their participants by prescribing rules of entry, norms of interaction and constraints on behaviour' (Keohane 1988: 384). Moreover, as argued by Martha Finnemore (1996), international organizations can 'teach' states what they want and influence the definition of national interests or state preferences. The same influence or impact might also be noted by the EU with regard to its external actions (Joergensen 2006). International organizations reinforce each other and create a multiplier effect. As argued by Greig, 'not only can mediation and negotiation efforts build upon previous success within a conflict, but successful conflict management appears highly prone to diffuse to surrounding states ... although conflict diffuses in the international system, peace does too' (Greig 2004: 17, 20). The parallel roles performed by the UN and the EU in resolving the Cyprus conflict can be seen as such a practical example. Furthermore, as indicated by Gleditsch and Ward, not only are regimes generally similar within regions, but there is also a strong tendency for transition to impart a regional convergence (Gleditsch and Ward 2006: 911–33).

The EU can be perceived as both a contributor to the multilateral activities of other regional organizations and as a benefactor of the contribution other regional organizations make to its multilateral role. While both perspectives are of importance in the pursuit of 'effective multilateralism', the focus of this chapter will be more on the former, i.e., EU contributions to other (regional) international organizations which engage in peace and security activities. Contributions can take various forms. In a minimalist way the EU may contribute by becoming a role model for other regional security organizations. Here the emphasis will be on the contributions the EU makes to other regional or international organizations in financial and personnel (civilian and military) terms. To a limited extent, it will also explore the institutional or, where appropriate, operational links between the EU and international organizations involved in security activities. This attempt builds on previous studies on how the EU conducts its multilateral approach in global affairs in terms of policy instruments and proceedings (Biscop and Drieskens 2006; Taylor 2006). In line with earlier attempts to assess EU security actions (Kirchner 2006; Kirchner and Sperling 2007; Dorussen, Kirchner and Sperling 2009), this investigation will involve three main functional areas of regional security cooperation: these are policies of prevention (dealing primarily with root causes of conflict and the non-proliferation of weapons of mass destruction), policies of assurance (measures taken in post-conflict situations) and policies of compellence (peace-making and peace enforcement intervention).

Besides examining the cumulative contributions EU member states make to other international organizations such as the UN, the Organization for Economic Cooperation and Development (OECD) or the Organization for Security Cooperation in Europe (OSCE), the chapter will also consider actions undertaken solely by the EU. Such an investigation will hopefully enable a better understanding of the EU's total contribution (both member states and EU) to multilateralism in

the respective three security areas. The chapter represents basically an inductive approach, but links with concepts of multilateralism and the functional role of international organizations (Keohane 1988).

The chapter will also, to some extent, deal with the conduct and effectiveness of multilateralism in the light of the much-publicized launch of the G-20. In other words, what role will the G-20 have in promoting 'effective multilateralism' at the global level; will its role compete with or complement the role of the UN as the principal forum of multilateralism, and how will the EU relate to the G-20 or seek to advance its multilateral aims through it? Before further attention is given to this issue, an examination of EU contributions to regional organizations across the three policy dimensions will take place, starting with a section on policies of assurance.

Policies of assurance

Policies of assurance intend to lead states or territories through a transition to stable government, based on democratic principles, good governance and economic and social development. While post-conflict situations often involve peace-keeping activities, which have a military personnel component, the focus here will be on civilian instruments and personnel and, thus, more in line with so-called peace-building efforts. For analytical reasons peace-keeping efforts will thus be separated from peace-building ones. The former will be dealt with in the section on compellence.

Peace-building tasks are carried out by a number of international organizations, mainly the EU, the OSCE, NATO and the UN. The tasks vary from election observation missions, standard-setting, monitoring and supervision of compliance on human rights and good governance issues, as performed by a host of organizations such as the OSCE¹ and the Council of Europe,² to the undertaking of civilian missions in the shape of police training, rule of law missions or border control operations, as performed by the EU and in part by the UN. The African Union (AU) has an organizational framework to deal with peace-building issues, which includes an African Standby Force. This framework links with sub-regional organizations, such as the Economic Community of West African States (ECWAS).

The EU has a number of EU financial instruments for policies of assurance that can also be used for policies of prevention. The main ones are the Instrument for Pre-Accession (IPA), the European Community Humanitarian Office (ECHO); the European Initiative for Democracy and Human Rights (EIDHR); and the Instrument for Stability (IFS). The IPA is assisting the EU enlargement process and is confined to the European geographic space. By contrast, the ECHO programme, dealing with humanitarian and disaster issues, has a global reach. The EIDHR and the IFS are tools which the EU employs both regionally and globally to promote democratization and human rights aspects and to provide quick intervention in crisis situations. An overview of these instruments is provided in Table 2.1.

Table 2.1 Budgets for EU Policies of Assurance*

<i>Instrument</i>	<i>Duration of budget</i>	<i>Total (billion euros)</i>
Instrument for Pre-Accession (IPA)	2007–2010	5,740
European Community Humanitarian Office (ECHO)	2008–2013	4,881
European Initiative for Democracy and Human Rights (EIDHR)	2007–2013	1,104
Instrument for Stability (IFS)	2009–2011	0.225

*Some of these instruments also serve Policies of Prevention

Sources: IPA: <http://europa.eu/scadplus/leg/en/lvb/e50020.htm>; ECHO: http://ec.europa.eu/echo/files/funding/budget/finances_2008_2013.pdf; EDIHR: http://www.euroresources.org/guide_to_population_assistance/european_community/eidhr.html; IFS: http://ec.europa.eu/external_relations/ifs/index_en.htm; http://www.consilium.europa.eu/cms3_fo/showPage.asp?id=1458&lang=EN (all sources accessed 20 July 2009)

In the field of peace building, the EU contributes to a number of organizations that have similar objectives and has established close cooperation with these organizations. Foremost amongst these are the UN and the OSCE. For example, the EU has supported the establishment of the International Reconstruction Fund Facility (IRFFL) for Iraq and contributed financially to the programmes run by the IRFFL. The contributions to and links with the various regional and international organizations will be examined more closely in the following.

Besides the close organizational links between the EU and the OSCE, member states of the EU have contributed more than two-thirds of the total OSCE peace-building field operations over many years – see Table 2.2. Some of these have had or still have a long duration, e.g., in Bosnia and Herzegovina, Croatia, Moldova and Tajikistan.

Similar missions are carried out by the EU, though these so-called ESDP civilian missions have more the task of training police or legal personnel (judges and customs and excise officials) than the task of fact-finding and monitoring missions of the OSCE. The two ESDP Border Missions might be seen more as conflict-prevention (preventive deployment) measures than assurance, as they seek to prevent smuggling, trafficking and customs fraud in the Moldovan/Ukrainian and Palestine Authority/Egyptian border crossings. A further purpose of these two missions is to provide advice and training to improve the capacity of the Moldovan/Ukrainian and Palestine Authority/Egyptian border and customs services. An overview of the civilian ESDP missions is provided in Table 2.3.

Table 2.2 Percentage of EU member states' contributions to OSCE field operations

<i>Year</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>
	69.43	70.7	66.03	66.03	70.9	70.64	71.78	71.78

Source: compiled from SIPRI 2008, http://conflict.sipri.org/SIPRI_Internet/index.php4 (accessed 8 August 2009)

Table 2.3 Overview of ESDP Civilian Missions

<i>ESDP Mission</i>	<i>Country</i>	<i>Mission duration</i>	<i>Assigned task</i>	<i>Staff</i>
EUPM	Bosnia/Herzegovina	1.1.2003 – 31.12.2009	Police Mission	182*
EUPOL Proxima	Macedonia	15.12.2003 – 14.12.2004	Police Mission	170
EUJUST Themis	Georgia	16.7.2004 – 14.7.2005	Rule of Law Mission	10
EUPOL Kinshasa	DR Congo	8.6.2005 – 15.7.2007	Police Mission	37
EUSEC	DR Congo	1.7.2005 – 30.6.2010	Security Sector Reform	40*
EUJUST LEX	Brussels/Iraq	1.7.2005 – 30.6.2009	Training Iraqi officials outside Iraq	25*
AMIS II Assistance	Darfur,Sudan	18.7.2005 – 31.12.2007	Support for the African Union mission in Darfur	31
Aceh Monitoring	Aceh, Indonesia	15.9.2005 – 15.12.2006	Monitoring the peace agreement	146
EU BAM Rafah	Palestinian Territories	15.11.2005 – 24.11.2009	Monitoring the Rafah border (Gaza/Egypt)	27*
EU BAM Moldova/Ukraine	Moldova/Ukraine	30.11.2005 – 30.11.2009	Monitoring the Moldova/Ukraine border	220*
EUPAT	Macedonia	15.12.2005 – 15.6.2006	Assist with police reform	30
EUPOL COPPS	Palestinian Territories	1.1.2006 – 31.12.2010	Police Mission	31*
EUPOL Kosovo	Kosovo	10.4.2006 – 31.3.2008	Planning team > Rule of Law Mission	100
EUPOL AFG	Afghanistan	15.6.2007 – 15.6.2010	Police Mission	230*
EUPOL Congo	DR Congo	1.7.2007 – 30.6.2010	Follow-up to EUPOL Kinshasa	53*
EU LEX	Kosovo	8.12.2008 – 8.12.2010	Rule of Law Mission	1,900*
EU SSR	Guinea-Bissau	1.6.2008 – 30.11.2009	Security Sector Reform	19*
EUMM	Georgia	1.10.2008 – 14.09.2010	Monitoring the peace agreement	266*

* This marks the mission strength as of January 2009. The figures of completed ESDP missions reflect 'end of mission' numbers, again as reported in January 2009.

Source: Data taken from the website of the Council of the European Union, 'ESDP Operations', <http://www.consilium.europa.eu/showPage.aspx?id=1512&lang=EN> (retrieved 19 January 2009)

Table 2.4 Stability Pact allocations: total assistance by donors, 2001–2005 (values in euro millions)

<i>Donor</i>	<i>Total grants</i>	<i>Total loans</i>	<i>Final total</i>
EU member states + EC budget	12,728.56	943.80	13,672.36
Non-EU countries	3,228.08	225.49	3,453.57
International financial institutions	91.40	15,772.51	15,863.91
Total	16,048.04	16,941.80	32,989.84

Source: Office for South East Europe (European Commission/World Bank), 'Financial Flows to South East Europe,' Continued High Assistance Flows to South East Europe [Online], 9 June 2005. Cited in Kirchner and Sperling (2007, p. 90).

With regard to EU contributions to UN peace-building efforts, there are some difficulties in separating civilian from military contributions, as UN post-conflict operations often involve both military and civilian personnel. However, in most cases the military personnel seems to be the dominant part. It is for this reason that a closer examination of these missions will be made in the section on compellence. More straightforward are EU–UN collaborative efforts in the Western Balkans, where the EU took over UN International Police Task Force missions in Bosnia and where it works closely with the UN Mission in Bosnia and Herzegovina (UNMBIH), as it does with other organizations. It also is closely involved in the Stability Pact for South Eastern Europe to which it has made substantial financial contributions. A similar close EU–UN working relationship exists in the Democratic Republic of Congo (DRC). For further details see Table 2.4.

Indeed, the Stability Pact for South Eastern Europe is a very good example of how various organizations interact with each other in peace building. This Pact was initiated by the EU, is supported by over forty nations, regional bodies and international organizations, all working in partnership, and operates under the auspices of the OSCE. It has three working principles: pursuing democracy building and human rights violations; building infrastructure to rehabilitate society; and promoting reform of the security sector for more accountable, transparent rules of law enforcement. It is complemented and effectively supported through the EU's Stability and Association Process (SAP) for the Western Balkan countries that combines stability measures with nation and state building efforts and offers a trajectory for EU membership.

Overall, the EU has not only augmented its contributions to OSCE and UN peace-building efforts, it has also, since 2000, considerably expanded the scope of its peace-building activities, particularly with regard to financial commitments to Afghanistan and Iraq, civilian ESDP missions in various parts of the globe, and specific programmes like the SAP in the Western Balkans. These efforts reflect the emphasis given in the *ESS* to assist states in post-conflict situations or in the process of peace building. However, caution is called for in equating increased activities with effectiveness, or with whether they have given the EU due recognition, or enabled it to assume a leadership role. Whilst EU efforts in

the European context, especially in the Western Balkans, would seem to conjure up a positive image, EU efforts elsewhere are more difficult to gauge – an aspect which will be elaborated further in the conclusion of the chapter. In the meantime, consideration will be given to EU policies of prevention.

Policies of prevention

Conflict prevention policies aim at preventing the occurrence of a major conflict and consist of financial and technical assistance, economic cooperation in the form of trade or association agreements, the promise of EU membership, nation-building efforts and support of internal democratization. A distinction can be made between general and specific prevention measures. General prevention aims at tackling the alleged root causes of potential violent conflicts such as economic inequality and deficient democracy. By contrast, special prevention employs specific measures aimed at a specific conflict at a specific stage, e.g., the EU-3 negotiations with Iran over the nature and purpose of the Iranian nuclear power programme. Specific prevention can be considered a form of crisis management action or peace making. The latter refers to the use of diplomatic means (negotiation, conciliation and the use of good office) to persuade parties in conflict to cease hostilities and negotiate a pacific settlement of their dispute. It may also involve economic and diplomatic sanctions, either as mandated by the UN or undertaken by the EU alone.

Early warning is seen as an essential part of an effective conflict prevention strategy, with some organizations, such as the OSCE and the EU, maintaining conflict prevention centres with early warning systems in place (UNU-CRIS 2008: 14). At the other end of the spectrum, some, like the Council of Europe, rely more on various standard-setting and monitoring bodies concerning human rights, minorities and democracy, which contribute to an overall regional knowledge base (UNU-CRIS 2008: 142). The EU has what can be deemed an effective early warning system, involving a check-list of countries and regions, that relies on mission reporting, and open-source information for Brussels-based desk analyses, using early warning indicators (UNU-CRIS 2008: 142). Moreover, the EU is able to draw upon the diplomatic resources of member states, as well as the network of 130 world-wide European Commission Delegations. As part of the Lisbon Treaty, these delegations will be transformed into an EU External Action Service, in order to reinforce as well as coordinate EU external representation. The early warning system also provides important information to the EU Joint Situation Centre, which deals with emergency and crisis coordination arrangements.

The European Commission's engagement in conflict prevention ranges from the negotiation of Country Strategy Papers to instruments within the areas of democratization, human rights, development and cooperation and trade to support its role in political dialogues, arms controls, or the Kimberley process on the trade of so-called conflict diamonds. It has created a Peace Building Partnership portal, intended to allow interested organizations and entities working in the fields of conflict prevention, crisis management and peace building to provide

the Commission, on a voluntary basis, with information regarding their areas of activity (UNU-CRIS 2008: 144). This is particularly useful in contacts with international non-governmental organizations involved with humanitarian or conflict prevention tasks.

Only a few international organizations are involved in structural conflict prevention (i.e., addressing the root causes of conflicts). So far, only the EU, the OAS and the Council of Europe have developed programmes that target baseline issues such as democratization, human rights protection, environmental security and economic welfare (UNU-CRIS 2008: 142). Whereas the Council of Europe has introduced an Intercultural Dialogue and a Conflict Prevention Project, the OAS has established a Special Programme for the Promotion of Dialogue and Conflict Resolution. The Economic Community of West African States (ECOWAS) relies on experience in working with civil society organizations on conflict prevention and has set up four African Zonal Bureaus in Banjul, Ougadougou, Monrovia and Cotonou. In the case of the OSCE, a number of bodies exist, such as project Coordinators, Centres and Offices which seek to monitor political, legal and economic developments with a view to maintaining stability in the respective country and the region. They also promote OSCE standards and commitments within these countries.

To deal with situations where conflicts are either simmering or have actually broken out, a number of international organizations either have existing frameworks to deal with the settlement of disputes or have taken practical measures to resolve disputes. Examples of the latter include ASEAN's mediation efforts in the South China Sea dispute and in Cambodia and Myanmar, as well as CARICOM's intervention in Venezuela, Haiti or Guyana. Instances where legal provisions have been adopted to deal with disputes can be found in chapter V of the OAS Charter, or the Council of Europe's European Convention for the Peaceful Settlement of Disputes.

EU financial assistance for conflict prevention policies is provided through a number of mechanisms. EU enlargement policy and the European Neighbourhood Policy (ENP) are covered by the IPA and the European Neighbourhood Policy Instrument (ENPI) respectively. Development policy is served by the European Development Fund (EDF),³ which supports 78 African Caribbean and Pacific countries, the Development Cooperation Instrument (DCI), which provides assistance to South Africa and 47 developing countries in Latin America, Asia and Central Asia and the Middle East (only those countries not covered by the ENPI or the EDF).⁴ A summary of these funds is provided in Table 2.5. Some of these financial efforts are complemented by EU humanitarian assistance, or assisted by the crisis management facilities IFS, the EIDHR and the ECHO programme.

It is interesting to note that member states contribute both directly and indirectly, via the European Community (EC), to the OECD's Development Assistance Cooperation (DAC). Combined, they provide more than half of the total DAC programme (see Table 2.6). Equally encouraging is the fact that EU member-states' commitments to the DAC will increase over coming years, to reach 0.56 of the GNI by 2010 (see Figure 2.1).

Table 2.5: Budgets for EU policies of prevention

<i>Instrument</i>	<i>Duration of budget</i>	<i>Total (billion euros)</i>
European Development Fund (EDF)	2008–2013	22,682
Development Cooperation Instrument (DCI)	2007–2013	16,897
European Neighbourhood Policy Instrument (ENPI)	2007–2013	11,181
Instrument for Pre-Accession (IPA)	2007–2010	5,740
European Community Humanitarian Office (ECHO)	2008–2013	4,881
European Initiative for Democracy and Human Rights (EIDHR)	2007–2013	1,104
Instrument for Stability (IFS)	2009–2011	0.225

Sources: EDF: <<http://europa.eu/scadplus/leg/en/lvb/r12102.htm> (accessed 28 May 2009); DCI: <http://ec.europa.eu/europeaid/what/delivering-aid/funding-instruments/documents/dci_en.pdf (accessed 28 May 2009); ENPI: <http://www.euroresources.org/guide_to_population_assistance/european_community/enpi_1.html> (accessed 28 May 2009); IPA: <<http://europa.eu/scadplus/leg/en/lvb/e50020.htm>> (accessed 28 May 2009); ECHO: <http://ec.europa.eu/echo/files/funding/budget/finances_2008_2013.pdf> (accessed 28 May 2009); EDIHR: http://www.euroresources.org/guide_to_population_assistance/european_community/eidhr.html> (accessed 28 May 2009); IFS: Commission of the European Communities, the Instrument for Stability – Multi-annual Indicative Programme 2009–2011; Brussels, 8.4.2009, C(2009)2641; [http://www.reliefweb.int/rw/RWFfiles2009.nsf/FilesByRWDocUnidFilename/SNAA-7TW575-full_report.pdf/\\$File/full_report.pdf](http://www.reliefweb.int/rw/RWFfiles2009.nsf/FilesByRWDocUnidFilename/SNAA-7TW575-full_report.pdf/$File/full_report.pdf) (accessed 24 August 2009)

Table 2.6: EU member states and EC share of total OECD/DAC aid

<i>Year</i>	<i>1990–1994</i>	<i>1995–1999</i>	<i>2000–2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>
EU member states	44.67%	44.10%	42.11%	45.08%	53.72%	48.31%
EC	N/A	N/A	12.96%	11.78%	12.49%	11.40%
EU/EC combined	N/A	N/A	55.07%	56.86%	56.21%	59.71%

Source: Compiled from OECD annual data statistics: 1990–2008

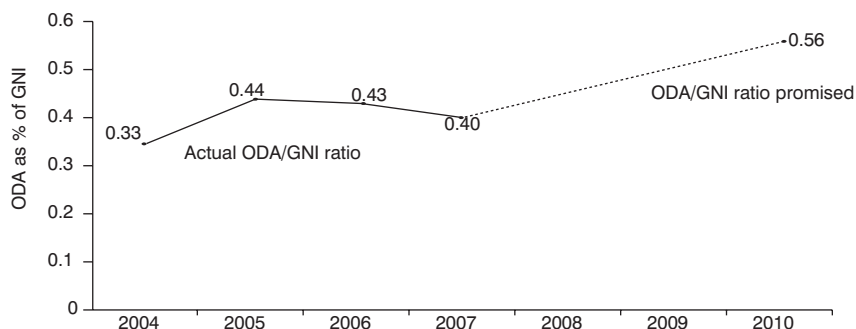


Figure 2.1 EU countries' contributions to ODA/DAC (% of GNI) (source: <http://www.oecd.org/dataoecd/47/25/41724314.pdf> (accessed 14 September 2009))

Besides the substantial DAC contributions, EU member states also provide 38 per cent of the UN's regular budget, making it the biggest financial contributor to the UN; over a quarter of which goes into the UN Development Programme (UNU-CRIS 2008: 80). Commission support to UN agencies, funds and programmes during 2007 amounted to 1.1 billion euros; the figure for 2004 was 874 million euros (UN 2008: 7). In addition, in 2007, some 42 per cent of resources under the ISF allocated for crisis response was channelled through the UN (UN 2008: 76).

Cooperation between the UN and the European Commission is close and intensive, involving structured exchange of information and best practices, to learn actively from each other's experiences. There are three formal, high-level meetings between the EU and the UN per year, and working contacts are almost daily (Biscop and Drieskens 2006: 126). Among the many examples of cooperation between the UN and the EU are the Kimberley Process and the conduct of sanctions, e.g., against Iran in 2009.

The EU is pro-actively involved in disarmament efforts all over the world. For example, it is involved in small arms and light weapons initiatives in Africa, Latin America and Central and Eastern Asia and the Balkans. In the nuclear and chemical disarmament field, the EU is associated with and financially involved in the G-8's '10 plus 10' initiative to fund non-proliferation projects, principally in Russia (Statement by the Group of Eight Leaders 2002).

Hence, in terms of policies of prevention, a similar picture prevails as found in the section on policies of assurance. The EU, both through member states and the European Commission, makes substantial contributions to the OECD/DAC and the UN aid and development programme. Through a range of financial and technical assistance, economic cooperation in the form of trade or association agreements, or nation-building and democratization efforts, the EU has helped to shape the behaviour of problem countries (Hill and Smith 2005: 402). However, the involvement of several international actors, the complexity of what works in the short rather than the long term, and whether priority is to be given to democratic development rather than peace, often impede accurate assessment (Youngs 2004). As with policies of assurance, EU effectiveness on conflict prevention would appear stronger in the European context, where the EU can rely, among other instruments, on the ENP; a point which will be further addressed in the conclusion of this chapter.

Compellence

Compellence signifies the use of force by an international organization against one of the states to enforce an end to hostilities or maintain stability once hostilities have ended. Hence it involves peace enforcement and peace-keeping efforts as well as military personnel.

The EU and NATO are prepared to undertake peace-enforcement missions (on behalf of the UN with a Security Council-derived mandate) beyond their jurisdictional zones and on a potentially global basis. Beyond these, only the Commonwealth of Independent States (CIS) has an enforcement capacity,

which it has exercised in Tajikistan. An interlocking regional system of peace enforcement and peace-keeping capacity exists only in Africa (absent in Europe, the Arab world, Asia and the Americas; UN 2008: 144).

Only a limited number of international organizations engage in peace-keeping activities. Some lack the juridical competence; others possess the competence but make the political judgement against undertaking such responsibilities. Organizations which have acquired the juridical competence and exercise the political will to engage in peace-keeping measures within their jurisdictional zones are notably the AU, the CIS and the OSCE. Currently, only the EU, NATO and the CIS have the mandate to undertake peace-keeping missions outside their jurisdictional zones on a potentially global basis on behalf of the UN. For the EU and NATO, the extra-jurisdictional mandate is exclusive, whereas the CIS may operate both intra-territorially and extra-territorially (UN 2008: 143).

The UN remains the natural leader in peace-keeping measures. However, because it has not been granted an adequate resource capacity by UN member states, it is unable to undertake all mission requirements on a global basis. Efforts are being made in which the UN and a regional partner will 'twin' in a peace mission or a partner will undertake a preliminary mission pending a UN take-over; or will provide the 'hard' security function for a 'soft' UN peace-building mission (UN 2008: 143). One such case was the EU-led operation Artemis, which was carried out in the summer of 2003, in accordance with UNSC Resolution 1484 to stabilize security conditions and improve the humanitarian situation of the civilian population in Bunia in Eastern Congo.

As a follow-up to the cooperation surrounding the EU mission in Bunia, the EU decided in 2004 to establish 13 national and 1,500 strong multinational 'Battlegroups'. These Battlegroups are to be primarily deployed at the request of the UN, for small-scale, stand-alone operations, as the initial entry force pending the deployment of a longer-term UN operation (or an operation by another regional organization, such as the AU), or as an interim force between two such operations – the so-called 'bridging' model. They represent an example of how the EU could contribute to the UN's capabilities and effectiveness (Biscop and Drieskens 2006: 128). While the potential of these Battlegroups has yet to be tested in practice, the UN is giving indirect encouragement and support for ESDP operations generally. These developments give testimony to the close relationship which has developed between the EU and the UN.

The EU has carried out a number of military ESDP missions mandated by the UNSC, and the more recent examples are the missions to Chad/Central African Republic (EUFOR Chad/CAR), and to Somalia (EU NAVFO). An overview of all military ESDP missions is provided in Table 2.7. Some of these missions are carried out under the so-called 'Berlin Plus' arrangements between the EU and NATO, under which NATO makes military assets available to ESDP military missions. It provides 'the framework for the strategic partnership between the two organizations in crisis management' (European Council 2003: 12). Generally, the relationship between the EU and NATO has improved through the 'Berlin Plus' arrangement and the re-entry of France into the military command structure

Table 2.7 Overview: ESDP military missions

<i>ESDP mission</i>	<i>Country</i>	<i>Mission duration</i>	<i>Assigned task</i>	<i>Staff</i>
EUFOR Concordia	Former Republic of Macedonia	31.3.2003 – 15.12.2003	Peace support	400
Artemis	DR Congo	12.6.2003 – 1.9.2003	Peace support for MONUC	1,800
EUFOR Althea	Bosnia and Herzegovina	2.12.2004 – 1.3.2009	Peace support	7,000 (initially) 2,500 (Jan. 2009)
EUFOR DR Congo	DR Congo	30.7.2006 – 30.11. 2006	Peace support for MONUC	2,300
EUFOR CHAD/RCA	Chad and Republic of Central Africa	28.1.2008 –	Military operation to improve security in the region	3,400
EU NAVFOR Atlanta	Somalia	1.12.2008 – 30.11.2009	Military naval operation against piracy	1,500 serving around 20 vessels and aircraft

Source: Data taken from the website of the Council of the European Union, 'ESDP Operations' retrieved 19 January 2009, from http://www.consilium.europa.eu/cms3_fo/showPage.asp?id=1458&lang=EN (accessed 28 May 2009)

of NATO. The two organizations also share common values and goals. However, the relationship is far from being seamless or complete. Among the stumbling blocks is the smooth participation of non-EU states who are members of NATO (Iceland, Norway and Turkey) in ESDP missions, a problem which is particularly acute with regard to Turkish participation.⁵

It is interesting to note that with ESDP missions in Africa (e.g., Congo and Chad/Central African Republic) and Afghanistan, the EU is losing its image as being only interested or active in the European region. Yet, while military ESDP missions expand, there is no direct corresponding increase in the numbers of personnel EU countries provide for UN missions; representing around 7 per cent of the UN's total military observers, civilian police and troops for UN operations (Biscop and Drieskens 2006: 126). However, if UN-mandated ESDP military missions and NATO-led operations in Kosovo (KFOR) and Afghanistan (ISAF) are taken into consideration, the EU member-state personnel contributions show a different picture, comprising around 44,000, which would represent 62 per cent of the total UN personnel of around 70,000. Details of the strength of EU member-states' contributions to KFOR and ISAF are contained in Table 2.8.

Moreover, in 2007 the EU contributed 39 per cent of the UN peace keeping in 17 countries around the world (UN 2008: 72). It also supports organizations such as the AU through the African Peace Facility.⁶ Still, it could be argued that EU

Table 2.8 EU member-states' contributions to NATO operations: ISAF and KFOR

Year	2007			2008			2009		
	Total force strength	EU share	EU %	Total force strength	EU share	EU %	Total force strength	EU share	EU %
ISAF	36,750	16,995	46.25	47,000	22,372	47.6	64,500	28,529	44.23
KFOR							15,453	12,695	82.15

Source: NATO: ISAF Troop Contributing Nations for 2007–2009 <http://www.nato.int/isaf/index.html> (accessed 20 October 2009); and NATO KFOR, as of 14 January 2009. http://www.nato.int/kfor/structur/nations/placemap/kfor_placemat.pdf (accessed 20 June 2009)

countries should contribute more to UN operations *per se* (Biscop and Drieskens 2006: 128).

Assigning forces to UN-led operations remains a national decision, on a case-by-case basis, and several member states have bilateral stand-by arrangements with the Department of Peacekeeping Operations (DPKO) in which they commit to maintain specific capabilities on stand-by in order to react rapidly to requests from the Secretary General. In an effort to coordinate or maximize EU member-state contribution, the European Council launched in 2004 the idea of a 'clearing house process' with the aim of providing a framework for member states to exchange information and coordinate their national contributions to UN operations (Biscop and Drieskens 2006: 129).

Overall EU commitments and contributions to multilateral activities in the security field are increasing. Besides the substantial contribution EU member states provided to the completed NATO operations in Bosnia (SFOR), in October 2009 EU member states provided the lion's share of NATO forces in Kosovo (KFOR) and nearly half the strength of the NATO-led operations in Afghanistan (ISAF). ESDP military missions have not only increased in numbers since their inception in 2003, but have also expanded in scope, as evidenced in the ESDP naval force mission to the West Indian Ocean and the coast of Somalia (EU Navfor Atlanta). In addition, the EU is the largest contributor to the UN peace-keeping budget and provides financial support to the AU's African Peace Facility. Together these commitments compensate, at least to some extent, for the relatively low military contribution that the EU makes to UN peace-keeping missions. These commitments and contributions indicate two further aspects. One is that the EU is willing to use force for its security and defence objectives (as legitimized in the ESS). The six ESDP military operations are testimony to this fact. The second aspect is that the EU is taking the *ESS* aim of pursuing 'effective multilateralism' seriously and, in the process, is taking on greater responsibility for global security and stability.

Conclusion

The aim of this chapter was to explore how, in practice, the EU lives up to the declared *ESS* aim to 'build and strengthen an international order that is based on effective multilateralism.' It was guided by the assumption that greater resource allocations to other (regional) international organizations which engage in peace and security activities will enhance the EU's role in external security activities and in multilateral efforts generally. Accordingly, EU contributions were examined by disaggregating EU security policy into three security functions: policies of assurance, policies of prevention and policies of compellence. Some tentative conclusions can be drawn from this exercise, some of which will need to be explored further in subsequent work.

EU contributions to international security organizations and to global security and stability, whilst generally substantial, vary according to the security functions under consideration. This variation has both an internal and an external dimension. The internal aspect relates to the degree to which the EU is able to act in a collective manner across the three respective security dimensions. The external factor relates to the ability of the EU to translate its contributions to the effort of 'building and strengthening an international order that is based on effective multilateralism' into political ends. These two dimensions overlap or have reinforcing tendencies, but for analytical purposes they will be addressed separately.

With regard to the internal considerations, EU collective behaviour can be observed in conflict prevention and assurance tasks. There is sufficient agreement among EU member states that collective action in these two policy areas is needed to contribute to international peace and stability and that joint efforts between member states and Community programmes are necessary. The policies of compellence have so far defined the limits of security cooperation under the aegis of the EU, while the policies of prevention and assurance identify the opportunity for security operation within the EU. They also are indicative of the persistent barrier to such a more integrative role posed by distinct and divergent national political and legal cultures (Kirchner and Sperling 2007: 243–48).

Different challenges emerge when assessing the external dimension of EU security policy contributions. First, the involvement of several international actors, the complexity of what works in the short rather than the long term, and whether priority is to be given to democratic development rather than peace, often impede accurate assessment (Youngs 2004). Secondly, the geographic factor is of importance. EU effectiveness on policies of prevention and assurance is stronger in the European context, where the EU can rely, among other instruments, on the ENP, ESDP civilian missions and the SAP. However, attention also needs to be drawn to the fact that the EU is willing to use force for its security and defence objectives (as legitimized in the *ESS*) and that four out of the six ESDP military operations have taken place outside the European continent. Thirdly, whilst it can be argued that the EU is taking the *ESS* aim of pursuing 'effective multilateralism' seriously and is assuming greater responsibility in regional and global security, the

EU has difficulties in translating growing contributions into effective outcomes, or assuming a leadership role. This is particularly the case with regard to aid and development cooperation through OECD and UN channels. To avoid being or becoming a mere 'payer' rather than a 'player' in multilateral security affairs, the EU has some way to go either to compete with the influence of other players, such as the United States, or in organizations like the UN, the International Monetary Fund (IMF) and the OECD. In part, this requires a strengthening of consensus among member states and EU institutions, and cooperation as well as coordination between the EU and other international organizations. It also necessitates that the EU calls for greater recognition from the countries to which it provides assistance and support.

In a wider sense, while the EU is committing considerable resources into its multilateral activities, both in financial and in personnel terms, it is, as rightly suggested by the High Representative for Common Foreign and Security Policy, most successful when it has worked with others such as the UN or regional organizations in Asia and Africa (Solana 2009). During recent years, the division of labour in the international security framework (e.g., between the EU, NATO, the UN, the Council of Europe and the OSCE) has improved. The 'interlocking' aspects have become more prominent than the 'inter-blocking' ones, which so negatively affected the peace enforcement and peace building in the Western Balkans among these organizations in the 1990s. However, further cooperation is required if modern security threats, which are multidimensional and varied in nature, are met successfully by multilateral means.

An aspect which will deserve greater attention in the future is the relationship the EU seeks with the G-20. For the moment the G-20 focus is on promoting and supporting growth and development across the globe, but it is likely that the G-20 will expand its remit and address a broad range of political and strategic issues. There is also a possibility that the G-20 will become 'the new G-8'. Such developments, potential or real, raise questions as to how the G-20 will relate to the UN or affect its role. The G-20, whilst broader than the G-8, remains a form of ad hoc consultation, rather than the type of rule-based, values-rooted multilateralism which is advocated and at least partially achieved in the UN (Tedesco and Youngs 2009). Moreover, while the G-20 offers the EU an additional venue choice in the pursuit of multilateralism, participation in the G-20 also affects the unity of the EU. The four largest countries are directly represented in the G-20, while the other twenty-three states are only indirectly represented via the European Commission.

Despite these challenges, the EU has made great strides towards the establishment of an effective multilateralism and there are strong indications that it will continue to do so in the future. However, whether it will make more effective use of its contributions and/or play a leading role in the conduct of multilateralism remains an open question.

Notes

- 1 The OSCE has developed an impressive acquis of Confidence Security Building Measures (CSBMs) and norm setting documents related to data exchange and the verification of information on military holdings and activities. For further details see Pickels (2009).
- 2 The Council of Europe seeks to protect human rights, pluralist democracy and the rule of law; to promote the development of Europe's cultural identity and diversity; and to consolidate democratic stability in Europe by backing political, legislative and constitutional reform.
- 3 The EDF is the main instrument for Community aid, going as it does to the African, Caribbean and Pacific (ACP) countries, but it does not come under the general Community budget, as it is funded by member states, covered by unique financial rules and managed by a specific committee. The EDF started in 1959 and is presently in its tenth funding period; with an increase in funds from 13,800 billion euros (ninth EDF) to 22,682 billion euros for the tenth EDF.
- 4 However, the DCI supports the restructuring of sugar production in 18 ACP countries.
- 5 The Turkish problem is complicated by its EU membership aspirations and its veto power within NATO over the release of military assets to ESDP missions. For further details see Missiroli (2002).
- 6 Under this arrangement the EU provides 300 million euros (2008–10) in order to strengthen the AU's native conflict management mechanisms and to consolidate the African Peace and Security Architecture (APSA). The wider aims are contained in the Africa–EU Strategic Partnership: A Joint Africa–EU Strategy. For further details see Council of the European Union (2007).

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3 The European Union and NATO

Subordinate partner, cooperative pillar, competing pole?

James Sperling

Until the eve of the new century, the institutional roles assigned to NATO and the EU were relatively unambiguous for Americans and Europeans alike. The US viewed the EU as primarily an economic actor and partner in global liberalization, while NATO was viewed as the sole guarantor of European security. The Europeans, in turn, had limited aspirations for the EU as a security actor despite the growing ambition that the EU adopt a broader and more influential presence on the world stage. The problem of governing the European security space, the demands placed on Europe to assume a more robust military role globally, and the rising complexity of security have introduced a progressively greater degree of ambiguity with respect to the security governance roles of the EU and NATO, as both independent and codependent actors. This role ambiguity has been driven by a variety of factors. The most prominent among them include the changed context of the post-Cold War system which fundamentally transformed NATO from a compulsory to a voluntary alliance for the Europeans, the absence of a credible conventional or nuclear threat to the members of the alliance, a security agenda detached from the requirements of conventional or nuclear deterrence, and the renewed dedication to deepening and widening the EU in the wake of German unification.

The relative postwar consensus on the key roles assigned to NATO and the EU in the transatlantic geopolitical space was rarely matched by an unambiguous understanding of the NATO–EU relationship. As early as the Kennedy Administration, the US viewed an integrating Europe as a cooperative pillar of the liberal international economic order, but as nonetheless nested within NATO and indirectly subordinate to American preferences on military and strategic affairs. NATO, as an American-led institution that provided institutional cover for a unilateral American security guarantee, created and sustained the expectation that Europe would follow the American lead diplomatically and doctrinally. This ‘Atlantic Fantasy’ (Calleo 1970) was mirrored by a corresponding Atlantic nightmare; viz., that Europe should eventually emerge as an independent pole of power challenging American dominance and rejecting American leadership (Mandel 1970). The post-1992 unipolar moment may have left the US without a credible geostrategic competitor, but the same constellation of geopolitical developments giving rise to it also enhanced the relative aggregated power of

the EU member states vis-à-vis the US. These states were not only freed from the bipolar compulsion of deference to NATO military-strategic dominance, but also enjoyed an accretion of relative power that provided an opportunity for the EU to challenge, directly or indirectly, the long-lived and future NATO prerogative to define the parameters of the European and adjoining regional systems of security governance.

A second development calling into question the precise relationship between the EU and NATO as security institutions may be traced to the rising complexity of the contemporary threat environment. National security is no longer a question of meeting existential threats to national survival or territorial integrity, but now embraces a broadened and less tractable set of security concerns, many of which are immune to a military solution. Both the EU and NATO point to malign transnational non-state actors, which target societal rather than state structures, as the most likely agents of threat today despite a residual preoccupation with state-centric threats that could erupt into conventional war (NATO 1999a: para. 20–24; 2006a: para. 2 and 5; European Council 2003: 2–5; 2008: 3–6). The majority of the threats that EU and NATO member states recognize as probable threaten either domestic or regional governance structures or the milieu goals of regional stability. NATO and the EU are asymmetrically equipped and sanctioned to address this broad spectrum of security threats. NATO is not only ill-equipped to craft or execute a ‘comprehensive approach’ to security that effectively combines ‘civilian and military capabilities more effectively’, but also lacks a mandate ‘to develop capabilities strictly for civilian purposes’ (NATO 2009a; 2006a: para 10). By contrast, the EU has adopted a full-spectrum approach to the problem of security in the twenty-first century, partially from necessity (limited military capabilities and electorates adverse to militarized foreign policies) and conviction (the relative disutility of military power as compared with the civilian instruments of statecraft) (Kirchner and Sperling 2007: 234–42).

The dynamic evolution of the European security order and threat environment raises three important questions about the EU–NATO interaction: How has the expanded security agenda affected the EU and NATO security governance roles? What factors have shaped the trajectory of the evolving institutional roles ascribed to the EU and NATO? Do new policy initiatives or shifts in NATO constrain or enhance the EU role as an autonomous security actor? These questions share in common a concern with the security roles assigned to the EU and NATO by their constituent member states as well as each institution’s self-ascribed and reciprocal relational role. Towards answering these questions, this chapter first adapts role theory to account for the patterns of convergence and divergence between the institutionally self-ascribed and nationally ascribed role conceptions of the EU and NATO, and then assesses the consequences of the competing institutional role conceptions of the EU and NATO in terms of the expected degree of autonomy and (inter)dependence with respect to operational planning, force projection capabilities, and operations. In the conclusion, a final question will be answered: Is the EU’s role vis-à-vis NATO best described as that of a subordinate partner, a cooperative pillar, or a competing pole?

Role theory and institutional role conceptions

Why rely upon institutional role conceptions (IRCs) to explain the trajectory and quality of the EU–NATO (inter)relationships? The roles ascribed to NATO and the EU converge and diverge in significant ways that affect not only the evolution of the EU as an autonomous security actor, but also the military-strategic calculations of the EU and NATO member states, despite an overlapping membership. The institutional roles played by the EU and NATO in member-state national security calculations cannot be reduced to a reified, material conception of the national interest or by reference to reducing transaction costs or achieving economies of scale that facilitate cooperation between like-minded states. Rather, those IRCs constitute national understandings of regional and global security contexts, the strategic purpose of national policy, and resource commitments; the convergence and divergence of those role conceptions illuminates our understanding of European–American conflicts over the past and future trajectory of the European and broader transatlantic systems of security governance.

Kal Holsti (1970) first mooted national role conceptions as a field of research in the study of comparative foreign policy. Others have extended Holsti's basic model either for the purpose of pushing forward the analysis of national foreign policies (Walker 1987; Doran 1991; Kirste 1998; Krotz 2002; Lahneman 2003; Harnisch 2009) or examining the role of the EU as an autonomous actor in multilateral settings (Larsen 2002; Aggestam 2006; Lucarelli 2006; Elgström and Smith 2006; Harnisch 2007; Elgström 2007). These analyses share two common assumptions: first, a role conception evolves from the interaction and coalescence of ascribed and self-ascribed roles; and second, these role conceptions create expectations about an actor's behaviour. Ole Elgström (2007: 448) combines these two assumptions into a single assertion: a national role 'is to a certain extent a result of learning and socialization in interactive processes of negotiation where self-images are confronted with expectations'. What remains critical for Elgström (and others), however, is that role conceptions are derived from a recursive interaction process between actors. Role theorists generally attribute a specific national role conception to the interaction of two role components: the self-ascribed (the actor's self-assessment) and ascribed (the assessment of strategically relevant counterparts). What remains underdeveloped – and essential to any understanding of the relational roles defining the EU–NATO relationship – are the additional and critical sources of role conception and formation: the alignment between the national role conceptions ascribed relationally to interdependent institutions as well as the alignment of the self-ascribed relational role conceptions of the institutions.

There are then three processes shaping institutional role conceptions: the institutionally self-ascribed and ascribed roles (in this instance, the EU for itself and NATO; NATO for itself and the EU), nationally ascribed roles for the EU (American and European) and NATO (American and European). The intersection of these partially dependent role ascriptions demarcates the shared national elements of the EU and NATO IRCs, but also determines the expected levels

of institutional autonomy and interdependence, creates actor expectations about institutional purposes, including the desired institutional division of labour, and locates a critical source of member-state conflicts over the relational roles of the EU and NATO. As important, the misalignment of those IRCs can undermine the institutionalization of security cooperation by confounding actor expectations, thereby initiating a process of role (in)validation and (de)formation. The underlying assumption informing this argument, therefore, is that institutionally self-ascribed roles *and* nationally ascribed IRCs are autonomously derived, only partially interdependent, shape actor expectations about institutional roles and purposes, and represent a critical intervening variable shaping national policy.

The principles and rules governing member-state interactions within the EU and NATO, and the shared expectations concerning the security functions and purposes of both, may thus be expressed as institutional role conceptions. The overlap and divergence between the self-ascribed and ascribed IRCs of the EU and NATO as well as the unique institutional claims made for each institution have engendered divergent expectations between the US and the EU member states with respect to the precise division of labour between the two institutions as well as the relationship between them. This latter set of expectations turns on whether NATO and the EU are in a hierarchical or heterarchical relationship. The precise nature of the NATO–EU relationship is contested within the alliance, most markedly between Europeans and North Americans. The EU IRC is determined jointly between the EU Commission and its member states, a process that necessarily excludes the US from directly shaping the self-ascribed EU IRC. The NATO IRC is the joint product of its member states, which include a significant number of the EU member states as well as the US and Canada. As might be expected, there is a greater consistency of NATO role ascriptions within the Atlantic area and less consistency with respect to both the EU role and the relational roles between the EU and NATO.

Self-ascribed IRC: The EU and NATO

The EU's self-ascribed role conception, in turn, is cogently expressed in two declaratory framework documents: the *European Security Strategy* (European Council 2003; hereafter *ESS*) and *Report on the Implementation of the European Security Strategy* (European Council 2008). The EU member states have made different assessments with respect to the relative utility of the military and civilian instruments of statecraft, the necessity of closer cooperation with or greater autonomy from the US, and alternative assessments of where the threats to European security originate. The 2003 *ESS* presents a consensus view that the EU must take greater responsibility for regional and global security commensurate with its status in the international system, but it does not claim a particularly prominent military role. The strategy reaffirmed the importance of the Petersberg tasks for the EU as a security actor (humanitarian, peacekeeping, and crisis management tasks, including peace-enforcement) (WEU Council of Ministers 1992: para. 4, pt. III) and claimed a special regional security governance role for

the EU, particularly in its immediate neighbourhood (the Balkans, the Caucasus, and the Mediterranean Basin).

The *ESS* identifies the external factors contributing to the evolution of a common security and defence policy: the end of the Cold War, the emergence of new security threats, such as ethnic conflicts and the disintegration of state authority, particularly in south-eastern Europe, and the EU's inability to act independently of the US to meet many of those security challenges. The strategy discounts the probability of 'large scale aggression' against EU member states and identifies a specific range of probable threats that do not necessarily call for large-scale investments in power projection capabilities or the need to acquire them. In fact, the Europeans expressed the belief that 'none of these new threats is purely military; nor can any be tackled by purely military means' and that these threats were best addressed with policies relying almost exclusively on the civilian instruments of statecraft (European Council 2003: 2–7).

The *ESS* designated three strategic roles for the EU: providing regional security in the European neighbourhood, satisfying the requirements of conflict and threat prevention, and enhancing the prospects for a rule-based international order based on multilateralism. While these three strategic roles did not explicitly require a common defence policy, the *ESS* nonetheless reinforced the existing understanding that the EU should acquire autonomous decision-making and force projection capabilities. The acknowledged need for an EU autonomous from NATO and the US reflected Europe's self-ascribed role as a 'civilian power'; viz., the EU had to enhance its diplomatic presence and enlarge its civilian crisis management capabilities, while acquiring an expeditionary capability for crisis and post-crisis military interventions.

NATO's self-ascribed IRC may be found in the *Alliance's Strategic Concept* (NATO 1999a), the *Comprehensive Political Guidance* (NATO 2006a; hereafter *CPG*), and the *Declaration on Alliance Security* (NATO 2009a). The NATO IRC is not only relevant for understanding NATO's relevance to member-state strategic calculations, but also for determining the impact of NATO on the EU as a security actor. The first and relatively uncontested role assigned to NATO is that of the premier transatlantic security institution safeguarding 'the freedom and security of all its members by political and military means' (NATO 1999a: para. 6). This institutional leadership role, and the underlying assumption that the other regional security institutions (the OSCE and the EU) are subordinate to it, is claimed unambiguously. With respect to the EU, the *Strategic Concept* specifically notes that any movement towards a European Security and Defence Identity would be developed within the NATO alliance and be placed in the service of enhancing NATO's military capability (NATO 1999a: para. 13 and 18). This leadership role, however, was modified in the *CPG*, where the EU was recognized as a complementary institution owing to its ability to 'mobilise a wide range of military and civilian instruments' (NATO 2006a: para. 3), and the contemporaneous *Riga Summit Declaration*, which discussed the evolution of a strategic partnership between the EU and NATO (NATO 2006b: para. 41).

The 2009 *Declaration on Alliance Security* similarly underscored the rising importance of the EU as a complementary security actor (NATO 2009a).¹

A second important component of the NATO IRC is its function as the essential ‘transatlantic link by which the security of North America is permanently tied to the security of Europe’ (NATO 1999a: para. 7; 2009a). This role both implicates the US in the evolution of the EU as a security actor and underscores the continuing asymmetry of obligation (and capability) within the alliance, particularly as it pertains to the Article 5 obligation and the continuing centrality of the American nuclear deterrent to alliance credibility as a collective defence organization. This particular element of the IRC performs the double duty of ensuring a continuing American commitment to Europe and locking Europe (and the EU) into a subordinate position vis-à-vis the US.

A third major NATO IRC is the setting of operational standards for alliance member states. The conventional aspect of this NATO role spans the setting of interoperability standards between member-state armed forces, the ratio of personnel to equipment expenditures, and the minimum levels of readiness, mobility, and deployability (NATO 1999a: para. 52 & 53; 2006a: para. 13 & 16). NATO has also established procurement and doctrinal guidelines in order to ensure that member-state force structures are aligned with one another and with the threat environment. In the 1999 *Strategic Concept*, for example, NATO forces were expected not only to be capable of providing the minimum level of forces necessary to meet the core (and unlikely) Article 5 task of collective defence, but also to be able to deploy out of area to execute the (likely) non-Article 5 tasks arising from instability along and beyond the periphery of the Alliance, as the NATO-led operation in Afghanistan has demonstrated (NATO 1999a: para. 20 & 24). Moreover, the operational responsibilities of the alliance have been steadily expanded to include participation in military stabilization and post-conflict reconstruction operations. These responsibilities, in turn, have created the need for NATO to acquire robust expeditionary forces capable of conducting ‘the full range of military operations and missions’ (NATO 2006a: para. 6 & 7; 2009a).

Nationally ascribed IRC: American and European

The nationally ascribed IRCs for the EU and NATO reflect an asymmetry of overlapping memberships, the historical American dominance of NATO, and variegated European ambitions for the EU as an autonomous security actor. The absence of the US from EU deliberations has created ambiguities in the precise nature of the EU–NATO relationship despite the progressive conceptual and operational integration of the EU into the NATO approach to security governance. Those ambiguities, in turn, not only create alternative expectations for the EU–NATO relationship and the tasks allocated to each, but also create divergent expectations about the future trajectory and viability of the transatlantic relationship.

A comparison of the American and European IRCs for NATO does not exhibit fundamental differences between the allies.² Both ascribe NATO the roles of

providing for the collective defence, assuming responsibility for high-intensity military operations, and ensuring the continued and legitimated participation of the US in shaping the European security order. There is also broad agreement that NATO will increasingly have to take on non-Article 5 roles and missions, but that ascribed role conceals more than it reveals: the Americans have generally argued that NATO must 'go out of area or out of business' – a position that metastasized from legitimizing NATO interventions in the Balkans to pressures for NATO's globalization. The Europeans, on the other hand, have seen a global NATO as generally outside the remit of the alliance and as an undesirable development that will only weaken the alliance over the long term. There is a similarly fine distinction between Europe and America that has diplomatic consequences, for not only for the internal dynamics of NATO but also the EU–NATO relationship; viz., the Americans view NATO as the dominant security actor for the transatlantic states, while the Europeans generally view NATO as the dominant defence actor. This distinction reflects not so much the asymmetry of securitization in the US and Europe as NATO's institutional, instrumental, and contractual limitations to address the full spectrum of security threats.

After the 1998 Anglo-French St. Malo Agreement asserted the desirability and necessity of an autonomous European military capability, the US was compelled to develop a comprehensive position on the relational IRC for NATO and the EU. Although the major European states do not share a uniform set of role ascriptions for the EU (or even NATO), there are significant overlaps in role expectations that have found expression in EU framework documents despite national reservations at the margins. The American and European IRCs for the EU, however, diverge, particularly with respect to the capability of the EU to perform as an effective security actor and its working relationship with NATO.

The American IRC for the EU as a security actor is in a process of development since it had historically played at best an auxiliary role in US policy calculations. The EU and its constitutional predecessors were treated as an institutional framework that aggregated Europe's political, economic and diplomatic resources to be placed in the service of the NATO alliance, particularly with respect to even burden-sharing between the two 'pillars' of the Atlantic Alliance. Although the US initially allowed that the European Security and Defense Policy (ESDP) could positively contribute to alliance military and force projection capabilities, there was a continuing preoccupation that the EU not erode NATO prerogatives in the area of defence: it was nearly an article of faith that the ESDP should not develop in a manner that would undermine alliance cohesion (operationally or diplomatically) or threaten NATO primacy (and American dominance). Consequently, the US assigned the EU (and ESDP) institutionally subordinated roles in the transatlantic security architecture.

The European ambitions for the EU span a considerable spectrum of views, ranging from those member states preferring an autonomous EU military capability promising Europe diplomatic and operational independence from NATO and the US to those wishing to perpetuate European dependence on NATO in deference to American preferences. There is general agreement, however, that

the EU should acquire an autonomous military capability enabling Europe to execute the Petersberg tasks *and* enable the EU to manage crises in the European neighbourhood. In addition to ascribing a regional military role to the EU short of high-intensity warfare, there is a consensus that the ESDP is an essential component of the overall European security strategy which, in turn, aids the European desire to play a role on the international stage commensurate with its structural power and capabilities.

EU and NATO: IRC convergence, divergence, and legitimacy

The nationally ascribed IRCs of NATO and the EU account for the salient patterns of IRC divergence and convergence, while the evolution of the self-ascribed IRCs reflects the interactions of those national IRCs over time. This process is particularly marked in the NATO (and American) treatment of the EU since the late 1990s: the American ascribed role for the EU has made the journey from merely an economic partner to a subordinate military actor within NATO to the preferred institutional address for executing civilian crisis management operations in tandem with NATO military operations out of area. Despite the high degree of correspondence between the nationally ascribed IRCs for NATO, a significant divergence of role expectations revolves around the degree of subordination and autonomy enjoyed by the EU vis-à-vis NATO. The US continues to insist that any EU military capability remain embedded within and subordinate to NATO, and that the EU complement NATO by providing the ‘civilian’ components of NATO’s embryonic comprehensive security strategy. The Europeans, in turn, seek an autonomous military capability enabling the EU to act independently of the US when Europe’s interests are at stake and America’s are not – a contingency acknowledged in the Berlin-Plus agreement. The nationally ascribed IRCs for NATO do diverge, sometimes in critical ways. The European emphasis on the civilian instruments of statecraft necessarily diminishes the centrality of NATO as a security actor since military operations are increasingly viewed as inefficient or irrelevant for ameliorating the most important and immediate categories of threat. The American emphasis on global order, a seemingly reflexive preference to rely upon military force to address a broad range of threats, and the absence of an alternative institutional basis for coordinating security policies with the Europeans, guarantee that NATO will remain America’s preferred and dominant institution for meeting common security threats.

An essential element contributing to national role conception legitimacy is the correspondence between a state’s structural power (and capabilities) and the role that states seeks to play in the international system (Holsti 1970: 245; Doran 1991: 36–43; Lahneman 2003: 100). Similarly, the viability of the (self)ascribed EU IRCs are partially a function of the credibility of the claim that the EU can be treated meaningfully as a unitary actor that possesses significant structural power and capabilities. Javier Solana, the EU’s former High Representative for Common Foreign and Security Policy, justified Europe’s global role and responsibility on the basis of the aggregated structural power of its member states:

As the EU grows to encompass 25 countries with some 450 million inhabitants producing one quarter of the world's GDP, we have a duty to assume our responsibilities on the world stage. As a global actor the Union must now face up to its responsibility for global security.

(Solana 2003)

A fundamental source of the divergence in the American and European IRCs for the EU (and by extension the relationship between the EU and NATO) is located in the subjective assessments of whether the EU should or should not be treated as a unitary actor.

Any assessment of the distribution of power in the international system (defined by an actor's share of the globally aggregated military, economic, and financial resources) is problematic, but an aggregation of European member-state capabilities elevates the EU to the status of a polar power, second only to the US (Sperling 1997). If the European states are treated individually as unitary actors, however, and if it is assumed that their individual power resources resist meaningful aggregation, then the major European states are reduced to middle powers trailing far behind the US, China, and even Japan. If the measurement of power is restricted to economic capacity and if the EU can be treated as a unitary actor, then the EU clearly emerges as a global power: the EU's GDP (on a purchasing power parity basis) in 2007 was \$13.71 trillion, just shy of the US figure of \$13.84 trillion, almost double Chinese GDP (\$6.99 trillion), and over triple that of Japan (\$4.29 trillion). More problematically, even within Europe it is recognized that the military capabilities of the member states remain intractably disaggregated and grossly inferior to the power projection capabilities of the United States (and by extension NATO) (European Convention/Working Group VIII on Defence 2003; von Plate 2003: 11; Bertram *et al.* 2002: 30).

The EU and NATO: Subordinate partner, cooperative pillar or competing pole?

The (self-)ascribed NATO and EU IRCs suggest that the EU could evolve into NATO's subordinate partner, cooperative pillar, or competing pole. Each relationship finds support in complementary or oppositional elements of each IRC. These three roles can be translated into propositions defining the future of that relationship and its consequences for the EU as an autonomous security actor.

- If the EU security role remains nested within NATO, then it will remain a subordinate partner of NATO.
- If the broadened spectrum of security threats privileges EU civilian crisis capabilities as opposed to the power projection capabilities of NATO, then the EU could emerge as NATO's cooperative pillar.
- In the absence of an existential threat depriving an American-led NATO of its strategic salience and as American and European security interests diverge, the EU may emerge as Europe's primary security institution.

Three issue-areas defining the present and future relationship between the EU and NATO – the degree of EU decision-making autonomy from NATO on security and defence policy, the interdependence of the EU and NATO capabilities agenda, and the need for concurrent military and civilian crisis management operations – reveal not only the tensions and contradictions of the EU and NATO IRCs (particularly those defining the strategic rationale and purposes of each), but also the sources of discord and collaboration within the transatlantic area.

Operational planning

The nationally ascribed IRCs for NATO and the EU reveal a deep-seated debate within the transatlantic community about the desired and viable degree of EU autonomy from NATO in security and defence policy. The negotiations that eventually produced the Berlin-Plus agreement ‘settled’ the autonomy question insofar as it forestalled the creation of an independent EU planning cell outside of NATO, but it eroded NATO’s claim to primacy and enhanced the legitimacy of the EU’s pursuit of an autonomous security policy.

The Anglo-French St. Malo agreement in 1998 laid the foundation for the EU decision to seek greater autonomy from NATO. At that time, France and the UK acknowledged that Europe required guaranteed access to the appropriate military capabilities ‘pre-designated within NATO’s European pillar or national or multinational European means *outside* the NATO framework’ (St. Malo Declaration, paras. 2 and 3, emphasis added). The possibility that the EU would operate outside NATO on defence matters quickly captured the attention (and ire) of the American government and NATO. Both viewed St. Malo as an undesirable declaration of ‘independence’ by the EU and as a threat to NATO primacy. Concerns over the future relationship between NATO and the EU were couched in the language of the three D’s: no EU duplication of NATO structures, no EU delinking from NATO’s core mission, and no EU discrimination against European members of the alliance.

The 1999 Cologne European Council Declaration, which endorsed the St. Malo agreement, altered unilaterally the relational role conception of the EU and NATO. In addition to acquiring the physical capabilities allowing the EU to project force, the EU (and its member states) recognized the need to develop an autonomous planning capability. Just as the middle ground provided by the Berlin-Plus arrangements left the US with a potential veto over the use of certain categories of NATO assets, the hostile American reaction to the ‘Gang-of-Four’ proposal to establish an independent EU planning cell and headquarters at Tervuren in 2004 strongly suggests that the American concern with duplication was as much about power as inefficiency. For the European NATO member states, it is unnecessarily redundant and wasteful to seek an autonomous planning capability; as EU member states, however, the acquisition of an autonomous planning capability may be essential to undertake military missions independently of the US, to satisfy the operational requirements attending the Petersberg tasks, and to execute a comprehensive civilian–military crisis management operation.

The Berlin-Plus agreements relaxed the tension between maintaining the integrity of NATO (from the American perspective) and enabling the EU to progress towards a common security and defence policy. The *ESS* noted that this agreement would enhance 'the operational capability of the EU and provide the framework of the strategic partnership between the two organisations in crisis management' (European Council 2003: 12). This arrangement has three key components: the EU is guaranteed access to NATO planning capabilities for preparing and executing EU-led crisis management operations; the EU may request that NATO provide a NATO European command option for an EU-led operation; and the EU has presumptive access to NATO assets and capabilities. Berlin-Plus forestalled the development of an autonomous EU military planning capability, but has enabled the EU to undertake autonomous missions with a ready-made operational infrastructure. The experience of Operation Concordia, where some EU member states criticized the Allied Forces Southern Europe (AFSOUTH) in Naples for assuming a role inconsistent with Berlin-Plus, led to a modification of the Berlin-Plus agreement; it initiated a sharper demarcation of EU and NATO command responsibilities that reinforced the political capacity of the EU to act independently of NATO without running the risk of disengagement or disaffection (Monaco 2004: 3–4).

Presently, there are three operational command options for the EU: recourse to NATO common assets and capabilities with the establishment of an EU headquarters at SHAPE; dependence upon one of the five national NATO-certified operational headquarters consistent with the framework nation concept; or reliance upon the EU Operations Centre established in 2007. Nonetheless, Berlin-Plus poses a barrier to autonomous and integrated EU crisis management operations for two reasons: first, a rapid EU military response to a crisis within NATO has been made virtually impossible given the lengthy period of time needed to make the necessary adaptations to the NATO chain of command; and second, the absence of a NATO civilian crisis management capability inhibits the execution of the preferred EU approach of an integrated civilian–military crisis management operation (Goerens 2006: para. 25; Ducarme 2008: para. 64; Political and Security Committee 2009: para. 24; for a more positive assessment, see Cornish 2006: 10–12). The framework nation concept and dependence upon designated national operational headquarters for EU operations presents its own set of problems; viz., the ad hoc designation of a headquarters on a case-by-case basis presents a significant barrier to meeting the EU goal of rapidly deploying military force within 15 days of reaching a decision in the Council to do so (Ducarme 2008: para. 66–67).

The final concern revolves around the institutional consequences of continuing EU dependence upon both NATO and national assets: in the absence of a permanent EU operational headquarters, the ESDP remains hobbled by the political and operational inefficiencies of intergovernmentalism and serial ad hoc arrangements inhibiting the formation of a genuinely integrated operational command structures. Both the Berlin-Plus arrangements and the framework nation concept stymie the EU ambition to realize a five-day military rapid

response time for the Battlegroups; they inhibit progress towards strengthening the EU Operations Centre or constructing an operationally autonomous EU via the option of permanent structured cooperation made possible with the ratification of the Lisbon Treaty (Ducarme 2008: para. 63–69; Kucheida 2005: para. 40–57; European Union Military Staff 2009: 8–9).

Force projection capabilities

The operational roles of the EU and NATO remain largely complementary, but NATO's collective defence role requires that the Europeans not only maintain a full spectrum military capability but also achieve interoperability and doctrinal conformity with the US as the dominant member of the North Atlantic security system. Yet, resource constraints may eventually present European governments with a stark choice: do they invest in those military capabilities supporting the Petersberg tasks and the security objectives of the *ESS* or do they invest in those capabilities that will ensure interoperability with an American military attuned to global expeditionary operations and high-intensity warfare? The tensions embedded in that resource constraint, the self-defined roles and operational contingencies of the EU and NATO, and their substantively divergent security tasks point to role conflicts that may bedevil the postulated EU–NATO strategic partnership.

Aspirational operational roles. The security and defence roles assigned to NATO and the EU have undergone a progressive evolution since 1989. The key NATO roles remain the twin tasks of deterrence and defence, consistent with the alliance's Article 5 obligation which continues to give the alliance its *raison d'être* on both sides of the Atlantic despite the contemporary absence of an existential military-strategic threat (NATO: 2009a). Instability along Europe's periphery in the 1990s forced the alliance to assume an expeditionary role and to extend a virtually open-ended security guarantee for the Balkan region. After 2001, this regional security role was effectively globalized when, in the wake of the Taliban's defeat and eviction from Afghanistan, NATO assumed responsibility for the International Security and Assistance Force (ISAF). NATO has progressively expanded the geostrategic range of expeditionary missions; it has redefined its security remit to span collective defence to crisis response 'on and beyond Alliance territory, on its periphery, and at strategic distance' (NATO 2006a: para. 11).

The American effort to enhance NATO's role as an institution capable of responding to conflict at the lower end of the conflict spectrum took the form of the NATO Response Force (NRF). The NRF was conceived as a 'spearhead force' to meet either Article 5 or non-Article 5 missions; it would consist of 21,000 troops (4 to 5 battlegroups), an air component capable of 200 sorties daily, and a naval carrier task force that could be deployed within 5 days (Cornish 2006: 13). This initiative was designed to complement rather than displace the core military capabilities essential for the purposes of the collective defence. The NRF, endorsed at the November 2002 Prague Summit, has provided NATO

with a high readiness capability for conducting military operations ranging from non-combatant evacuations to counter-terrorism to the support of diplomatic initiatives. The political purposes of the NRF included the strengthening of the operational integration of American and European forces, adapting NATO to the range of threats the alliance members were likely to face in the twenty-first century, enhancing NATO's capability to respond to out-of-area conflicts, and increasing the interoperability of NATO forces consistent with the American-driven transformation agenda (Bialos and Koehl 2005: 2). The NRF, used sparingly, has undertaken a very small number of limited operations similar in nature to the Petersberg tasks (Kucheida 2005: para. 78).

The EU lacked a defence role prior to 1989 owing to the strategic exigencies of the Cold War. The same factors that led NATO to assume an expeditionary role 'out of area' in the 1990s impelled the EU to seek an autonomous defence capability. The European inability to quell militarized civil conflicts raging in the Balkans revealed Europe's continuing military dependence upon the US and by extension NATO. The EU policies targeting regional stability, particularly in southeastern Europe, had a highly developed civilian component, but lacked a complementary military one. The ESDP was designed to remedy that deficiency and was assigned the relatively modest roles of developing the military capabilities necessary to execute the Petersberg tasks and providing Europe with the capability to intervene militarily where there was neither a NATO nor an American interest.

The EU has claimed a relatively modest military ambition with respect to the autonomous projection of force. The EU's comprehensive security concept formally integrates military and civilian crisis operations. The EU's Military Staff has identified five contingencies where a limited military intervention could be the appropriate response to a crisis: separation of parties by force; stabilization, reconstruction, and advice to third countries; conflict prevention; evacuations; and humanitarian assistance (European Union Military Staff 2009: 10). These contingencies, in turn, have created an 'expectation' that military interventions under an EU flag would 'more often require peacekeeping rather than warfighting skills' (European Union Military Staff 2009: 15).

The EU capabilities requirements and shortfall assessments have been framed by the three categories of military response enabling the execution of the Petersberg tasks: the standard military response, a military rapid response, and the 2010 Headline Goal response. The standard military response is derived from the 1999 Helsinki Headline Goal, which committed the EU to acquire the capability to deploy a force of 50,000 to 60,000 soldiers within a 60-day time-frame. The military rapid response, composed of land, sea, and air rapid response components, has a response time of 5 to 30 days, while the 2010 Headline Goal (HLG 2010) response is a rapid response subcategory employing an EU Battlegroup. The HLG 2010 compressed the time allotted for a decision to deploy forces (5 days) and set as a target the deployment of 1,500 troops within 10 days of such a decision (GAERC 2004: para. 4; European Union Military Staff 2009: 7–10).

These operational aspirations for NATO and the EU, although they overlap at the lower end of the conflict spectrum, reveal the potential for a strategic

partnership for the EU and NATO: the EU assumes presumptive responsibility for crisis interventions identified in the Petersberg tasks, while NATO remains responsible for conducting large-scale expeditionary missions (as well as the tasks of collective defence and deterrence). Yet such an operational division of labour is problematic; the divergences in the underlying purposes and security orientations of the EU and NATO require a different mix of national military capabilities. And that resource competition is not limited to redressing military capabilities shortfalls, but entails striking a balance between the military and civilian instruments of a comprehensive approach to security.

Operational capabilities. Europe's military capabilities shortfalls limit the effectiveness of the ESDP and if left unattended could undermine NATO. Although NATO and EU operational capabilities draw on the same set of national military capabilities, the political purposes of military force and the asymmetrical emphasis on the civilian dimension of crisis management confronts the EU member states of NATO with a potentially debilitating resource constraint. European governments may be forced to choose between buying those capabilities required for the complex, but limited objectives of the ESDP or opting for the transformation agenda enabling the Europeans to conduct coalition warfare with the United States. NATO and ESDP equally face enabling capabilities, primary force, and discrete weapons systems shortfalls. Unsurprisingly, the capabilities shortfalls identified for NATO and the EU overlap imperfectly (see Table 3.1).

NATO produced four general catalogues of European deficiencies between 1999 and 2006: the April 1999 Defense Capabilities Initiative (DCI), for example, identified 58 capabilities goals within ten general categories; the June 2001 North Atlantic Council Defence Minister's report (NACDR) emphasized Europe's need to acquire intelligence, surveillance, target acquisition, and reconnaissance (ISTAR) capabilities; the June 2002 Prague Capabilities Commitment (PCC) focused on primary force and strategic lift shortfalls; and the 2006 PMG and *Riga Summit Declaration* (RSD) responded to short-falls arising from the experience of coalition warfare in Afghanistan. The PCC presented a scaled-down set of capabilities requirements given the European failure to meet the DCI goals and the limited progress towards redressing some critical capability short-falls, notably strategic lift. The 2006 PMG/RSD presented capabilities short-falls in functional terms ranging from the ability to defend against terrorism to information systems security to conducting operations in 'demanding geographical and climatic environments' or urban environments (NATO 2006a: para. 16). Specific operational shortfalls included the capability to deploy and sustain joint expeditionary forces, high-readiness combat forces, information superiority, and the ability to cope with asymmetric threats (NATO 2006a: para. 18).

The European capabilities assessment process began with the July 1999 British–Italian joint statement as a response to the European inability to respond to the Kosovo crisis without American leadership (UK Parliament Select Committee on Defence 1999). Between 2001 and 2009, the EU produced at least eight major assessments of EU capabilities requirements and short-falls.³ The capabilities shortfalls identified in the 2001 European Capabilities Action Programme (ECAP)

included, *inter alia*, the absence of deployable headquarters and communications, strategic immobility, underdeveloped intelligence and C3 (command, control, and communications) capabilities, and an insufficient number of attack and support helicopters. At the 2005 Hampton Court Summit, the Council of Ministers noted the implementation of five 'flagship' EU-wide defence projects in the areas of C3, unmanned aerial vehicles (UAV), air-to-air refuelling, strategic lift, and armed fighting vehicles (EDA 2006a: para. 3–5). These 2005 capabilities targets remain on the EU (and NATO) capabilities agenda. The overall progress towards meeting these capabilities goals has been limited. Between 2002 and 2009, 9 of 42 categories of capabilities and catalogue shortfalls were judged to be 'solved' and 17 of 42 were judged to have improved. Sixteen other categories of capabilities shortfalls have not shown any appreciable improvement (Council of the European Union 2006, 2009a).

In a recent study, Daniel Keohane and Charlotte Blommestijn undertook an inventory of EU member-state capabilities. They found that European governments have reduced their inventories of weapons systems appropriate to territorial defence, have increased the professionalization of the armed forces, and have made progress towards increasing aggregate air and sea lift capabilities. Despite movement towards a force structure consistent with the operational ambitions of NATO and the EU, there are still significant deficiencies: Europeans still lack strategic airlift capability and the helicopter fleet is unable to operate in all climates or altitudes (Keohane and Blommestijn 2009: 1–4).⁴ Moreover, only 25.8 per cent of EU armed forces are deployable (a figure only half of the NATO/EU 50 per cent benchmark), while only 7 per cent of those forces are sustainable (short of the NATO/EU 10 per cent benchmark) (EDA 2009).⁵

The EU member states remain incapable of redressing these capabilities shortfalls independently of one another if they wish to preserve a degree of procurement and operational autonomy from the US. The goal of defence autonomy, central to the development and rationale of the ESDP, requires the interoperability of EU member-state forces, a task logically preceding interoperability within NATO (see Solana 2004). Moreover, since NATO interoperability can only be understood as Europe adjusting to an American standard, placing NATO requirements before those of ESDP would place a significant barrier to EU autonomy from NATO (and the US) and prevent non-NATO EU member states from gaining access to critical equipment and technologies to the detriment of the ESDP. These concerns supported the development of a European Defence Agency (EDA) initiative to protect and consolidate the European defence technological and industrial base (DTIB). The EDA predicted that in the absence of a competitive DTIB, there will be a 'steady contraction of the European defence industry into 'niche producers working increasingly for US primes' and that European governments will become dependent upon non-European (i.e., American) sources of key defence technologies (EDA 2006b: para. 69). Thus, the overall goal of this defence industrial policy is ensure procurement (and operational) autonomy from the US and to protect an important sector of the economy (EDA 2006b: para. 6). The specific policy objectives of the EU defence industrial sector includes creating

Table 3. 1 NATO and EU assessments of European capabilities shortfalls

	NATO assessments				EU assessments				EU-NATO capability group
	DCI	NACDR	PCC	PMG/RSD	ECAP	DMC	DSC/SPR		
<i>Enabling capabilities shortfalls</i>									
Deployable forces	x	x	x	x			x		
Deployable HQs					x	x			
Deployable communications					x				
Interoperability	x	x	x	x			x		
Logistics	x	x	x		x				
Network enabled capabilities				x				x	
Sustainability	x	x	x						
<i>Primary force shortfalls</i>									
C3	x	x		x					
Intelligence	x	x	x	x				x	
ISTAR		x	x	x			x	x	
Strategic mobility	x	x	x	x			x		
Air		x	x	x			x		
Naval								x	
Survivability	x	x						x	

Discrete weapons systems shortfalls

Air-to-air refuelling	x	x	x	x	x	x	x
Air defence	x	x	x				
CBRN/NBC	x	x	x	x	x	x	x
Cruise missiles	x			x			
Day/night all-weather systems	x	x					
Helicopters (attack/support)			x		x	x	x
Helicopters (transport)						x	x
Improvised explosive devices				x			
Information systems defence				x			
Mine countermeasures						x	
SEAD	x	x		x			
UAVs					x	x	x

DCI (Defense Capabilities Initiative); NACDR (North Atlantic Council Defense Ministers Meeting Report), PCC (Prague Capabilities Commitment), PMG/RSD (Political Military Guidance/Riga Summit Declaration); ECAP (European Capabilities Action Plan), DMC (Declaration on EU Military Capabilities), DSC/SPR (Declaration on Strengthening Capabilities/Single Progress Report on the Development of EU Military Capabilities).

Sources: NATO 1999b, 2001, 2006a, 2006b; NATO Parliamentary Assembly 2004; Council of the European Union 2008; General Affairs Council 2001; External Relations Council 2003; Political and Security Committee 2009.

intra-European economies of scale to lower the cost of weapons procurement internally and penetrate new markets externally, enhancing the interoperability of European armed forces, encouraging the consolidation of the fragmented European defence industrial sector, and creating a competitive environment for EU defence contractors enjoying equal access to national procurement processes. Taken together, the protection of the European DTIB implies an oppositional logic that underscores the potential for translating commercial competition and the search for autonomy into geostrategic estrangement within the transatlantic community.

Defence, deterrence, and civilian–military crisis operations.

NATO and the US have formally recognized that the EU plays an important role as a security actor, particularly in the broadest sense of providing comprehensive security. But the partially overlapping NATO and EU operational role conceptions have not allayed concerns that there is asymmetrical burden and risk sharing within NATO or between NATO and the EU (NATO 2009a; Sperling and Webber 2009). What will become clear, however, is that the EU member states have played a proportionate role in NATO operations, while contributing simultaneously to EU missions bereft of either American or NATO assistance. This assessment of the EU's role as a security actor suggests that a 'grand bargain' between the EU and NATO may be possible; the costs of such a bargain will fall disproportionately on the EU and Europeans.

There were three NATO major stabilization operations between 2002 and 2009: SFOR (Bosnia-Herzegovina), KFOR (Kosovo), and ISAF (Afghanistan). NATO has also conducted two training missions (NTM-Iraq and NTM-Afghanistan) and naval operations in the Eastern Mediterranean (Operation Active Endeavor) and Indian Ocean off the coast of Somalia (Operations Allied Provider, Allied Protector, and Ocean Shield) (see Table 3.2). EU member-state contributions to SFOR (and the follow-on EUFOR Althea) and KFOR have dwarfed those of the US, while the EU member-state contributions to the UN-mandated and NATO-led ISAF exceeded those of the US prior to 2008.⁶ These states have made a disproportionate contribution to the two training missions in Iraq and Afghanistan as well as the naval operations in the eastern Mediterranean and Indian Ocean to suppress Somali piracy: EU member-state navies account for 10 of the 13 ships currently committed to Operation Active Endeavor, 9 of the 13 ships dedicated to Operations Allied Provider and Allied Protector in 2008, and 5 of 9 ships participating in Operation Ocean Shield (NATO 2009c). These operations – and the preponderant EU member-state contributions to each of them – strongly suggest that the two major roles ascribed to NATO – collective defence and the linkage of American and European security – enjoy a high degree of legitimacy.

The EU lacked the ability and political will to project force within or beyond Europe prior to 2002. When the EU envoy to Macedonia, François Léotard, proposed in September 2001 that a 1,500 strong EU-led force replace NATO troops to prevent a renewed civil war, the EU Defence Ministers rejected his proposal;

Table 3.2 Member-state contributions to NATO- and EU-led military operations, 2002–2009

	2002	2003	2004	2005	2006	2007	2008	2009
<i>NATO operations</i>								
SFOR	9,926	9,447	7,885					
KFOR*	26,066	20,298	18,280	17,370	14,320	12,877	12,190	10,556
ISAF*	3,391	3,247	4,438	5,892	17,076	21,820	25,762	26,953
<i>EU operations</i>								
Artemis DRC		1,968						
Concordia fYROM		320						
EURFOR Althea (BiH)*			5,802	5,658	5,327	2,164	1,976	2,035
AU AMIS (support)				28	27	50		
EUFOR DR Congo					2,259			
EUFOR Tchad/ RCA							3,420	1,009
EUNAVFOR Somalia*								1,800
Total personnel committed to military operations	39,383	35,280	36,405	28,948	39,009	36,911	43,348	42,353

*Current operations

Sources: IISS (various years); SIPRI 2009.

they declared that the EU was not yet politically ready or operationally capable of conducting an autonomous operation. Although NATO subsequently launched a follow-on mission (Amber Fox), it was effectively a European operation with a symbolic American contribution. Since that time, however, there have been six EU-led military interventions. The first, Operation Concordia, was launched after the North Atlantic Council declared its mission to Macedonia to be at an end in March 2003. This mission was relatively small (320 troops) and of short duration (March–December 2003). Concordia relied upon NATO assets and capabilities; the EU Operational Headquarters were located at SHAPE. Operation Artemis (June–September 2003), the second mission, was an autonomous, EU-led military intervention in the Democratic Republic of the Congo (DR Congo). In response to a UN request and consistent with UNSC Resolution 1484, the EU agreed to send 1,400 French-led troops to the Congo within a five-day time frame with less than two weeks planning. This mission improved the Congolese security situation, facilitated the return of refugees, revived economic activity, and worked closely with a number of humanitarian agencies and NGOs (Faria 2004: 39–45). Artemis

established that the EU would be willing to perform a 'bridging function' that would provide the UN a window of opportunity to mount a new peace-keeping operation or to reorganize an existing one. The EU's third military mission, Operation EUFOR RD Congo (April–November 2006), supported the UN Mission in the Democratic Republic of the Congo (MONUC) in accordance with UNSC Resolution 1761 (2006). Operation EUFOR RD Congo had the limited mandate of protecting the Election Observation Mission in Kinshasa; it consisted of approximately 1,100 troops stationed in the DRC with a readily deployable battalion-sized force on standby stationed elsewhere. The Congolese presidential election was not marred by widespread violence or intimidation, an outcome for which the EU claimed some credit (Euronews 2006).

The fourth EU-led military intervention was Operation EUFOR-Althea in Bosnia-Herzegovina, which was authorized by UNSC Resolution 1575 (2004) as the legal successor to the NATO-led SFOR. This EU-led operation has relied upon NATO assets under the Berlin-Plus agreement. Twenty-two member states committed troops to the operation. Althea was initially conceived as fulfilling a peace stabilization role, although the specific objectives of the EU force were to sustain the existing level of political stability, and to prevent the outbreak of inter-communal violence. EUFOR is now tasked with the seizure of small arms and explosives, the destruction of munitions, border control, and the support of police in the fight against organized crime and internal reform. The initial troop commitment of 5,800 in 2004 has declined to just over 2,000 in 2009. Moreover, EUFOR has been augmented by the EU Police Mission in Bosnia and Herzegovina (EUPM BiH), which is responsible for aiding the reform of local police operations, making local law enforcement more effective, and reducing corruption towards building a stable civil society.

EUFOR Tchad/RCA (28 January 2008 to 15 March 2009) was the fifth EU-led stabilization operation conducted under a UN-mandate (UNSC Resolution 1778). This operation was an integral part of EU efforts to ameliorate the crisis in Darfur. The EU committed 3,400 troops to the operation to achieve a set of discrete goals: protecting displaced civilians and refugees; facilitating the delivery of humanitarian aid and the security of humanitarian workers; and stabilizing the region in support of UN operations. EUFOR Tchad/RCA reinforced the EU role as an agent for the UN Security Council in initiating stabilization operations prior to direct UN involvement.

The sixth EU military operation was also the first autonomous maritime operation, EUNAVFOR Somalia, initiated on 8 December 2009 and authorized by a UN mandate (UNSC Resolutions 1814, 1816, 1838, and 1846). The primary operational goal is the protection of World Food Programme vessels delivering food to displaced persons and refugees in Somalia. The secondary goal is the protection of merchant vessels from piracy in the Indian Ocean over an area comparable in size to the Mediterranean Sea. The EU has committed 11 naval vessels from six member states, naval patrol aircraft from three member states, and 1,800 personnel drawn from ten member states. As was the case with EUFOR Tchad/RCA, the naval operation is a part of a more comprehensive approach

to regional security and the crisis in Somalia that includes substantial financial support for the Somali government and support for the African Union's military mission to Somalia (AMISON).

What do these operations tell us about the EU role as a security actor? If only NATO- and EU-led military operations are considered, the EU emerges as a not inconsequential actor in the Atlantic security system. The EU has effectively undertaken responsibility for the stabilization of conflicts plaguing Africa, particularly in the DR Congo and the Horn of Africa. Similarly, EU member states have provided a disproportionately high share of the troops committed to NATO-led missions in Afghanistan and the Balkans. The EU has progressed from a security actor incapable of undertaking a military engagement requiring the deployment of 1,500 troops in 2001 to one that has regularly executed on an annual basis between two and three operations with a combined average deployment of 5,000 troops. Moreover, the EU has successfully undertaken a large number of civilian crisis management operations, either as an independent operation or as a complement or follow-on to a military operation. Although the EU managed but one limited civilian-crisis management operation (the European Union Monitor Mission in the Western Balkans) in 2001, after 2005 the EU has mounted on average 12 civilian-crisis management operations requiring an average total deployment of almost 1,500 personnel annually (see Table 3.3). The EU member-state contributions to NATO- and EU-led missions have averaged 38,000 troops deployed between 2005 and 2009. If the EU civilian crisis management operations are included, the Europeans contribute almost 39,500 personnel annually to operations serving the collective goal of regional and global stabilization broadly conceived. Arguably, the EU as a defence actor remains dependent upon the US (and NATO), but as a security actor it has seized a role that NATO is ill-equipped to replicate.

Conclusion

The divergence of the nationally ascribed roles for NATO generated a legitimacy crisis during the Bush Administration, largely owing European resistance to the American demand that European forces be restructured to accommodate the transformation of NATO into a global expeditionary force and the American decision to embrace net-centric warfare. The evolving role ascribed to the EU as a security actor on either side of the Atlantic generated a more muted role dissonance. The EU decision to seek a robust and autonomous military capability for the ESDP confounded the American role conception of the EU as an economic actor, while the American efforts to globalize NATO as an instrument serving a narrowly construed American interest after 2001 conflicted with the European understanding that NATO was primarily a regional security organization dedicated to the task of collective security.

Two parallel developments worked to resolve these dashed role expectations for the Europeans and Americans alike. First, NATO (and more specifically, the US) accepted that the changing nature of the security agenda required NATO to expand its capabilities beyond medium- to high-intensity warfare and adopt a

Table 3.3 EU member-state contributions to civilian ESDP missions, 2002–2009

	2002	2003	2004	2005	2006	2007	2008	2009
<i>Civil-military SSR</i>								
EUSEC RD Congo				8	32	46	43	47
EU SSR Guinea-Bissau							18	17
<i>Civil border</i>								
EUBAM Ukraine/Moldova				69	69	119	129	114
EU BAM Rafah				71	71	33	18	23
EUSR BST Georgia					9	10	20	20
<i>Civil police</i>								
EUPOL Proxima (FYROM)*		50	184	141				
EUPAT (FYROM)*			29	32				
EUPOL Kinshasa*				17	37	29		
PAMECA				16	16	15	14	14
EUPOL COPPS Palestine					13	19	42	41
EUPOL RD Congo						25	39	28
EUPOL Afghanistan						85	179	269
<i>Civil rule of law</i>								
EUPM FYROM*		482						
EUPM BiH		470	544	420	166	178	192	192
EUJUST THEMIS (Georgia)*			12	12				
EUJUST-LEX Iraq				12	22	26	30	30
EULEX Kosovo							1,651	1,220
<i>Civilian monitoring</i>								
EUMM Western Balkans*	110	110	96	90	57	48		
AMM Monitoring Mission*				119	27			
EUMM Georgia							312	295
Total personnel	110	1,112	865	1,007	519	633	2,687	2,310

Sources: SIPRI 2009; Council of the European Union 2009.

strategy better attuned to the requirements of a comprehensive security strategy. Second, the EU recognized over time that security could not be attained with civilian instruments alone and required a military component, albeit one suited to the requirements of peace-keeping rather than war-fighting. These two processes of role adaptation provide the foundation for an eventual EU–NATO strategic

partnership where the EU and NATO are complementary pillars of the transatlantic security order responsible for opposite ends of the conflict and conflict-resolution spectrum.

NATO has recognized the importance and distinctiveness of the EU security role, particularly its competencies with respect to civilian crisis management. This recognition is partially an acknowledgement of the changed requirements of security in the contemporary era and the EU ability to match its performance to its self-ascribed role: the EU set itself the goal of conducting two major military operations concurrently for a period of two years, two rapid response operations, civilian–military humanitarian missions, and a dozen long-term civilian ESDP missions annually (Council of the European Union 2008: 1; Herz 2009: 2). Since 2005, the EU has proved itself able to meet these goals despite member-state contributions to NATO operations in Europe and Afghanistan. The EU performance and contribution to global and regional stability is welcomed by the US, but a European security order premised on a NATO leadership role remains intrinsic to American foreign policy assumptions.

As a security (rather than defence) actor, the EU has rejected the role of subordinate partner vis-à-vis NATO. Neither the institution nor its member states seek a collective defence role for the EU. The EU performance as a security actor outside the Berlin-Plus arrangement (and the creation of the EU Operations Centre) foreshadows the eventual assertion of a planning and operational role fully autonomous from NATO and NATO assets, particularly in those areas of the world where NATO (and the US) lack a compelling interest to participate in military or civilian crisis management operations. Where the EU role remains subordinated to that of NATO is in the area of setting the capabilities and interoperability agenda: despite the divergent requirements of peace-keeping and war-fighting, NATO interoperability and capabilities requirements trump those of the EU given the continuing importance of Article 5 for the alliance members. Yet, it is the capabilities and interoperability agenda that paradoxically provide the latent source for the strategic estrangement of NATO and the EU and the emergence of the EU as a competing pole in the Euro-Atlantic security system.

Notes

- 1In the *Highlights from the second Strategic Concept seminar*, the participants believed that NATO would have to adjust itself to a post-Lisbon EU and a more robust ESDP (NATO 2009b: 3).
- 2This summary of the American and European ascribed IRCs for the EU and NATO is drawn from Krahnmann (2007) and Smith (2010) for the UK, Harnisch and Wolf (2010) for Germany, Tardy (2007) and Irondelle and Besancenot (2010) for France, and Sperling (2007, 2010) for the US.
- 3The most important are: Military Capabilities Declaration (2000); Capabilities Initiative Conference (2001); Göteborg Declaration on Defense Capabilities (2001); European Capabilities Action Programme (2001); Barnier Report (2002); Declaration on Military Capabilities (2003); An Initial Long-Term Vision for European Defence Capability and Capacity Needs (2006); Declaration on Strengthening Capabilities (2008); and the Single Progress Report on the Development of EU Military Capabilities (2009).
- 4The EU member states have access to Russian and Ukrainian AN-124-100 heavy lift aircraft under the terms of the Strategic Airlift Interim Solution. Planned acquisitions

include the joint purchase of three C-17 and approximately 180 A400M transport aircraft as well as A330 air-to-air refuelling tankers.

The European Air Transport Fleet, which provides opportunities for fractional ownership of A300M or C130 aircraft, will increase the overall number of aircraft available for EU operations (EDA 2008; Herz 2009: 4).

5Of the EU member states, only the UK meets the sustainability benchmark (19.7 per cent of total armed forces) and only the UK and the Netherlands can deploy over 40 per cent of their armed forces (EDA 2009).

6During the period 2002–08, the US contributed 15 per cent of the troops to SFOR (Kim 2008: 2), 13 per cent to KFOR and 32 per cent to ISAF (derived from Sperling and Webber 2009: 504–6).

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4 The EU as a security actor

In and with the UN and NATO

Hanna Ojanen

Introduction: delineating a typology of interaction

This chapter concentrates on the relations that the European Union (EU) has with the United Nations (UN) and with the North Atlantic Treaty Organization (NATO) in the fields of foreign, security and defence policy. Both relations can be seen as partnerships in which the EU is expected to contribute to the goals of the other organization, while also gaining something itself. At the same time, in both partnerships, the EU's autonomy and relative weight also lead to tension. Importantly, too, both relationships contain different forms of interaction between the two organizations in question.

Following the general framework of this book, the chapter looks at the two-way impact that this interaction has on both organizations. Schematically, it proceeds to look at four different forms of interaction, two for each pair of organizations: the EU in the UN, the EU with the UN, the EU with NATO, and the EU in NATO. Put simply, the 'in' relationship is a case where one organization acts as a unit within another organization, while the 'with' relationship is one where two organizations act together – cooperate – as two separate actors.

This scheme can also be seen as a chronological approximation of how the interaction between these organizations has developed in time. Indeed, while the EU in the UN represents an important step in the early development of a foreign policy identity for the European Communities, the fourth variant, the EU in NATO, is still to emerge. It might also be the most challenging of all these relationships. Even though while none of these forms of interactions is totally void of controversy – they do also display elements of the EU being *against* the other organization – it is the fourth form of interaction that is the most challenging both as a test for the EU's seriousness in developing the ESDP and as a development that may speed up the disappearance of NATO while at the same time also increasing the role of security and defence in the EU. The relations, in short, are combinations of partnership and potential rivalry.

In this chapter, interaction between international organizations, or, shortly, inter-organizational relations, is seen to be a new and important phenomenon to be studied and theorized about. It is a new phenomenon particularly in the field of security and defence. Thinking back to how international organizations have

been set up, it does indeed seem that they were essentially created in a way that did not foresee them being in interaction with one another. In general, all had their own functional area – trade, meteorology, human rights, territorial defence – or they covered different geographical areas. The obvious exception to this is the UN as a global and multifunctional organization. The UN Charter (Chapter VIII) foresaw the need to relate to other international organizations in the field of security, but the need for different organizations to relate to each other and clarify their respective roles first became pressing in this field in the 1990s as various organizations started moving towards covering essentially the same functions, while also having to an increasing extent the same member states. This is particularly clear in the EU–NATO relationship but does also apply to the EU–UN relation as the EU starts perceiving itself as an actor with global responsibilities.

Inter-organizational relations are also a very important phenomenon in international relations, yet to a large extent still unseen or unnoticed and neglected. They remain unseen in all theoretical traditions where international organizations are not even perceived as actors on their own right but are seen as tools of their member states. Cases such as the relationships studied in this chapter – and other chapters in this volume – amply demonstrate how consequential this interaction is in reality. Evidently, the EU and NATO have in the past five to eight years influenced each other by, for instance, setting examples to follow or learning from each other. Similarly, the EU and the UN have influenced each other. This influence can be intentional as well as unintentional, positive or negative. Importantly, while the influence is that of one organization on another, the interaction itself also impacts on the two parties: cooperation and rivalry with another actor may be an important external factor that shapes the internal functioning of an organization.

Finally, the chapter simplifies the study of otherwise complex inter-organizational relations by concentrating on interaction in foreign, security and defence policy only. It thus excludes a large amount of interaction between the EU and the UN in other policy fields – development policy, for instance – that would as such be of interest to the overall theoretical discussion. Studying this policy field might also contribute to the development of a more general theory on inter-organizational relations. Literature on such phenomena may well be more developed in fields other than security, for instance in international trade or environment (e.g., Gehring and Oberthür 2009) but could eventually benefit from a comparison between different policy fields.

In a simple format, the four different forms of interaction can be presented as shown in Table 4.1.

The numbers indicate the function of this table as a chronological approximation of how the interaction has developed in time, from one to four where phase one sees a start in the period of European Political Cooperation (EPC) in the 1970s and where phase four is something that might now be emerging, following the entering into force of the Lisbon Treaty in December 2009. Consequently, this chapter is divided into four sections, each of them dealing with one of these issues.

Table 4.1 The four different forms of interaction

	UN	NATO
The EU 'in'	(1) CFSP-based obligations Lisbon Treaty: HR	(4) ESDP obligations To emerge?
The EU 'with'	(2) Peacekeeping Peace support	(3) Peace support operations Capabilities Defence planning, defence

The EU in the UN

The UN as a setting for the creation of the EC as an international actor

'The EU in the UN' can be seen as a classic way of expressing the EU–UN relationship. Its basis is in the Common Foreign and Security Policy, actually already in EPC, where one of the first concrete aims of foreign policy cooperation was to achieve shared views and then express them jointly in other organizations, among which notably the UN. The 1973 Copenhagen Report on EPC states that the member states' representatives 'will seek common positions in regard to important questions dealt with by [major international organizations]' (Hill and Smith 2000: 87). The rationale behind this is that the EU (EC) member states will, when united, have a stronger voice and more influence in international fora than when acting separately. The UN General Assembly became one of these fora as soon as the Federal Republic of Germany joined the UN in 1973. The coordination was expressed cautiously at start: the Italian foreign minister spoke in the General Assembly in September 1973 on behalf of the 'nine foreign ministers of the Community's Member States'. Since 1994 the form used has been 'on behalf of the European Union' (Luif 2003: 9–10). In addition to the UN, also the Conference for Security and Cooperation in Europe (CSCE) in 1975 offered the EC such a platform and was constitutive of the EC as an international actor (see, e.g., Nuttall 2000).

Seeing a venue like the UN as an important forum for concerted foreign policy is not unique to the EC. The same rationale can be found also in Nordic cooperation where the Helsinki Agreement from 1962 between Denmark, Finland, Iceland, Norway and Sweden also speaks about the importance of joint Nordic action in international organizations. They have also come to be treated as a group in many of them.

This form of interaction has also been amply analysed, notably measuring voting cohesion of various country groups in the UN General Assembly. The overall EU voting cohesion has gone up and down, from an almost 60 per cent of recorded votes in 1979 to 27 per cent in 1983, and 75.5 per cent in 2002 (Luif and Radeva 2007: 29). Interestingly, alignment with the EU vote has been typical of countries aspiring for membership of the Union: they have adjusted to the

'mainstream' before joining (idem: 33). This is no doubt a way for them to show their like-mindedness in the CFSP. Cohesion importantly varies across policy fields. Luif and Radeva (2007: 30) show that the EU consensus has almost always been above average in Middle East affairs, while the opposite is true for various armament questions, in particular nuclear disarmament (see also Luif 2003).

In this form of inter-organizational interaction, the EU countries are thus to form and advocate a joint view because of certain treaty provisions and ultimately because of their common interest. A first consequence of this is that the EU becomes an actor: it has a setting, a forum for being an actor, or for being *one* instead of being a group of states acting.

When successful, the EU may through such joint action come to exert considerable influence on the decision-making. The EU might also become a leader of some sort that non-EU countries follow, for instance in human rights or climate policies. Both fields have been identified by the EU itself as central; promoting human rights issues within the UN has for long been an aim of the EU, and in environmental issues, the Union is frequently considered a front-runner. The EU's renommée as a 'normative power' (originally in Manners 2002) stems from its perceived influence on such issues. For the UN as well, a powerful actor such as the EU can, when acting within the UN framework, be essential for the UN to achieve its own goals, such as agreements on comprehensive international regimes on climate, the establishment of the International Criminal Court, or the abolition of the death penalty.

Yet, Karen Smith sees the EU's influence within the UN's intergovernmental human rights bodies as rather disappointing. She sees that it is hard for the EU to assume a leadership or front-runner position here without fundamentally reforming its internal coordination process which now leaves little time for outreach and is not geared up to exercising leverage that might increase the EU's influence (Smith 2006: 167). In environmental policies, and particularly when it comes to climate change, Damro (2006) sees the EU as having indeed become effective enough even to lead the UN. It played an important role in the process leading to the ratification of the Kyoto Protocol. Damro points out that the UN's ability to advance an international environmental agenda has depended on the support and pressure of its influential members, not least those of the EU. Yet, its role has also been confusing because of the sharing of competences between the EU and its member states that sometimes makes it difficult for non-members to understand who negotiates, signs, ratifies and implements agreements on behalf of the Union (Damro 2006: 175).

At the same time, the UN is particular in its own organizational form in that it does provide the EU with a forum for acting as a unit but does not compel it to act as one 'member state' only: the EU can, in fact, use both the 'mode' of a group of states and that of a union. In fact, it often has as many as four seats in the UN Security Council (UNSC) which is quite an amplifier for any voice. Paying close to 40 per cent of the UN's regular budget, it is also an important financial contributor. Statistically, it can be said to be the biggest single contributor to the UN's budget – as the ceiling of 25 per cent intended for any single member

state does not apply to the EU. A large financial share *per se* is of course not of significance unless one knows how to, or wants to, transform it into influence. This also implies deciding that it is worthwhile for the EU to expend its political and economic capital to promote the UN (Ojanen 2005: 8).

Too unique to fit the UN setting?

The UN might seem to be an excellent structure *through* which the EU can exert influence widely beyond its own borders, impacting directly on global agreements and norms. In practice, however, it has not necessarily been able fully to use this potential. At least three different problems have been identified: the protracted negotiations that are needed for the EU to arrive at a common stance, the precariousness of its attraction, and the adverse consequences that increasing influence may have.

First, the process by which the EU arrives to a common position may be very long and the final result thus considered so precious that the EU comes to be seen as cumbersome and an inflexible negotiator. Similar studies on the EU in other international fora help to deepen the analysis of how the formation of a joint view takes place and the difficulties that one might encounter in the process. Luif and Radeva (2007) draw conclusions from their study of EU coordination in the UN General Assembly and in the Organization for Security and Cooperation in Europe (OSCE) and find that the coordination process itself is very cumbersome and time-consuming. They argue that it sometimes seems that finding a consensus is more important than proactively influencing international organizations. When internal EU agreement has finally been reached, it often becomes impossible to negotiate on the EU position with third states, as the EU states are not willing to open up the consensus again (Luif and Radeva 2007: 39). Once the EU has achieved a common view, it cannot be flexible as that would imperil the whole process.

Laatikainen and Smith (2006) even see the EU contributing to the rigidity and stylized diplomacy on the UN as it spends most of its time negotiating with itself and, once having taken a position, rigidly maintains it. Moreover, the position taken by the EU is often a timid and vacuous one, as it is a result of consensus among the EU members (Laatikainen and Smith 2006: 20). There are also issues where arriving at a joint position has been too difficult. The reform of the UNSC belongs to these; having for the first time decided to try to form a common view on it in 2005, the tentative still failed (see below and more in Brantner and Gowan 2009: 50–4).

Second, even when finding a common view, and, in addition to that, being able to promote it forcefully inside the UN, the EU might not always be able to attract the other countries on its side. There are cases in which it has done so. Sixteen neighbouring countries vote with the EU so consistently as to be *de facto* members of the bloc (Brantner and Gowan 2009: 47). Lately, analysts have deemed its influence to have decreased, particularly in human rights questions (see Gowan and Brantner 2008) that have been central to the EU's image as an international

actor. They also perceive an erosion of previously achieved coordination within the EU (Brantner and Gowan 2009: 49).

Third, there have been voices that say that the EU is over-represented at the UN. As many as one third of the UNSC members may at one time be members of or candidates to the EU. There have also been complaints about the EU's dominant position in the voting group of Western Europe and Others (Jørgensen and Laatikainen 2004: 4).¹

Sometimes, the EU does not want to be seen as a leader, either, to avoid perceptions of European (or Western) dominance in security or in development issues (see, e.g., Biscop and Drieskens 2006: 118; Smith 2006).

From the point of view of the UN, it is also not necessarily clear whether it is beneficial or not to have such a potentially strong actor inside the organization. Its character is certainly untypical for the UN. As it only has states as members, the Union is like a shadow member among the normal ones. Yet, it is one that strongly speaks for multilateralism and the UN system. The European Security Strategy (2003) also builds on the relationship with the UN in underlining effective multilateralism. It acknowledges the primary responsibility of the UNSC for the maintenance of international peace and security, while also putting forward a global role for the Union: 'Europe should be ready to share in the responsibility for global security and in building a better world'.² Biscop and Drieskens (2006: 116) indeed see that effective multilateralism implies for the EU enforceable multilateralism. On the other hand, it does not fit the mould provided by the UN Charter for regional organizations, either, as is seen below: the idea of subordination foreseen in it is not attractive for the EU.

From the point of view of the EU, what is interesting in this form of relationship is the difficulty to know which of the two possible ways of exerting influence at the UN would be more efficient: acting as a (coherent) group of countries, thus availing oneself of a considerable number of votes, or acting as a Union, as one among the big member states.

In this sense, the Lisbon Treaty brings it further modifications. When it comes to the way the EU views are represented, the Lisbon Treaty stipulates on the permanent UNSC members' duty to ensure the defence of the positions and interests of the Union, and also that the EU's common position will be communicated as much as possible by the High Representative instead of the rotating presidency as previously. In the UNSC, when the Union has defined a position on a subject on its agenda, those member states which sit on the Council shall request the HR to present the Union's position. The HR will also be more powerful than before, being the chair of the General Affairs and External Relations Council and vice chair of the Commission. Such strengthening of a common voice and the enforced position of the HR may make the EU seem more state-like within the UN. The consequences might be mixed. This might make the EU seem more assertive of its own interests, and this, in turn, could strengthen the negative impressions on it. After all, for all the talk about the EU's civilian power, this is not how it is perceived by the other global players, given the history of European colonialism and imperialism (Howorth 2009: 37).

Finally, the difficulties in deciding on the proper way of representation also regularly come up linked to the perennial question of UNSC reform. Instead of the current two EU countries, France and the United Kingdom, having a permanent seat, a permanent seat for the EU itself has been advocated by, for example, the EU High Representative Javier Solana, who alluded to this possibility in 2003 (Biscop and Drieskens 2006: 118–19). This would strengthen the tendency perceived by Laatikainen and Smith (2006: 20) of the EU to undermine the value of state membership in the UN where the Union prefers to work with other blocs. In theory, as the Lisbon Treaty establishes the EU as a legal person, it could have an observer status in the UN (in lieu of the EC) – something that is less influential than the status of a member. At the same time, however, state membership is highly valued within the EU. Germany has been interested in a permanent seat of its own. The other two permanent members would support it, as a measure to guarantee the permanence of their own seat. Other EU members such as Italy and Spain, would oppose. (de Jonge Oudraat 2005: 255). From the EU's collective point of view, what should matter most is the Council's performance and thus increased efficiency.

The EU with the UN

Helping hands for peacekeeping?

This form of interaction between the EU and the UN relates to policy fields where the two act together as two organizations, cooperating side by side. In this chapter, the emphasis is on security policy and thus peacekeeping and crisis management.

In the past 10 years, the EU has emerged as an independent actor in crisis management with its own military and civilian operations outside of its own borders. Earlier on, it was rather the EU member countries that contributed to UN operations in this field. Since the Amsterdam Treaty that entered into force in 1999, Petersberg tasks, or humanitarian and rescue tasks, peacekeeping tasks and tasks of combat forces in crisis management, including peacemaking, are part of the EU, and the Union should also have an autonomous capacity to pursue them. The Lisbon Treaty further enlarges these tasks to encompass joint disarmament operations, military advice and assistance, conflict prevention and post-conflict stabilization.

The UN has been quite helpful for the EU in its emerging as an actor in this field. In 2003, when the first EU crisis management operations started, it was the UN that asked the EU to help in the Democratic Republic of Congo (even though the initiative most likely originated from the EU), and the EU thus set up its first non-European military operation Artemis to help the UN (see more in Biscop and Drieskens 2006: 127). The UN, thus, gave recognition to the EU's ability to carry out such missions at a point in time when the EU had not yet any experience to show.

The reason for this is simple. The UN needs the EU. Interestingly, the 2005 report of the UN Secretary-General *In Larger Freedom* points out three roles

that the EU could have in the UN. First, the EU *qua* regional organization can help the UN in peacekeeping missions where the UN's capacity is stretched. It can also assist in capacity building for other actors such as the African Union. Second, *qua* watchdog, in the role that the EU assumes in the European Security Strategy, the Union could work towards securing international norms in general, and promoting the UN understanding of security in particular. Third, the EU could have a significant role in implementation, in increasing accountability and in ensuring that states abide by the security treaties they have signed – using its power over its own member states but also on third states that are attracted to the EU model.³

In practice, the EU has helped the UN in several ways both in furthering international norms and in concretely helping the UN peace support activities. In addition to 40 per cent of the UN's peacekeeping budget, it contributes military observers, civilian police and troops (Biscop and Drieskens 2006: 126). The EU has also taken over some of the UN operations, such as the police operation in Bosnia or the rule of law mission in Kosovo. Moreover, some of its hitherto unused capacities, notably the EU Battle Groups, have been explicitly explained to be deployed also, or even primarily, at the request of the UN (Biscop and Drieskens 2006: 128). Indeed, some of the EU's crisis management capabilities would seem usefully to complement the UN that has itself practically failed to put in place the advanced security mechanisms and joint means that were originally envisaged in the UN Charter, for instance, immediately available air force contingents or a Military Staff Committee (Britz and Ojanen 2009: 24–5).

Again, it is not only the UN that benefits from this cooperation. What the EU stands to gain from this is increased legitimacy. Relating its crisis management to the UN framework adds to the EU's positive image and its credibility in particular when it comes to its legitimacy when operating outside Europe. Indeed, the crucial push to intensify the UN–EU relations came from the EU in 2000–2001 as it was redefining its own crisis management role (Tardy 2005: 54) and led to the adoption of a Declaration on EU–UN Cooperation in Conflict Prevention and Crisis Management at the Gothenburg European Council in June 2001 (Biscop and Drieskens 2006: 126).

The quest for autonomy

The problem with this form of relationship, then, is the tension between the need for autonomy and the benefits from acting together with the UN. In peacekeeping and crisis management, the UN could relate to organizations resembling the EU through the plan envisaged in Chapter VIII of its Charter (regional arrangements) where regional security providers are linked to the UN system. Formally, their role is defined in such a way that they play an autonomous role in the peaceful settlement of conflicts but they have to report to the Security Council on their activities. However, without UNSC authorization they are not allowed to use force independently. At first, regional organizations were regarded with suspicion, but their status has gradually been improved as regionalism is considered to support

the global order and add value to the UN. In 1994, the UNGA issued a declaration on improving the relations between the UN and regional organizations, and several high-level meetings have been organized. Memoranda of Understanding dealing with information exchange, expertise and resources have also been foreseen (Ojanen 2005: 27–9). In June 2004, the EU issued a Declaration on EU–UN Cooperation in Military Crisis Management Operations further delineating the role of the EU (Biscop and Drieskens 2006: 129).

For the EU – as well as for NATO – being formally ‘only’ a part of the UN system is, however, not possible. The EU wants to retain an autonomous capacity to act, that is, also without a UN mandate in cases where a mandate might be blocked by some permanent member of the UNSC. Thus, the European Security Strategy (2003), even when firmly in favour of strengthening the UN system, does not use the word ‘mandate.’ Still, the EU has not of yet had operations without the UN backing. It is difficult to imagine a scenario in which the EU would on purpose harm the UN. Yet, the interests of the two may not always be the same. The EU certainly challenges the UN system both in form and in intention. It is not a state; it is a staunch supporter of the UN system but also retains its autonomy. As a significant financier, it may also lay down its own conditions for cooperation.

The EU might also want to use its resources differently from what the UN may propose. There has been a trend whereby the EU states contribute less to UN peacekeeping and more to EU or NATO operations. The EU members’ share of all UN troops was less than 7 per cent in 2005. The countries seemed to prefer participating in UN-mandated rather than UN-led operations (Tardy 2005: 52). A possible reason behind this is the larger political gain that investment in EU or NATO missions yields in comparison to investments in the UN: generous contributions in one field can be compensated for in another field in a more immediate way. Perhaps a step further, they would send less of their own forces even to these and opt instead for training peacekeepers of third organisations, such as the African Union.

The EU with NATO

Complementary strengths?

This relationship bears resemblance to the previous one in that here, too, it is a question about two organizations having similar functions in crisis management, and being able to profit from cooperation. Here, the problems linked to autonomy and the difficulty of deciding who does what are more acute as the two organizations resemble each other more, as both are regional in character and as their membership overlaps.

The EU’s relationship with NATO originates from around the year 2000 when the Western European Union (WEU) in practice ceased to exist as a bridge between the two. The relation has been formalized through the ‘Berlin Plus’ agreements, a set of cooperation agreements between the two organizations finalized in 2003. Basically, these include the presumption of availability to the

EU of NATO capabilities and common assets, access to NATO planning for EU crisis management operations, NATO command structures for EU-led operations, and procedures of release, monitoring, return and recall of NATO assets and capabilities, as well as consultations in case of EU-led operations making use of NATO assets. They also include exchange of classified information (Touzovskaja 2006).

The formal shape of the EU–NATO relations was also affected by the EU's own delineations on the principles that guide its relations with other organizations. These were outlined in the Gothenburg European Council in 2001 as added value, interoperability, visibility and decision-making autonomy. The December 2002 declaration on EU–NATO relations, in turn, lists the following principles as the basis of the relation: partnership, ensuring the mutually reinforcing nature of their crisis management efforts, recognition of their different nature, effective mutual consultation, dialogue, cooperation and transparency, equality and due regard for the decision-making autonomy and interests of both, respecting the interests of the member countries of both organizations, respect for the principles of the UN Charter, and coherent, transparent and mutually reinforcing development of military capability requirements common to the two (Ojanen 2006b: 45).

Since 2003, the two organizations have been active in crisis management operations largely in the same places, following each other to the Balkans, to Sudan, to Afghanistan, and to the Somali coast. In Europe, one could see certain devolution of tasks from NATO to the EU, notably as regards the EU's military operation in Macedonia (2003) that made use of NATO's assets and capabilities, or the military operation EUFOR ALTHEA in Bosnia-Herzegovina (2004) that was originally also a NATO operation (for more, see Warwick and Koops 2009: 106–9). The two have also been developing similar crisis management means, notably rapid reaction forces – NATO Response Force and EU Battle Groups. There is also increasing overlap in strategic and operational planning, and, with the Lisbon Treaty, also mutual defence commitments between the respective members.

In practice, quite some replication, or imitation, is therefore visible. The two organizations have indeed come to influence each others' development as actors in security and defence policy. NATO's impact on the EU's institutional design, policies and experience gathering in crisis management has been fundamental (Warwick and Koops 2009: 120–1). The rationale of rapid reaction as well as the creation of appropriate military structures, including for planning, fall into this category. Yet, the influence has by no means been one-way only. Warwick and Koops (2009: 119–20) see that the EU has made a significant contribution to the shaping of NATO's identity as a norm exporter, but also to its politicization. The EU has also been seen to possess capabilities and potential that is useful in crisis management but that NATO does not have or does not have experience with, particularly when it comes to civilian capabilities. The coordination of civilian and military missions and the new ideas for operational planning that from the start involve both sides is a typical example of this (Howorth 2009: 43). An additional way in which the EU might in theory be inspiring for NATO is its

partially supranational decision-making and its potential in making member states comply to a greater extent than NATO, thus helping with a loyalty gap visible in NATO.

In practice, however, the two have also come to share the same problems – notably for finding additional resources. Politically, the relationship has been rather complicated and thus it has been difficult to redress some of the problems. The formal framework for dialogue between the two was planned to be the meetings between the Political and Security Committee (PSC) and the North Atlantic Council (NAC), but that has not quite worked. Informal meetings do take place. When the ambassadors meet, they are only authorized to discuss joint EU–NATO operations, of which there is only one, ALTHEA in Bosnia, and select capability initiatives. Strategic issues like Afghanistan are not on the agenda. In the background, there are twists between Cyprus and Turkey, blocking and counter-blocking each other (see, e.g., Kramer 2009; Ülgen 2008). In practice, the situation causes problems when, for instance, EU missions in Afghanistan and Kosovo are denied military protection from NATO.

Two alternatives, or two of the same?

When thinking about EU–NATO cooperation in crisis management, specialization might seem a good basic principle. Many foresaw, indeed, that the two could cooperate in an efficient way if both focused on their respective strengths: civilian and military. What seems to have taken place in reality on the international crisis management scene, is that the two organizations seem to become increasingly similar, instead of specializing. That the two shape each other – perhaps to an unprecedented degree – is only rational if one thinks that they have an interest in how the other organization can further its own goals. They have an interest in imitating whatever might emerge as a comparative advantage in institutional innovations, roles, tasks and power or authority. Both also have an interest in maintaining their autonomy, and both must demonstrate their added value and comparative advantages in crisis management. This leads to them developing the same tools to meet the same needs (Tardy 2006: 31). Quite obviously, having to a large extent the same member states, they tend to perceive what is seen as a legitimate task or a conflict with repercussions for them in a similar way. Neither organization would like to give up its activities or functions, either, in order not to appear ill-prepared to confront different crisis situations (Ojanen 2007).

In addition to crisis management, defence is also becoming a field where both organizations are present. Again, the Lisbon Treaty changes the overall situation in that it entails a mutual defence clause which, even though somehow subordinated to NATO, still might have practical consequences. It entails a solidarity clause that surpasses the classic defence commitment both by an arguably more modern threat perception (threats other than state aggression) and by involving the EU as an entity among those who will take measures, instead of leaving it to the member states to act in defence of other member states as in the mutual defence or assistance clause.

The two might still be perceived as alternatives, and they can be compared according to parameters such as efficiency or legitimacy in order to see which one should be preferred in a situation where there is choice as to the organization that should act. In a sense, one could theoretically speak about institutional choice: there would be a choice for the states when it comes to which organization they opt for in a certain operation – forum-shopping, as Fukuyama (2006) puts it, seeing that such ‘multi-multilateralism’, a situation of overlapping and competing institutions, might actually be of value and worth promoting.

Paradoxically, however, the two seem to have become so intertwined that it is difficult to imagine them having very different futures or even radically different policies. And, if they are in the end two of the same, it becomes increasingly obvious that one of them is redundant. The central problem thus becomes whether they actually harm each other, either the EU gradually taking tasks away from NATO or NATO hindering the EU’s development in the field of security and defence.

The EU in NATO

The particular form of interaction between the EU and NATO that is comprised under the title ‘the EU in NATO’ is one that might only be emerging as a logical consequence of the strengthening of the ESDP. Thus far, it has not existed in the sense that the EU member countries have not been expected to act as a unit within NATO. This, in turn, has been motivated by the nature of the questions dealt with: in the absence of a common defence policy, the EU member states would be unable to have a common view. Moreover, transatlantic relations, the very core of NATO, are among those very issues where common stands have been rare to surface – if achieving them has even been tried.

In essence, the EU in NATO would mean the EU member states all seeking a shared view on issues dealt with in NATO. The word ‘caucus’ has been used for this. Thus far, however, the idea of a European caucus within NATO has been met with strong opposition.

In particular, a European caucus within NATO has been a worry for the US officials. The early US doubts were expressed by Strobe Talbott, US Deputy Secretary of State, in 1999, when he said in a speech in London that ‘We would not want to see an ESDI [European Security and Defence Identity] that comes into being first within NATO but then grows out of NATO and finally grows away from NATO’ (Giegerich 2007: 51). Such identity-building, or caucus formation, would, first, greatly complicate decision-making in NATO – again, for the unwillingness to compromise on hard-won positions among the EU members, and also for having to wait for such a position to emerge first, features that were seen to lead to criticism also in the UN (and in the OSCE) context. Second, it would mean a serious backlash in relations with the US (Larrabee 2009: 51).

Many see that the emergence of such a caucus is in any case still improbable. Giegerich (2007) sees the Atlanticist–Europeanist divide within the EU as being still too strong; he would see that one could not even speak of convergence of

views on defence, at the most of congruence. Similarly, Larrabee (2009) sees that the EU enlargement has actually been working against a caucus being formed as the new member states would be more Atlanticist. Also Varwick and Koops (2009: 118) see it as still inconceivable for the EU to speak with one voice within NATO: there is strong resistance against it as it would pre-empt NATO's function as a decision-making and discussion forum in its own right. In addition, it would seriously weaken the influence of the five remaining non-EU members within NATO.

What seems to happen, however, is that the role of defence within the EU changes and the security and defence field becomes more and more integrated both in the EU structures and between the member states. The Lisbon Treaty will also enhance the EU's legitimacy in these fields internally, among the citizens, by the increasing role of the European Parliament (Howorth 2009: 38). The Commission is getting a more prominent role in the field both through its role in the armament industry and trade and through the new double role of the HR. Such features might also be subsumed under 'autonomization' or Europeanization, or de-Natoization of national policies, by which Varwick and Koops (2009: 109) mean a partial shift of national preferences from NATO to the ESDP. They would themselves see it as unlikely in the short or medium term. Still, overall, the development of the ESDP has been quite quick, even surprisingly so, in the past 10 years.

A stronger ESDP, then, should logically mean more cooperation among the member states also in other international fora – as they would cooperate on, for instance, development policy in UN structures. There might even be an obligation to cooperate among the EU members in the future, including within NATO, perhaps first in a smaller circle that decides to proceed further in defence, availing itself of the new possibility for Permanent Structured Cooperation. After all, it could be argued that an effective ESDP simply has to include joint action also in NATO. This fourth type of relationship is also the one where the seriousness of the ESDP is put to the test.

This is also when 'in' becomes 'through' in the relationship between the EU and NATO: the EU starts acting through NATO. Still, Varwick and Koops (2009:123) see that instead of strengthening international organizations (effective multilateralism), the EU in its relations with NATO rather seems to strengthen its own role through the partner institution: it uses cooperation with others for the development of its own international actorness.

If the ESDP thus goes forward and deepens, one might also arrive at a stage where strategic dialogue increasingly takes place somewhere else than in NATO. This might then lead to a situation in which the way forward is a deepening of the EU–US strategic dialogue on security (Keohane and Valasek 2008: 22). Much depends on NATO's future. Howorth argues that the EU member states will increasingly need to coordinate their views on the future profile of NATO. European input could also be decisive on its new Strategic Concept (Howorth 2009: 37).

Some would say a European caucus of some kind within NATO, or an increased European coordination, would not necessarily harm NATO. Such thoughts have

been expressed in France (with the idea of simultaneously strengthening ESDP and NATO) but also the American policy towards Europe might be changing in this respect. Toje argues that a paradigmatic shift is taking place in American policy towards Europe, visible in the willingness to rethink the ‘three Ds’: discrimination, decoupling and duplication. The current American view would be that a stronger EU defence policy is complementary rather than competing with NATO (Toje 2008: 13–14, 17). Whether this would help solve some of NATO’s problems with internal solidarity remains open. Would a NATO with a strong EU core be attractive to the few members that are not in the EU? If NATO was to disappear, what would the subsequent strengthening of the EU’s military and defence side do to the EU’s overall image as a global actor, or as an actor in its neighbourhood?

Conclusions

The four forms of relationship that the EU has with the UN and NATO can be seen as a description of the evolution in time of the EU’s actorness. Starting from a relatively modest obligation to try to seek a common position on external relations when possible, the EU has gradually moved to being an actor in its own right. The final stage, arguably, of this development would be that of an EU caucus forming inside NATO, and thus a profound transformation of the latter – perhaps its end. However, inter-organizational relations need not necessarily end up with organizations eating up each other. They do coexist, but shape each other to a considerable extent.

Both in the EU–UN and in the EU–NATO relation, one can see influences not only on institutional design or on modes of operation, but also on the organizations’ identities. The UN is both strengthened and challenged by an able partner such as the EU which, while supporting multilateralism and the UN system, also profoundly challenges the state-centred organization of international relations. NATO, in turn, inspires the EU but is also inspired by it; the closeness and similarity between the two can in the end mean questioning of the *raison d’être* of NATO.

Put together, these four different forms of interaction also constitute a setting from which the specificities of the EU clearly emerge. In particular, what sets it apart from the other two is its supranational and multifunctional character. The EU’s supranational side is one that appears unevenly through the variable decision-making modes and mixes of competences of the Union and of its member states across different policy domains. Traditionally, security and defence have been seen as exceptions, continuing in the purely intergovernmental domain. Intergovernmentalism still explains a lot: the EU’s difficulties in reaching its goals are often rightly derived from the difficulty to agree among the member states, and from their different national interests and focuses. Yet, supranationalism enters even the security and defence domain. The EU is an actor in its own right, too, and influences both states and organizations as such.

The multifunctional character, then, differentiates the EU from most other international organizations and enables it to build bridges between different policy

domains, be they between security and development or between environment and trade. In part, this makes the EU a stronger and more credible actor in complex fields such as conflict management.

Yet, the question is whether these specificities are really needed, and whether the EU can avail itself of them. The very interaction with other international organizations that do not share the same characteristics may impact on the Union: in its dealings with NATO, for instance, the EU may be conduced to working in a more intergovernmental mode because of the very impact of NATO (cf. Ojanen 2006a). Interaction with both the UN and NATO may entail contradictions between a Nato-like independency and working for the interests of the alliance, and UN-like work on dependency on global norms and interests (Ojanen 2006b: 51). Yet, at the same time, some settings such as the UN may increase the EU's tendency to become a more state-like actor itself – including becoming a permanent member of the UNSC.

Importantly, all these forms of interaction, even though basically forms of positive relations, of cooperation, also involve some controversies. It is not only that the EU relates to other organizations working in or with them: it can also occasionally work *against* another organization. It is the fourth form of interaction, the EU in NATO, that is the most challenging both as a test for the EU's seriousness in developing the ESDP and as a development that may speed up the disappearance of NATO while at the same time also increasing the role of security and defence in the EU.

Finally, the EU–UN and EU–NATO relations also impact on each other. Biscop and Drieskens (2006: 131) argue that the unresolved nature of the EU–NATO relations and in particular its degree of autonomy and ambition is also a hindrance to the EU becoming an actor with a single seat at the UNSC.

While the approach taken in this chapter has precluded the traditional analysis of the role of member states for the development of an international organization, the analysis also has implications for them. The developing relations between the organizations, and their mutual interdependence of some kind, does mean that member states need to formulate policies that take these links into account. Separate policies for each organization are no longer sufficient. A simple instrumental approach by a state to the various organizations it is a member of becomes increasingly complicated in such a setting. {newpage}

Notes

- 1 Moreover, there are EU member states in three country groupings out of five: in Western Europe and Others, in Asia-Pacific (Cyprus as well as Turkey for election issues), and in Eastern Europe.
- 2 *A Secure Europe in a Better World. European Security Strategy*. Brussels, 12 December 2003. Online Available HTTP: <<http://www.consilium.europa.eu/uedocs/cmsUpload/78367.pdf>> (accessed 15 November 2009) and *Report on the Implementation of the European Security Strategy – Providing Security in a Changing World*. Brussels, 11 December 2008, S407/08. Online Available HTTP: <http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressData/en/reports/104630.pdf> (accessed 15 November 2009).

- 3 *In Larger Freedom: Towards Development, Security and Human Rights for All*. Report of the Secretary-General, UN Doc. A/59/2005.

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5 The big three and the High Representative

Dilemmas of leadership inside and outside the EU

Christopher Hill

European foreign policy has always had to face the twin problems of leadership and coherence. One response to what has often been perceived as a leadership vacuum has been, from the early 1980s, the tendency to form a 'directoire', or inner leadership group. This has usually consisted of Britain, France and Germany, although its membership is inherently variable, and contested. Such a tendency has in itself caused extra, and different, problems of incoherence from those already plaguing European foreign-making, in terms of both uncertain policy outputs and tensions between member states.¹ This chapter will explore these difficulties, taking both a historical view of the evolution of inner groups over the last 30 years, and an analytical perspective on the issue, with a view to identifying the drivers of the tendency towards a directoire, and the balance-sheet of its advantages and disadvantages. The arrival of the High Representative as a focal point for European diplomacy, and a potential solution for the problems of leadership, will also be addressed, together with the further innovations contained within the Treaty of Lisbon. The focus will be on foreign policy behaviour in general, but also on the particular issue of EU leadership inside other international organizations.

In fits and starts: The gradual emergence of inner groups from 1970 to 2006

The French term 'directoire' refers to a 'collegial organ having governmental functions' (Larousse, 1995). It is particularly associated with the Directory which governed post-revolutionary France for four years from 1795 in authoritarian (and bellicist) style. The Directory provided collective leadership through an executive of five Directors who, gradually losing cohesion and continuity, fell to Napoleon's *coup d'état* of 18 Brumaire (9 November 1799).

European Union foreign policy, or European Political Cooperation (EPC) as it was known before 1993, has intermittently been associated with the idea of a directoire because of its lack of either a single leader (e.g., the Foreign Minister aspired to by the recent Draft Constitution) or the kind of Community method used in the Common Commercial Policy, with member states setting a mandate on the basis of qualified majority voting and the Commission acting as an Executive. Yet

the term is essentially a metaphor. It is highly unlikely to achieve constitutional legitimacy, or even serious institutionalization – which is not to say that a *de facto* inner group might not become the norm in an enlarged and unwieldy EU.

The first references to an EC *directoire* occurred in the context of the ‘Soames affair’ of 1969, in which De Gaulle used his talks with the British Ambassador in Paris to leak the damaging notion of the big powers dominating the Community after British accession (Franck 1983: 85–7, 103). At the time it awoke the fears of small member states who remembered the intergovernmentalism of the Fouchet plans of 1961–62, and in some cases the elitist dispositions of the Concert of Europe (Franck 1983: 103). Once Britain had joined, these fears subsided for a while, but in the two years from 1979, in the midst of the series of crises which revolved around the taking of American hostages in Tehran, the Soviet invasion of Afghanistan, and the Soviet crack-down in Poland, they re-emerged with a vengeance. The contemporary failings of EPC produced the London Report of October 1981, which among other things addressed the problem of crisis-management by setting up a peripatetic secretariat for the Troika (of the Presidency, with present, preceding and succeeding members) which had come into being in the late 1970s (Nuttall 1997: 20, 29–31). The Troika itself was a manifestation to reconcile the competing demands of efficiency and equity. But it was not a *directoire* in the sense which European foreign policy commentators were beginning to use. That implied a leadership group of the most powerful, rather than the troika which, being subject to the democratic discipline of alphabetical order, included as often as not both large and small member states.

The big three of Britain, France and Germany, despite obvious differences of view on both European integration and wider international relations, had been a possible foreign policy executive since the formation of EPC and the coincidence of British accession. The frustrations over the relative lack of progress in crisis management, highlighted in both the aftermath of the Middle East war of October 1973 and the challenges of 1979–80, led to a sense among some that EPC needed an injection of *realpolitik*, in the form of a privileged role for the big states. This was despite the impact of the adolescent EPC during the CSCE negotiations which led to the Helsinki Final Act of 1975. Unity had been maintained and both superpowers’ positions had been influenced by the Europeans’ collective *détente* diplomacy.² In other international organizations at this time, the European presence was decidedly mixed, both in the sense of multiple seats, as in the North–South meetings of 1976–79, and in the highly uneven ability to vote together in the United Nations General Assembly (UNGA) (see Taylor 1983: 124–32; and on the UNGA see Lindemann 1982: 110–33).

Accordingly for a short while the habit developed of the big three foreign ministers meeting, more or less in secret, to discuss how EPC initiatives might be taken forwards. This was nothing more than common sense, in that if any serious European policy is to hold, the agreement of Britain, France and Germany is indispensable. Yet secrecy and legitimacy, in terms of seeking to lead a democratic grouping, were not obvious bedfellows. What is more, the news of meetings such as those in the Gatwick Airport VIP lounge of July 1981 inevitably leaked out,

infuriating the Italians in particular. Rome would, of course, not have objected to any inner group to which it might have been invited, but this could not have been said of the rest of the Nine, doomed to wait on the margins of any big power consultations.³

At this time there was some talk of the 'big four' (i.e., to include Italy), no doubt partly because of the yearly Franco-Italian meetings, and the close relations between Rome and Bonn (this was the year of the Genscher-Colombo Plan) (Hill 1983: 67). Furthermore privileged relationships were hardly unknown in contemporary European diplomacy. The Franco-German 'couple' had been an item since the Elysée Treaty of 1963, which stated that 'The two Governments shall consult each other, prior to any decision, on all important questions of foreign policy and particularly on questions of common interest, with a view to achieving as far as possible an analogous position.'⁴ Likewise the 'Berlin four' had enabled the EC's big three to meet with the US, while the 'Contact Group' on Namibia between 1977–82 added Canada to those four states in a forum for negotiating Namibian independence (Gegout 2002: 333, note 2; Prantl 2005: 575–6). In other words the looseness of foreign policy cooperation in these early years encouraged the use of diverse and overlapping groupings.

It was the end of the Cold War which precipitated another round of enthusiasm or angst (depending on the observer) about inner groups. Gorbachev's new broom led for the first time to talk of consensus among the P5 in the United Nations Security Council (UNSC), which implied both a convergence of Anglo-French foreign policies and a detachment of France and Britain from their European partners. After the high point of agreement over Iraq's invasion of Kuwait in 1990 the P5 never lived up to these expectations, and recriminations returned, notably over Kosovo in 1999. Nonetheless, London and Paris were prepared to see Germany (and Japan) join the UNSC as part of the 'new international order' after 1991, seemingly insouciant over the implications for the new Common Foreign and Security Policy (CFSP) they had just anointed at Maastricht. This 'quick fix' did not work, largely because an infuriated Italy mobilized Third World allies in the UNGA to stop it, which showed how even if the *directoire* did not exist, there were enough signs of its emergence to create incoherence in European foreign policy-making – for German membership of the UNSC would have virtually institutionalized the leadership group.⁵

By this time 'variable geometry' was a commonplace prescription for the problem of making foreign policy in a steadily enlarging and more complex EU – and one in which national interests were not fading away. This was far from being the same as a *directoire*. Indeed it implied that smaller states would always have a role in their own area of geographical or historical specialization, as the Scandinavians were to do with the 'Northern dimension' policy of the late 1990s.⁶ In the event, however, the most prominent inner groups tended to join the bigger member states together with key external players. Thus Spain, though a newcomer, proposed a Big Five grouping to deal with EC/CFSP issues (Barbé 1996: 118). This came to nothing, but only two years later, in 1994, a Contact Group of five was set up to deal with the crisis in Bosnia. This, however, included

only Britain, France and Germany from the EU, together with the US and Russia. Spain probably did not feel the exclusion sharply, unlike Italy, which focused its whole foreign policy attention on gaining entry to the group, which it eventually did, to little effect, in 1997. It was, indeed, strange that just after the CFSP had been launched with such a fanfare, its major players had chosen to concert outside its framework – just as it was strange that Germany had acted unilaterally over the recognition of Croatia and Slovenia in late 1991 (Nuttall 2000: 268–9).

The Contact Group was at least drawn as close to regular EU decision-making procedures as possible. The troika ‘was informed, and sometimes involved (in spite of the unwelcome presence of Greece as Presidency)’, and it was claimed that the three European members were merely implementing the CFSP (Nuttall 2000: 268–9). From 1998 the Group was even mentioned in the Conclusions of the General Affairs Council (Gegout 2002: 334). It could be argued that this was a form of *directoire*, engaged in direct consultations with the two outside great powers concerned with the Balkans, and bridging the gap between top table diplomacy and the EU. This benign interpretation is undermined, however, both by the fact that other member states (and not just Italy) were deeply unhappy about the implications for their brand new CFSP, and the existence of the much more serious ‘Quint’.

The Quint, whose existence was brought out of the shadows by Catherine Gegout, consisted (and consists) of the European big four, that is including Italy (from 1996), plus the US. It is thus a development both of the Berlin Group and the Contact Group, enabling the main western allies to consult without the presence of Russia, and to span the EU–NATO dividing-line – especially important at a time when the idea of an ESDP was still highly controversial. This is another example of the *ad hoc* solutions created to manage the twin problems of EU external representation, and coordination with other IGOs.

Even the existence of the Quint was initially secretive, while it is not institutionally connected to EU institutions even to the degree that the Contact Group is, although since 1999 High Representative Javier Solana has, one surmises, had increasing access (Gegout 2002: 335–7).⁷ It mirrors the CFSP in having meetings at various levels, ministerial, Political Directors and expert, but it meets in the margins of various international organizations other than the EU – i.e. where the US is also present. It seems to have started in discussions on Greece and Turkey in the early 1990s, finding a role during the evolving Balkan crises, and being particularly important over Kosovo. It is self-evident that the Quint, or the Quad, as it seems to have become more recently, once dropping Italy, is the ideal forum for discussing western policy towards Russia, both in that particular crisis and more generally (Gegout 2010).

What the Quint, or Quad, is not suitable for, however, by definition, is the discussion of European policy towards the US. To the extent that it is necessary to coordinate the views of the bigger players on that subject, some other framework has to be found, corresponding much more to the true meaning of the *directoire* – which if it exists at all has to be a purely EU leadership group, and not some *ad hoc* means of linking together members of competing international organizations. At

least a *directoire* would aspire to run a distinctive European foreign policy. It was the post-9/11 world which brought this issue dramatically to the fore. Europeans were broadly aligned with the US, indeed in the NATO Article V framework, over reactions to the atrocities in New York and Washington. They remained so over the war in Afghanistan, which meant there was no need for strenuous efforts to shape or deflect American foreign policy. Things changed, however, after the 'axis of evil' speech of George Bush in January 2002, which pointed the finger at Iraq, Iran and North Korea as enemies of the US through their presumed sponsorship of terrorism. It was immediately clear that the chances of war with all of these states had suddenly increased, a prospect which alarmed all European states.

By this time the EU had created the post of a High Representative for foreign policy, enabled by the Treaty of Amsterdam in 1997 but not filled until 1999, when the experienced Spanish diplomat (and ex-NATO Secretary-General) Javier Solana was appointed. He continues to hold the post, and will do until the Treaty of Lisbon is ratified, thus completing at least ten years of service in an extraordinarily demanding and under-resourced role. The impact of this innovation will be considered below, but for the moment we should note that while it has provided the EU with another channel for conducting diplomacy in world politics, including to a limited extent inside other IGOs, it has also added yet another voice and potential source of confusion for those, insiders and outsiders alike, seeking to make sense of European positions.

Over Iraq, had the big EU three managed to coordinate a policy to head off Washington's committed hostility, it would have been more than welcome to the other 12 member states (cf. the CEEC accession states), and to public opinion. It is unlikely that too many complaints about elitism would have been heard. Yet the big three were publicly divided amongst themselves, which greatly reduced the chances of being able to restrain the US while also dealing a devastating blow to the image of the CFSP.⁸ This did not, however, prevent the same logic of a leadership group applying to the issue of Iran, as the pressure on that country increased during 2003.

The European policy of constructive engagement went right back to the revolution of 1979 – a line which had caused sharp disagreements with Washington during the hostage crisis which immediately followed it. In 2003 the prospect of a third war of intervention in western Asia filled even the UK government with foreboding. It thus became a key aim of European foreign policy (as over North Korea) to head the US away from the path of war, and indeed to persuade Iran not to develop the nuclear weapons programme which was such an obvious provocation.

The EU-3 thus took it on themselves to act independently of the CFSP, although whether because they thought they would not get agreement à 15, or because they feared the inevitable leaks emerging from a cumbersome multilateral process, is not clear. On 21 October 2003, the British, French and German foreign ministers visited Tehran, ten days before the UNSC discussions on the subject and in the middle of the discussions on a European Security Strategy. Not only was Spain not invited, which caused comment in Madrid, but even the Italian presidency,

and High Representative Javier Solana, found themselves presented with a *fait accompli*. The three told Iran that Europe (sic) would maintain its offer of a Trade and Cooperation Agreement, and accept that Iran should have light-water reactors for electricity generation, but only if Iran complied with the demands of the International Atomic Energy Agency (Everts 2004: 13; Leonard 2005: 5).

This trilateral initiative might have been one form of the 'effective multilateralism' the Security Strategy was calling for, but it was well short of the extended multilateralism embodied by the idea of the CFSP, soon to extend to 25 states. Yet, interestingly, the vital European interest in defusing the conflict trumped procedural concerns, while the three soon brought Solana on board (he visited Tehran in January 2004) – suggesting that his original exclusion may have been to legitimize the snub to Silvio Berlusconi's Italian presidency. There followed two or more years of tough diplomacy, which culminated in the apparent triumph in 2004 of an Iranian agreement to suspend the enrichment process. Leonard argued that this showed that European diplomacy had been 'very successful: slowing Iran's nuclear programme, opening it to international inspections, mobilizing a global coalition against Iran's enrichment programme, and persuading the US to abandon its policy of isolation' (Leonard 2005: 3). Unfortunately things soon went downhill again, with Iran seemingly determined to pursue a bomb, while stringing along the EU as a means of dividing the West and playing on the increasing doubts in Washington as to whether a major confrontation would be worthwhile. Still, the Europeans have continued to hold together behind the EU-3 leadership, and even if they are 'useful idiots' from the perspective of the hardliners in Tehran, they have been able to take satisfaction from the fact that the Bush Administration did not proceed to immediate military action.

It is notable that the EU-3 did not hand over diplomacy over Iran to the official CFSP channels once they had managed to kick-start it. To be sure, the High Representative soon came to play a much more prominent role, especially in shuttling backwards and forwards, thus creating what Allen and Smith (2005: 25) call the '3+1'. Indeed, Solana has also increasingly become the spokesman not just for the EU, but for the international community, being charged with handing over letters to Tehran arising from the UNSC's involvement – in which a P5+1+1 format (i.e., the permanent members of the UNSC plus Germany, plus Solana) evolved from 2006 onwards (Posch 2009: 37–9; see also Nicoullaud 2009: 33–6). Clearly the revolving presidency (held through the years 2004–06 by small states, apart from the UK's tenure in the second half of 2005) was not able to take the main responsibility, not least because of the mistaken expectation that the draft Constitution would be ratified, and thus bring an end to this increasingly unloved institution. Indeed, the Austrian presidency of the first half of 2006 had to watch German Foreign Minister Frank-Walter Steinmeier issue a statement on policy towards Iran on behalf of the P5+1+1, indicating that if the High Representative was not to be used, then one of the EU-3 would take the helm. On the other hand, there are still few signs of serious discontent within the EU at the way things are being handled. When there are no other options, optimism holds sway.

The EU 3+1 keep the Council informed, and the latter has little option but to fall in line with the big states leading the diplomatic operation, even if behind the scenes they no doubt voice concerns where they arise. But the Council minutes tell us very little about such behind-the-scenes policy-making. Unsurprisingly, the Commission's web-pages on relations with Iran can hardly bring themselves to mention such a non-Community method as that embodied by the EU-3's initiative.⁹ Yet if for the time being most EU-3 activity is focused on Iran, it is not necessarily the case that this model will be useable across the board. Indeed, much routine diplomacy continues, with the Commission and the presidency active, while informal groups of states consult on a variety of issues on a need-to-act/something-to-add basis. This is inevitable given the overloading of the central machinery, and of its external representations. The EU needs the member states and their foreign policy networks just as much as they need the EU.

Factors favouring the development of an inner leadership group

A number of factors have favoured the emergence of a *directoire*, especially in recent years. The fact that no fixed, across-the-board, arrangement has developed, however, shows that these factors are not in themselves decisive. Indeed there are countervailing forces. Either way, the variables discussed below are in a condition of continual interaction. Most of them have at least been alluded to in the historical account above.

The first is the most familiar; *the limitations of the rotating presidency*. The main advantages of this system, which has been central to the operation of the EU as a whole right from the beginning, not just to foreign policy, are that it gives all member states major responsibilities on a regular basis, and that it avoids having to confront the issue of a single executive head. The former reason is particularly important to the smaller states, which otherwise would – in the absence of true supranationalism – merely fulfil the role of a passive audience. The latter is crucial to all those states with concerns about accelerated integration and the further loss of sovereignty (not all of them large states). In foreign policy the presidency has by no means been a disaster; small states – notably Ireland and Luxembourg – have often proved brilliantly successful at meeting the demands placed on them, and have been able to call in help from larger neighbours when required. It is also true that in a collective system it is not always such a disadvantage to have to hand on the baton to another state after six months. It can change the emphasis or presentation of policy, and it means that a certain amount of responsibility can be evaded. The US, for example, has at times snubbed what it has seen as a hostile Greek presidency, with some sympathy from other Europeans. But by the same token Greece was able to say what others thought but did not wish to state in public. Conversely, the 2005 UK presidency was notable mostly for its studied silence on major issues, which might have had the advantage of taking the heat out of some highly contentious disputes. But it is also true that the bigger member states have become as impatient as some outsiders with having their

smaller partners speaking for the EU, which on paper is a political giant. France, for example, virtually refused to acknowledge the end of its presidency in early 2009, overshadowing the incoming Czechs in the diplomatic fallout from the war in Gaza. Vaclav Klaus accused Nicolas Sarkozy of wanting to be 'Europe's permanent chairperson' (EU Business 2009).

Given that the rotating presidency was already under pressure for its lack of leadership, the steady *enlargement* of the EU made it inevitable that some other mechanisms would be proposed. British Foreign Secretary Jack Straw said in early 2004 that it was 'logical to couple Britain with the Franco-German engine, since Europe is going to expand from 15 to 25 members'.¹⁰ Once it was accepted that the Union would extend itself to at least the borders of Russia and the Ukraine, the prospect of a major state's turn coming round only every twelve and a half years (in a 25-member EU) seemed to many as absurd as that of Malta or Slovenia speaking for the EU on the world stage. Thus the Draft Constitution, originally conceived as way of modernizing the overall institutional structure of the EU, soon came to focus on how better to deal with outsiders and on how to remedy the weaknesses of the CFSP. It proposed to have an elected President with a two and a half year term, and an appointed Foreign Minister.

If these proposals come to fruition, in the marginally altered form of the Treaty of Lisbon, they will consign the rotating presidency to the past, at least in the area of external relations.¹¹ Less certain is their implication for an emerging *directoire*. Functioning properly, a single President plus Foreign Minister would act on behalf of the whole Union, and represent a new form of Community method. This would hardly favour an inner group. Yet more likely in practice would be a combination of turf disputes between the two, with the major member states seeing either or both as their creatures. Certainly, as Solana has discovered, the individuals concerned would only be effective if they worked with rather than against the bigger states. They would be helpless without their support, although they might have an important role in brokering consensus amongst the big states.

The *perceived need for leadership* is evidently a common thread through all discussions of the *directoire*, the presidency and the attempts at constitutional change. This is a demand from within, in that even the big three do not want simply to take things into their own hands and to abandon the CFSP – they want to lead it. This is particularly evident in the behaviour of France and the UK. As the other member states (including Germany, whose own position is peculiar and ambivalent) recognize the need for effective leadership, they are, in the absence of the communitarization of foreign policy, mostly willing to tolerate the Iran model. This is because even the 'new' troika (i.e. the Commission, presidency and High Representative) has proved an insufficient refinement of the rotating presidency, because majority voting has not moved from the realm of theory (in the Treaty of Maastricht) to practice, and because the more practical innovation of 'constructive abstention' (in the Treaty of Amsterdam) is the thin end of an inner group wedge. In principle, it is the means by which a determined *directoire* could take EU foreign policy forwards with the support of only another four or five states, in that it allows common action so long as at least two thirds of (weighted)

votes are in favour.¹² Equally, the big three could act in their own names alone, and dare an EU majority to disavow them.

The pressure for leadership in EU foreign policy also comes from outside, with the US in particular pressing not just for a single telephone number but for a reliable, identifiable interlocuteur. Indeed, it is no exaggeration to say that the demise of the rotating presidency has come about largely because of Washington's unwillingness to take seriously the notion that it should deal with the EU through a small state with a six-month tenure. This led the US to deal directly with the bigger states whoever held the presidency, which might lead one to say, echoing Harold Wilson, that whoever is in office the *directoire* is in power.¹³ One might even conclude that the US has more say over EU foreign policy-making procedures than most member states. Nor is the US the only third country with an influence over anticipated reactions in this respect. A realist approach to foreign policy is still alive and well in many parts of the world, outside 'post-modern Europe', and politicians in Moscow, Beijing, New Delhi, Tel Aviv and, of course, Tehran are impatient of treating with small European states, let alone of receiving lectures from them. However unfairly, they wish to speak to the 'countries which count'.¹⁴

Regardless of perceptions, there is an objective need for more leadership in a collective foreign policy-making system which aspires to world influence but all too often dissolves into incoherence. Nothing illustrates this tension more than *the role of the EU in the United Nations Security Council*. Title V, Article 19 of the Consolidated Treaties (2003) reads:

Member States which are also members of the United Nations Security Council will concert and keep the other Member States fully informed. Member States which are permanent members of the Security Council will, in the execution of their functions, ensure the defence of the positions and interests of the Union, without prejudice to their responsibilities under the provisions of the United Nations Charter.

This is the exact formulation contained in the Treaty of Maastricht 12 years earlier, so it can hardly be argued that much has changed. Then Britain and France insisted on retaining their freedom of manoeuvre. They had no objection to consulting, informing and coordinating with their EU partners, but saw their UN status as representing a higher calling and would not be bound even by existing commitments to common European positions. They were determined to retain their permanent seats, and remain so. Moreover they are both caught up in the circular relationship between the possession of nuclear arms and entitlement to permanent seats – the one apparently necessitating the other.¹⁵

The European presence in the UNSC usually amounts to four out of 15 members, taking into account those elected for a two-year term. It is critical to the reputation and effectiveness of the CFSP. Indeed the relevant provision of the Treaty of Lisbon (Title V, Article 34) makes one significant change in omitting the adjective 'permanent' before 'members' in the second sentence of the key paragraph of the 2003 Treaty. The obligations it outlines thus bear down on all

EU states which happen to be sitting on the Security Council, whether permanent or elected. This represents a happy equality of status, and a small concession by France and the UK, but will do little to change the special position the latter enjoy. Insofar as the Europeans regard the UN as the major source of legitimation in international affairs, and the basis of a global perspective (both principles evident in the Security Strategy) they are dependent on leadership from their only two permanent members of the Security Council. There is little immediate prospect of Germany acquiring the same status, and even less of a single European seat – which would actually lessen the numerical European presence. The Europeans are stuck in their current impasse, which fosters the development of a *directoire* through the need to get German financial and political support for any policies which London and Paris wish to promote, albeit without formalization, either in Brussels or New York. The current P5+1 arrangement is merely *ad hoc*, and does little for the building of trust and consensus across the 25. The High Representative has come to have a higher profile at the UNSC, but he too is wholly dependent on Britain and France for information, access and credibility.

The last factor which has fostered the sense of a *directoire* emerging at last is *the European Security and Defence Policy* (ESDP). Another reason why Britain and France see themselves as being in a separate category even from Germany is their unique capacity within the EU to project military force beyond the European theatre – limited as this is. It is no accident that it was these two countries whose initiative finally ignited the launch of the ESDP with their St. Malo Declaration of December 1998. Without their resources and cooperation the limited but real achievements of the ESDP, now amounting to 22 (small) operations in the field, and the assembly of thirteen ‘battle-groups’, could not have gone forward.¹⁶ The ESDP is inherently a part of variable geometry/inner group thinking, in that it has to be led by the ‘serious’ countries, while the battle-groups are to be organized by groups of four or five member states, such as those between the Nordic states, or between Italy, Slovenia and Hungary. Of the thirteen, ten are to be led by one of the largest six member states (i.e. the EU-3 plus Italy, Spain and Poland) although it is true that the EU-3 lead in only five. Yet while the battle-groups seem an impressive innovation on paper, that is where they remain, not one having yet been deployed. What is more, the moment the Europeans have to contemplate what is known as a ‘high-end Petersberg task’ (i.e. those implying the possibility of combat) they fall back either on unilateral member state decisions, as in the forces currently attempting to keep the peace in the Lebanon, or on capabilities provided by NATO.

In this complex world of over-lapping and cross-cutting competences, Britain and France are the linchpins, especially since Sarkozy’s decision in 2009 to rejoin the military command structure of NATO. Germany is gradually coming to shed its inhibitions over the use of force and out-of-area activity, but domestic politics makes full support for military activism difficult. A report from the Bertelsmann Stiftung noted that: ‘all three countries want ESDP to work’, but ‘at least as far as ESDP is concerned, it is not the UK which is the “awkward partner” or the “odd one out” in Europe’.¹⁷

Under the existing treaties, the idea of ‘enhanced cooperation,’ or some states going ahead of others, is allowed in the CFSP but prohibited in relation to defence. The Treaty of Lisbon, however, allows that ‘those member states whose military capabilities fulfil higher criteria and which have made more binding commitments to one another in this area with a view to the most demanding missions shall establish structured cooperation within the Union framework’ (Title V, Article 42, para. 6). This idea had been promoted in the Draft Constitution, revealingly, by France and Germany. The UK signed up to it, despite initial hostility, after receiving assurances over the lack of any intention to create permanent divisions among EU members or to damage NATO (Howorth 2005: 197). If the ESDP continues to work on this basis of flexibility, opt-ins, and leadership by the most powerful states it will be the closest thing to a working model of variable geometry foreign policy, led by a *directoire*, that Europe has yet produced. It also, then, raises the question of the EU presence inside NATO. Strictly speaking this does not exist, and the very idea has been taboo since the US first started, in the 1970s, to suspect the Europeans of wishing to caucus, after the formation of first the Eurogroup and then the Independent European Programme group, which were intended to deal with burden-sharing and arms procurement matters (Burrows and Edwards 1982: 38–58). They reacted with hostility to the French attempts to resuscitate the Western European Union (WEU) as a means of providing Europe with its own pillar, partly inside and partly outside the Atlantic alliance. Washington was successful in inhibiting such a trend, despite the new defence provisions of the Treaty on European Union (TEU) in 1993, until the surprise of the St. Malo Declaration in 1998. This was immediately followed by Secretary of State Albright’s warning against the ‘three Ds’, of duplication, decoupling and discrimination.

Nonetheless, matters settled down to the extent that the US accepted the reality of the ESDP, and the Europeans continued to go ahead cautiously with it, not least because of their own reluctance to commit new resources. But the structural nature of the tensions inevitably came to the surface, first over the proposal for an EU operational planning cell, which became entangled with the issue of Turkey’s exclusion from ESDP policy-making – in a way the converse of the problem of an EU presence in NATO. This was resolved in the ‘Berlin Plus’ agreement of 2006, whereby the EU has access to NATO assets for some crisis-management operations, apparently in return for acknowledging NATO’s primacy and Turkey’s right to participate in EU missions.

A formal EU presence in NATO is still not formally possible, but even the Bush administration finally came to realize that it needed an active EU committed to various peace-making and post-conflict reconstruction efforts. The new wind blowing with President Obama means that many are optimistic about a new era of more pragmatic cooperation between the two institutions, and indeed about consigning Berlin Plus to the role of historical footnote. This would imply a relaxed arrangement over the division of labour in foreign and defence policy, with Washington accepting the EU’s right to independent action, while the Europeans accept that equal status means an equal share of the burden (Toje 2008). But here

is the rub. The EU and its member states are in principle willing to take on barrier and reconstruction roles, especially in their own neighbourhood, but they have neither the will nor the capability for either major operations or a global military presence. Any attempt to go beyond the current EU posture would lead to a storm of political difficulties, even within the bigger states, and a flat inability to raise resources in most others.

Obstacles and complications

The pressures to fill the leadership vacuum outlined above have increased the tendency towards a *directoire* in recent years, and we may well see it enhanced in the future, assuming that the bigger states do not suffer internal crises and/or fall back into the diminished status of the post-decolonization period. Yet even in areas where a form of *directoire* has been fostered by the movement of events, the obstacles to *policy* progress are formidable. While there is always an interplay between issues and processes, movement in one does not mean that there will be change in the other. Thus, conversely, while successful policies will intermittently be achieved it is not likely either that a full-blown *directoire* will come into being or that EU foreign policy will work as an effective collective system. More likely is something in between, with leadership proving an intermittent affair, coherence always an uphill struggle and national foreign policies edging closer together without reaching the point of merger. The obstacles which litter the path towards a *directoire* are many. The most obvious is the *resentment of the majority of member states*, attenuated only by a wish to see some effective action in pursuit of shared objectives and by despair over alternative modes of decision-making. If we take the *directoire* as equating to the current EU-3, the rest of the 25 fall into three camps: the larger states who feel they too have a right to sit at a top table, viz. Italy, Spain and Poland (and Turkey were it to join); the long-standing members of the EC/EU who have invested heavily in EPC/CFSP and resent any disregard of the hard-won progress over successive treaties and IGCs; and the newer member states who did not think they were signing up to an organization dominated by the traditional great powers. A determined alliance of all three of these camps could at the very least make it impossible to operate a *directoire*, which depends on the tacit authorization of the collective for which it presumes to act – all this discounting the disillusion with European cooperation *per se* which we may be witnessing as part of a return to state-centrism.

The *constitutional difficulties* facing any leadership group have been easier to overcome. Because foreign policy is not justiciable, and the European Court of Justice has no standing in the CFSP, those who do not hold to common positions or joint actions (assuming they are precise enough to make defections evident) cannot be held to account, except in the erratic courts of public opinion. The fact that the CFSP is fully intergovernmental means that member states retain control over their own foreign policies, and their ability to enter informal groups, or insist on opt-outs. The treaty provisions for constructive abstention and enhanced cooperation (albeit the latter in limited form, relating to implementation only) just

acknowledge this reality. Nonetheless, if the EU-3 were to be short-sighted, and imperious, enough to consistently take the Council (or even the Commission) for granted, this would eventually cause major internal conflicts, thus undermining their authority with third parties – as well as consuming huge amounts of political and psychological energy. The wish to deploy EU resources is also a major reason why the big three are likely to be cautious and unwilling to get too far ahead of their partners. These resources are not just financial but imply also the personnel of the member states, in the form of troops for ESDP operations and the diplomats needed to make the proposed European External Action Service (EEAS) a reality.

Finally, any *directoire* has to face its own *internal lines of fracture*. Despite occasional talk of Franco-German mergers the London–Berlin–Paris triangle will remain a delicately-balanced set of relationships between assertive nation-states, all with their own domestic politics to take into account. At present the EU-3 are enjoying broad agreement, over Iran, the ESDP and some other key issues. But this has not been the case for most of the history of EPC/CFSP. Complications flowing from broader attitudes towards integration, and highly diverse historical experiences of invasion and war, meant that for much of the period Britain was on the outside of a close Franco-German relationship, making periodic efforts to break in. Yet paradoxically, Britain and France had more common interests in foreign policy than either did with Germany, given the latter's 'semi-sovereign' status, and inhibitions about self-assertion. Only the former were nuclear weapon states, with permanent seats in the UNSC. Only they could make a serious contribution to the operation to expel Saddam from Kuwait, or send ground troops to Bosnia two years later. This was despite sharp differences in the world-pictures which underlay French and British foreign policies, particularly in regard to the US.¹⁸

The fault-lines between the three major EU states are now less prominent, but they still exist. Indeed, the second Iraq war represented one of the sharpest disputes in post-war Franco-British relations. There is no guarantee that future differences will not once again hobble the *directoire*, especially as Germany becomes a more active player in the game. Nor are outsiders passive spectators. Just as other member states will intrude with their own concerns, so third states – the US, but more obviously Russia in recent years – will not hesitate to drive wedges whenever they dislike the policies being pursued by the EU-3.¹⁹ After more than a decade of difficulties, transatlantic relations have entered a period where cooperation suits both parties. But taking the 36 years of European foreign policy cooperation as a whole this is unusual, and the underlying differences of interest and values will probably resurface.

Conclusions

There is no doubt that even the limited extent to which a *directoire* has become established represents a blow to the more purist hopes for the CFSP. The latter has developed steadily over the years, with procedural innovation after innovation, notwithstanding the disappointment of ardent integrationists. The High Representative is the latest, and perhaps the most significant of these

developments. His arrival preceded, and probably catalysed, the emergence of a consensus on the need to impose some coherence on the complex mosaic of EU systems, through a Foreign Minister doubling up as both High Representative and Vice-President of the Commission. The general acceptance that the CFSP had to draw on (and politicize) instruments from Pillar 1 held out further hope for limiting the centrifugal forces so dominant theretofore. But just at this very point the fall-out from 9/11 brought the bigger member states back into the front line, while the delayed-action public response to enlargement brought the Constitution and its innovations to a shuddering halt. Furthermore, as we saw, the very bitterness of the Franco-British disagreement over Iraq led to a determination to act over Iran, but in a practical rather than formalistic manner, through the EU-3. The *directoire* then pulled the High Representative into its orbit, as a 3+1, which has meant a victory for the Council Secretariat in the tussle with the Commission. This in itself need not undermine the CFSP, whose intergovernmentalism has always favoured the Council, but in practice it means that Solana's short-staffed Secretariat, and the Situation Centre, has become heavily dependent on the big three for practical assistance, including intelligence and support in the field, where they have by far the largest numbers of embassies and staff. A kind of mini-CFSP is thus developing, with a supporting cast, not dissimilar to Mitterand's notion of concentric circles for the enlarging EU. Without the three major states taking initiatives, the CFSP would be a hollow shell. On the other hand, since the CFSP is highly institutionalized it is not going to fade away; a majority of member states will keep up the pressure to use and develop it, which means perpetual tensions with the tendency towards a *directoire*.

It has long been evident that European foreign policy, as an exercise in collective diplomacy, has been caught between the Scylla of intergovernmentalism and the Charybdis of the need for action. In theoretical terms some form of flexibility, whether termed graduated integration, variable geometry, enhanced cooperation or whatever, is an obvious solution to this dilemma. Governments can cooperate in groups of varying size, from the full membership of the EU (the CFSP) down to a bilateral partnership with another member state. So long as they stay within the broad outlines of the foreign policy philosophy articulated in key documents from the Venice Declaration to the Security Strategy, there will be a good chance that they will be engaged in the 'implementation' (a favoured CFSP term) of common goals, while avoiding the embarrassments of the kind the Danes and Irish have associated (but for very different reasons) with the idea of an EU military operation.

Seen from this perspective the *directoire* is just the latest form of variable geometry, with its own special advantages relating to the potential for leadership. The combination of executive capacity and a flexible overall system should reduce the internal rigidities and strains of CFSP, and therefore its tendency to incoherence. But the *directoire* is not just any inner group. For one thing, it is not too variable. The 1980s notion of a big four has transmuted into the EU-3, and although there is flexibility at the margin, as the history of the Contact Group shows, the arguments over membership generated at that margin tend

to undermine the whole project. Moreover the trust of the three in the fourth candidate, Italy, has not increased over the years, not least because of the German–Italian antagonism over rival candidatures for the UNSC, and because of the erratic behaviour of Silvio Berlusconi. Moreover, if Italy is deemed a necessary part of the inner group, what is the case for excluding Spain and Poland, the only other two member states with populations of 38 million or more (all others are below 22 million)? A leadership group of six might prove manageable, and it would represent a formidable caucus inside other IGOs. But the potential for internal disagreement would rise exponentially.

Still, the EU itself is now a very large and disparate group of interests which have to be reconciled at some level if its foreign policy is to have any meaning at all. Furthermore the achievement of consensus, to say nothing of actions which can be sustained over time, will only be possible through leadership. This is difficult to envisage happening even through the new Lisbon machinery, with member states falling in obediently behind the lead of a charismatic High Representative in harness with an equally dynamic President. The big three are likely to be the only game in time for the foreseeable future, and if they cannot handle their self-appointed role with both diplomacy and discretion then almost nothing will happen. If they give in to the temptations either to squabble amongst themselves, or to take their partners' acquiescence for granted, the whole fragile edifice will tumble down around them. And it does not follow that the CFSP would then be better off.

Outsiders encounter all the 27 member states in the UNGA, and most of them in the other parts of the UN system. What is more they are aware that the EU as a whole is of increasing importance to the functioning of the UN (Hill 2006). But even in this context the UK and France, and to a slightly lesser extent Germany, are clearly the key European states and treated as such by the other major powers. Variable patterns of diplomacy still suit the major actors, and entities like the G8 help them to flourish. The CFSP therefore cannot do without the big three, both separately and together, even if the other member states are deeply ambivalent on the matter. Equally, the three would be lesser powers in the world without the CFSP. They need the platform, the support, the cover and legitimacy that it provides, given their various forms of relative decline over the last 70 years. They would not wish to push for their 'directoire' to become permanent in the sense of having hard boundaries, or of becoming institutionalized, even were the EU structures to allow it. The inner group might have become a permanent tendency, but it has only been made possible through the powerful idea of a 'European' foreign policy. {newpage}

Notes

- 1 Nuttall (2005) provides the crispest analysis of these problems. He distinguishes between 'institutional' (between the intergovernmental and Community sides of the EU), 'horizontal' (between different EU policies), and 'vertical' (between EU and national policies) consistency.

- 2 Burdett's study (1977: 313–17) concludes that the Europeans had a patchy influence (i.e. not so much as is usually supposed) in shaping outcomes at the CSCE, and only where difficult issues did not arise to threaten EC solidarity.
- 3 On one occasion in 1981, Lord Carrington stopped off in Rome to mollify Italy (but only Italy) after a trip to Moscow planned closely with his French and German colleagues. *Agence Europe: Daily Bulletin* Nos. 3172–3, 4–7 July 1981. See also Hill (1983: 14–15, 24–5).
- 4 The text is in Hill and Smith (2000: 62).
- 5 For further analysis see Hill (2006).
- 6 For a list of groups where smaller states did participate, on such matters as non-proliferation, or Angola, see Nuttall (2000: 267–8), citing Hans Van den Broek.
- 7 Gegout (2002: 335–7) says that Solana was beginning to have a role in the spring and summer of 2001.
- 8 For further discussion see Hill (2004).
- 9 For an example of such Council Conclusions see GAERC Conclusions, 27 February 2006; for the Commission's take on events see < http://ec.europa.eu/comm/external_relations/iran/intro/index.htm > .
- 10 At the same time a senior French official complained that meetings (to which the candidate members had been admitted) had become 'absolutely atrocious' because there were too many participants. Both citations from *The Economist* (2004).
- 11 For a detailed analysis of the extent to which Lisbon changes the CFSP/ESDP mechanisms, see Whitman and Juncos (2009: 25–46).
- 12 Article 205 of the Consolidated Treaties (amended by the Treaty of Nice) provides for a total of 87 weighted votes for the 15 member states. A blocking minority of 30 would prevent a policy being adopted despite constructive abstentions, but that would be prevented by (say) Italy, Spain, Portugal and the Netherlands joining with the EU-3. Thus the seven bigger states could speak in the name of the 15. In practice it is very unlikely that the stage of such scholastic calculations would ever be reached.
- 13 Harold Wilson, the British Labour politician, said sceptically of the civil service that 'whoever is in office, the Whigs [of Whitehall] are in power'. Quoted in Schlesinger (1973: 249).
- 14 The concept of 'countries which count' obsesses Italy, on the margin of the inner group as it is, and fearing always that it is deemed not to count as a serious player.
- 15 For further analysis on the Europeans in the Security Council see Hill (2005, 2006).
- 16 On the battle-groups, which are designed as mini rapid-reaction forces, see IISS (2008: 124–8).
- 17 See 'Overcoming National Impediments to ESDP: the "Big Three": France–Germany–the United Kingdom', Observations from a Workshop (2006).
- 18 Han Stark (2002: 982) has pointed out that the UK–France–FRG relationship is not an isosceles triangle, but rather one of three bilaterals, uneasily interacting. See also *Le Figaro* (2007) on the rise of Franco-German tensions (submerged soon after in the Iraq crisis).
- 19 See Haftendorn and Kolkman (2004) on how the Berlin–US relationship exacerbates Franco-German problems.

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6 The EU, the US and international organizations

Trade politics in the global political economy

Michael Smith

Introduction

Central to the EU's roles in the global political economy are the interrelated principles of multilateralism and international cooperation, which find expression among other things in EU activism within a wide range of international organizations. EU external policies have embodied an awareness of multilateral engagements and commitments since the Treaty of Rome at least, and the increasing engagement of EU external activities with multilateral organizations and structures has been a prominent and growing feature of the Union's international existence.

This engagement with and use of multilateral structures has been examined in the broad sense by a number of recent commentators (for example Bretherton and Vogler 2006; Ginsberg 2001; Jørgensen 2006; Laatikainen and Smith 2006; Ortega 2005). It also relates strongly to analytical frameworks that have been developed in the exploration of the European integration process more generally, such as those focused on multilevel governance (Hooghe and Marks 2001; Jachtenfuchs 2001; Jachtenfuchs and Kohler-Koch 2004; Sandholtz and Stone Sweet 1998), new institutionalism (Armstrong and Bulmer 1998; Pollack 2004; Stone Sweet, Sandholtz and Fligstein 2001; Schneider and Aspinwall 2001) and normative approaches (Manners 2002, 2006; Richardson 2002; Sjørnsen 2006). Finally, it has been inscribed prominently in many EU policies directed towards the global political economy, including both those generated within multilateral organizations and those encapsulated in bilateral agreements. As a result of such approaches, a number of enduring issues and tensions have been uncovered: the tension between the EU's commitment to multilateralism and its development of 'European interests' or a 'European identity'; the variations in the salience of and the effectiveness of multilateral commitments in different issue areas; the potential for tensions and contradictions between the EU's activities in a range of different multilateral, unilateral and bilateral arenas; and the extent to which the EU can sustain a commitment to multilateral cooperation and international organizations in times of rapid change, challenge and crisis.

Another central fact of life for the EU in the global political economy is that EU activism will inevitably bring about close encounters with the US. The US

is the EU's most significant other in the global political economy, although this bilateral relationship is under pressure from the kinds of challenges and frictions that accompany the increasing securitization of economic issues and the rise of a number of emerging powers (McGuire and Smith 2008). Importantly, although there is a large and growing number of encounters between the two transatlantic partners, there are major differences in their approaches to cooperation within the global political economy (Smith M. 2009b). These differences arise both from the internal structures and cultures of the two entities and from the process of change in the global political economy more generally, and they form a central point of reference in understanding how EU–US relations might contribute to a future global economic order. Thus they are of central significance in an appreciation of the ways in which the EU is involved with and responds to international organizations more generally, and to the EU's role in the growth of global governance processes and structures within the global political economy.

The central focus of this chapter is thus EU–US relations, here seen in relation to their entanglement within a wide variety of international organizations and centred on the governance of the global political economy. The intensification and extension of governance through IOs has in many respects gone alongside the EU's search for channels through which to exploit its commitment to multilateralism, and the EU has made much of its engagement with major IOs in trade (Young 2002; Switky and Kerremans 2000; de Burca and Scott 2001; Woolcock 1993), the environment (Bretherton and Vogler 2006; Vogler 2005; Vogler and Bretherton 2006), security (Hänggi and Tanner 2005; Sbragia 1998; Schmitt 2005; Stewart 2006), communications (Sandholtz 1998), human rights (Smith K. 2004, 2006; Manners 2002, 2006) and other areas. But as noted above, this engagement carries with it an inevitable set of contacts and collisions with the US, a global partner and rival that espouses rather different principles and processes of international cooperation. There is here therefore a series of potential contradictions which go to the core of both the EU's relations with the US and the EU's entanglement in IOs. These issues can be expressed in questions related to a central aspect of international organizations: the process of institution-building. A focus on institutionalization processes raises important questions in a number of areas. How does the EU's and the US's engagement with IOs lend itself to analysis through institutional approaches? How does the development of institutions within the EU and the US themselves interact with the EU's activities within IOs, and to what extent are the EU and the US able to influence the institutional characteristics of those organizations?

These questions relate very strongly to the two central themes set out for this volume. In the first place, they address the conditions that affect the EU's interaction with IOs: the presence or absence of the US in this context is a major 'condition' that can facilitate or constrain the EU's ambitions for IOs, and EU–US relations form a central variable in the ways in which the EU participates in IOs. Secondly, the questions raised above help us to think in a distinctive way about the impact of participation in IOs on the EU itself: is EU–US interaction within or

around IOs a support for or an obstacle to the EU's 'uploading' or 'downloading' of principles, practices and rules in relation to IOs in the global political economy?

In pursuit of preliminary answers to the questions raised above, this chapter goes on to explore a number of central issues, particularly in relation to the EU's and the US's encounters over issues of world trade. First, it sets out ways in which institutionalist approaches can be used to understand the interaction between the EU and the US in IOs. Second, it briefly outlines the ways in which the governance of the global political economy, and the growth of IOs, has been key to the evolution of EC/EU–US economic relations during the past fifty years and more, and the ways in which the governance of the global trading system intersects both with EU–US relations and with the development of the EU itself. Third, the chapter explores the EC/EU and US approaches to the governance of world trade through IOs, asking whether they represent two different and distinct models of governance and outlining what the implications of this might be with reference to recent EU–US encounters in world trade. The conclusions revisit the initial questions and propositions and set out a potential research agenda.

Institutionalist approaches to EU and US engagement with international organizations

There is clearly (as many have pointed out) a spectrum of institutionalist approaches to the development both of the EU itself and of the transatlantic issues which are the main focus here (for instance, Armstrong and Bulmer 1998; Damro 2006a, 2006b; Jachtenfuchs and Kohler-Koch 2004; Pierson 1998; Pollack 2004; Pollack and Shaffer 2001; Schneider and Aspinwall 2001; Steffenson 2005; Stone Sweet, Sandholtz and Fligstein 2001). Key strands in this mode of analysis include rational-choice institutionalism, historical institutionalism and sociological institutionalism. It is important in this context to underline the fact that the EU itself can be seen as the product of processes of preference-formation, institutional evolution and exchange akin to those that are characteristic of the formation, maintenance and development of IOs. The EU is thus at least partly, an extremely dense and legalized set of international organizational arrangements – which are particularly strong in the area of trade policy (Young 2002; Meunier 2005). This gives a distinctive flavour to the ways in which the Union engages with IOs at the broader global level, since it means that many of the key questions about delegation, agency, path dependency, lock-in and other problems that arise in respect of IOs are matters of active debate and contestation at the European level (see also the chapters by Kerremans and Young in this volume).

The ways in which the US enters into and can be analysed within IOs are also susceptible to analysis from institutionalist perspectives, but it can readily be understood that the findings of such analysis are likely to be very different. The US is a state; it is a predominant state on many dimensions; and it is also a state whose agents have over an extended period embraced a highly developed conception of sovereignty, not only in matters of national security but also in matters of political economy (Keohane 2004). This inevitably produces a very

different balance in terms of the US relationship to IOs. To put it crudely: in the case of the US, national preferences and priorities are likely to take precedence over the search for multilateral solutions, there is unlikely to be an easy acceptance of such processes as agency drift or delegation, there is likely to be close domestic monitoring of any obligations accepted as the result of adherence to IOs, and a resort to defection and the exercise of national autonomy is always a real possibility (Foot, MacFarlane and Mastanduno 2003: Part I, Conclusion).

Reflecting these fundamental points of difference, different institutionalist approaches noted above produce characteristic questions about the EU's and the US's position in IOs. For rational choice institutionalism, key issues are those of preference formation, power and commitment: interest might focus on the extent to which the EU's engagement in IOs reflects the aggregation of national positions and whether we can point to a collective 'European' position even where the questions that arise are contentious at the EU level. Likewise, although it might seem obvious that the US will have unified positions within IOs, there is the possibility of fragmentation or division within the US government machine (or between federal government and sub-national governments or private commercial interests) on adherence to IOs. When it comes to issues of power, rationalist approaches might focus on the extent to which the EU can derive resources both from its own members and from the IO itself, and how effectively it deploys them. At the same time, the availability of predominant national resources in the case of the US links to American views of their capacity to shape IOs – or perhaps more pertinently, the need to do so. On the question of commitment, a key focus is that on defection: the conditions under which it might take place, and its frequency. Is the US more able and more likely to defect from international institutional commitments than is the EU? Another question arising from rational choice approaches is that of delegation and agency: for example, there is the possibility that the EU's engagement in IOs can create problems of 'agency drift' in which the control of principals over agents becomes complicated and efficiency or effectiveness suffers. Recent work in the area of commercial policy seems to indicate that this is possible (Kerremans 2006 and in this volume), but the implications remain fully to be explored. In contrast, it might be argued as implied above that the US is far less likely than the EU to tolerate agency drift or to offer slack to the relevant agents, both at the national and at the international level.

Other institutionalist approaches equally throw up important questions about the EU, the US and IOs. Historical institutionalism emphasizes the importance of sequential bargains at the EU level, and it might be argued that the relationships in the US between state and sub-national governments or public and private agents would create the possibility of similar evolutionary processes; but what happens when the bargaining processes at the EU level or within the US federal government and that within an IO or a number of IOs overlap and create tensions? In other situations, an 'internal' EU or US bargain might have important resonances at the broader international level, raising questions about who drives the development of IOs and for what reasons. The evolution of cooperation at the international level might feed back into the process of institutional change within the EU or the

US. It is in this context that approaches such as those based on ‘bimultilateralism’, which identify the linkages between institutionalization processes and negotiation processes at the bilateral and the multilateral levels can gain purchase (Smith M. 2005, 2009a).

Sociological institutionalism adds a further dimension through its focus on social processes and on the ‘logic of appropriateness’, since many of the participants in specific organizations are fulfilling roles both in the EU or US social context and within the broader international context. What happens when the ‘logics of appropriateness’ at these different levels come into collision and roles are subject to conflict? The question of legitimacy is also central here: do EU and US representatives in IOs gain legitimacy through that status that can then affect internal debates in the EU or the US itself over contentious areas of policy – or do they actually forfeit legitimacy by operating outside what is perceived as their national or European mandate? This coexistence of arenas, and often their intersection, creates potential issues that a sociological institutionalist approach is well suited to exploring.

We are thus left with an array of potential areas of enquiry arising from the several strands of institutionalist thinking about the ways in which the EU and the US might engage with IOs – and with each other, within international organizational contexts. It is clear that preferences, power, ideas and bargains exist in a complex process of interaction in such contexts, and now we need to test how this might be reflected in the evolution of EU–US trade relations within the global political economy.

The EU, the US and the governance of world trade: Evolution and impact¹

The relationship between European integration and the US has a long history. It originated in the period immediately after World War II, with the onset of the Cold War and the related need for the stabilization and reconstruction of western Europe. Despite US ambivalence about entangling itself in the affairs of post-war Europe, between 1945 and 1950 there were laid the foundations of a complex and wide-ranging partnership between the western European countries and the dominant Superpower (Grosser 1980; Ellwood 1992; McGuire and Smith 2008: chapter 1).

Economic integration between the original six Member States of the European Economic Community was thus surrounded by the broader context of the Cold War, the ‘western alliance’ and confrontation between east and west in Europe. At the same time, it was strongly related to the development of the Bretton Woods institutions, which provided a context of rules within which the European Coal and Steel Community (ECSC) and then the EEC could become established. This was not a trouble-free process: through the 1960s and 1970s, tensions between the dominant US and the increasingly assertive EEC were at the centre of their mutual relations (Calleo 1970, 1981; Calleo and Rowland 1973). The international trade negotiations in the Kennedy and Tokyo Rounds saw an

increasing confrontation between European and US stances, and reflected their central positions in world trade (Preeg 1970; Diebold 1972; Winham 1986). These in turn were linked closely to the beginnings of radical economic change in the world arena, symptomized by the energy crises of the 1970s and by the challenges to monetary and commercial stability that came to characterize the 1980s (Alting von Geusau 1983; Smith M. 1984; Woolcock and Van der Ven 1985). No longer was it clear that US leadership and European 'followership' could be taken for granted, and the radical developments that took place during the 1980s in patterns and processes of EC governance focused a large part on these tensions. The US reacted to the development of the European Single Market Programme with initial alarm and continuing suspicion (Hocking and Smith 1997; Smith and Woolcock 1993), not least because of the linkage between the Single Market Programme and the Uruguay Round of GATT negotiations (Hufbauer 1990).

It is thus clear that the long process of development in EC-US relations has been closely linked to developments in the governance of world trade. The Bretton Woods system of international financial institutions established in the wake of World War II was fundamental to the ways in which European integration and EC-US relations evolved. As the Bretton Woods institutions, including the GATT, came under increasing pressure in the late 1960s and 1970s, this also reflected the strains already referred to in EC-US relations; and in the early 1970s, the strains simply became too great for the system to withstand. As a result, the floating of major currencies and the reform of the global trading system that went alongside it during the 1970s and 1980s saw the EC and the US playing central roles. Indeed, it can be argued that through the 1970s and 1980s, the transatlantic partners and rivals were at the core of the continuing hard-fought liberalization of world trade and payments that lay behind the later emergence of large-scale globalization processes (Tsoukalis 1986; Woolcock and Van der Ven 1985).

It was this intersection – between the development of EC/EU–US relations and the process of global liberalization that powered globalization – that continued to drive forward key institutional developments in the world trade arena during the 1990s. At the EU level, after the broad completion of the Single Market Programme and the establishment of economic and monetary union as a key policy objective, a host of other developments in policy areas such as environmental regulation, food safety, communications and information technology and transport became salient, and often intensely linked to issues of broader commercial policy. At the same time, the Clinton Administrations between 1993 and 1999 provided a broad framework of multilateralism for US policies, but not without significant problems of adjustment when it came to specific sectors. Not only this, but at the transatlantic level, there was established during the 1990s an increasingly complex and wide-ranging set of EU–US partnership agreements – the Transatlantic Declaration of 1990, the New Transatlantic Agenda of 1995 with its accompanying Action Plan, and the Transatlantic Economic Partnership first mooted in 1998 (Pollack and Shaffer 2001; Steffenson 2005) and then extended in 2007 with the creation of the Transatlantic Economic Council (Allen and Smith 2008). An unprecedented level of transatlantic economic and regulatory cooperation developed during

these years, notwithstanding the persistence of important trade and other disputes (Petersmann and Pollack 2003; Pollack and Shaffer 2001; Peterson 1996; Steffenson 2005; Pollack 2005).

The establishment of the World Trade Organization in the wake of the Uruguay Round agreements provided an opportunity for the EC to be involved at the outset, and this was the stimulus for increased European activism in the late 1990s (Smith M. 2004b; Smith and Woolcock 1999). Under the leadership of Trade Commissioner Leon Brittan, the Community set out to take the lead in key areas of international negotiation: information technology, telecommunications and financial services. Assisted by the fact that US policies in these areas were often less than clear or positive, the Community claimed the initiative, partly by positioning itself against the US and by defining the US as the problem rather than the solution to the issues that needed to be addressed. By the late 1990s, Brittan was calling for a new 'millennium round' of GATT negotiations with a broad agenda – a call resisted by the US and by a number of other key groups within the WTO, but one that found part of its fruition in the Doha Round from 2001 onwards. The assumption was that the EC and the US, whatever their differences, were still the key protagonists in any global trade deal. But as the Doha Round proceeded, it became increasingly apparent that the emergence of economies such as those of Brazil, China and India, and the activism of others such as South Africa, posed a new set of problems. Whilst in some ways there were increasing common interests between the EC and the US, it was not evident that these two alone could determine the outcome of the Doha Round. The result was a series of stalemates, in which groups such as the G-20 of emerging economies were able to resist the EC and the US even when those two acted in concert (Hocking and McGuire 2004; Petersmann and Pollack 2003).

The result of this long evolutionary process can be summarized quite readily at one level. The development of EU governance reflected at many stages – and in at least some of its core institutions – important US influences and the broader context of the Cold War and after, and the EU's development of institutions and resources in the area of trade policy was influenced by this general context. At the same time, there had developed a complex set of partnership arrangements that could be seen as the basis for a new system of 'transatlantic governance' with special significance not only for 'traditional' trade policy but also for new dimensions of commercial policy more broadly defined. Finally, the EC/EU and the US had over a long period been key components of processes of global economic governance, reflected especially in the Bretton Woods institutions but also in the ways those institutions adapted to new economic challenges between the 1970s and the 1990s. It is clear that historical institutionalist approaches would find much on which to base their analysis in such an extended evolutionary process.

This relatively clear-cut summary becomes markedly less clear when one considers the continuing tensions at all levels between the process of European integration and the pursuit of US leadership, and when one considers the greatly extended role for processes of global governance in the later years of the Cold War

and thereafter. In addition, when attention is focused on key sectors, it becomes clear that the EC and US entanglement in IOs is complex and characterized by both intended and unintended linkages between issues; world trade provides a key demonstration of the implications of these developments, and the expectation would be that both rational choice and sociological institutionalist approaches would find much to interest them in this field. The next section reviews a number of the issues that have become especially apparent in EC-US trade relations during the new millennium, and considers whether these reflect fundamental differences in EC and US approaches to international organizations in world trade or sectoral and conjunctural forces.

The EU and the US: Contending governance models?

This chapter so far has outlined the extensive history of EU–US relations and the ways in which these have intersected with issue of international and global governance, particularly in world trade. During the first decade of the twenty-first century, a number of challenges have arisen to the presumptions of partnership that underlay even the most contentious of the issues arising between the EC and the US from the 1950s to the 1990s. We need to ask, how far do the conflicts and disputes of the past few years reflect structural components of the EU–US relationship, how far are they the result of forces lying outside that relationship, and how might they be expected to develop in the next decade? In doing so, we need to consider the impact of the multi-level governance system that has emerged in EC-US relations, and its impact on relevant IOs.

First, let us explore the EU approach to questions of the governance of world trade. It has frequently been argued that this reflects in many ways the nature of the EU itself as a complex system of multilevel governance (McGuire and Smith 2008: chapter 2; Sandholtz and Stone Sweet 1998), and the priorities generated by the need to maintain and preserve this system within a changing global arena. It can be argued that the EU manifests the characteristics of a ‘trading state’, with an emphasis on multilateralism, negotiation and the use of ‘civilian power’ in the pursuit of a stable and accommodating world (Smith M. 2004a; Rosecrance 1986, 1993). This gives EU policies a distinct flavour: the Union favours the extension of global governance and the achievement of ‘effective multilateralism’, and is thus very often first in the queue when it comes to the establishment, maintenance and extension of IOs and other mechanisms of global governance (Elgström and Smith 2008; Ortega 2007). In almost all cases, the Union privileges the pursuit of ‘problem-solving’ negotiations, the generation of new international rules and conventions, and the use of ‘soft power’ in pursuit of enhanced global governance (Petiteville 2003).

In turn, as Martin Ortega (2007) and others have argued, the EU fulfils a dual role in global governance processes. On the one hand it is a model through its achievement of a complex and ‘deep’ system of governance at the European level. On the other, it is a key actor in the development of global governance institutions and processes because of its ‘weight’ in areas such as international trade; this leads

to the assumption that activism in such areas is part of the way in which the EC expresses its essential nature. This is thus not simply a matter of material interest; the pursuit of effective global governance with the Union at its core reflects fundamental normative commitments of the Union and its Member States, and the pursuit of an effective EU identity within the broader world arena. So the pursuit of and participation in global governance is a form of 'self-realization' for the Union, which adds to its international legitimacy and to the internal attachment of European citizens. This normative and affective dimension is a key element of the EU's international role, and means that the pursuit of global governance can be seen as built-in to the Union's international role more generally. It also means that participation in global governance can feed back beneficially into the European integration process, strengthening it and providing a form of 'cement' derived from international activity and 'presence'.

This does not mean that the EU's participation in global governance is purely altruistic; and this is where some important contradictions arise, not least in the governance of world trade. Although the EU and its agents such as the European Commission sometimes present the Union as a participant in global governance 'for its own sake', there do arise occasions when the Union needs to act much more like a conventional 'power' in the process. In trade policy, it is by no means clear that the EU operates 'multilateralism for multilateralism's sake' in a consistent fashion; the stakes are high enough, and the internal pressures strong enough, for the Union to be at best a reluctant multilateralist and at worst a blatant unilateralist (Jørgensen 2006; Meunier and Nicolaidis 2005). Alasdair Young has persuasively argued that this variation reflects varying constellations of preferences in different areas of trade policy, mediated through the EU's institutional architecture (Young 2007). So the reality is that the EU's professed deep commitment to global governance and multilateralism needs to be qualified with reference to 'events', material interests and internal institutional forces.

Very often, a sharp contrast is drawn between the EU's commitment to multilateralism, negotiation and 'civilian power' and the US's practices of unilateralism, coercion and the deployment of 'hard power' (Smith M. 2004a; Pollack 2003). This contrast has important implications for the study of EU-US relations in the context of global economic governance and world trade. To put it crudely, American policy-makers are likely to put the pursuit of global governance 'for its own sake' in a subordinate position on their list of global priorities. For them, the key is material interest, shaped by perceptions of the US's predominant position in the global arena. These interests and perceptions are often seen as reflecting an 'American exceptionalism', which is a consistent thread running through US foreign policy since at least the late nineteenth century (Deudney and Meiser 2008). The US is seen as a power unlike any other, not only because of its exceptional material resources, but also because of its embodiment of a certain form of government – liberal democracy. In a way, of course, this can be seen as matching the form of 'European exceptionalism' embodied in some of the EU assumptions outlined above, but it leads in markedly different directions when it comes to the conduct of practical policy (Smith M. 2009b).

Such an orientation gives the US a particular position on matters of global governance. To put it simply, international cooperation, seen by the EU and generally its member states as a matter of necessity (both for the sake of the EU and for the broader global good) is seen by many US policy-makers as a matter of choice. The use of global governance processes and institutions is conditioned by considerations of US 'grand strategy', and occupies a largely instrumental position within the conduct of US international policies. Whilst different US administrations will vary in the vehemence with which they state this position, the central tendency is towards the instrumentalization if not the marginalization of those institutions that the EU often sees as central to its international presence and identity. As a result, the US can exercise its raw power in relation to institutions of global governance not only by using them as instruments of active policy, but also by ignoring them and exercising its power of defection (Foot, McFarlane and Mastanduno 2003; Barnett and Duvall 2005; Keohane 2004). When it comes to world trade in particular, the US has only reluctantly submitted itself to regulation through the WTO, and has been the subject of large numbers of complaints, not least from the EC in a growing range of both traditional and 'new' areas (Petersmann and Pollack 2003).

From this discussion, it might seem that the EU and the US occupy not only different positions but also different worlds when it comes to issues of global economic governance (Smith M. 2004a; Lindberg 2005; Kagan 2003). On the EU side, there is a commitment to multilateralism and governance that emerges from the very essence of the Union, reinforced by material and strategic interests. On the other side, there is a commitment to national priorities and the exercise of national power that threatens to reduce global governance to the margins of international discourse and action. The clearest possible manifestation of these tendencies seems to have been the period of the George W. Bush Administrations in the US, during which it appeared at times that entirely different visions of world order and global governance were being pursued on the two sides of the Atlantic, and during which both the strengths and the limitations of the EU's approach to global governance issues were sharply exposed (Lindberg 2005; Smith M. 2004a, 2009a, 2009b).

Three points need to be made about this apparently stark contrast, though. First, the George W. Bush Administrations were not the first to have displayed their scepticism both of global governance and of the EU's role in it, and they will not be the last. Second, although the contrast seems both stark and fundamental, we have already noted that on the one hand, the EU can practise the politics of unilateralism and on the other, that there will be significant variations in the extent to which US policy-makers allow national priorities to crowd out considerations of global welfare (Pollack 2003; Kaldor 2004; Pigman 2004; Smith M. 2009a). Finally, it must also be noted that despite differences in style and policy practices, the EU and the US are locked in a situation of 'competitive interdependence' where the actions of one often condition and shape the actions of the other (Sbragia 2010).

This means that there are strong arguments for convergence as well as for competition in EU–US trade relations, and equally for identifying important contextual changes that have taken place around EU–US relations themselves. As we have seen, world trade is perhaps the site of the longest-standing EU–US entanglement, reflecting the fact that negotiations within the GATT and then the WTO between the two entities have taken place since the late 1950s, if not before. The series of global trade negotiations that began in the 1960s with the Kennedy Round and continue in the shape of the Doha Development Round has seen perpetual confrontation between the EC/EU and the US, especially over issues such as agriculture (Meunier 2005; Moon 2004; Petersmann and Pollack 2003; Young 2007). As the agenda of the global negotiations has broadened to include not only trade in goods but also trade in services and other areas such as intellectual property rights, it has become progressively more difficult to draw a sharp distinction between EU and US positions, and indeed there has been increasing evidence of a recognition of common interests between the EU and the US in areas where they are challenged by ‘emerging economies’. Both the EU and the US have had to face the demands of countries such as Brazil, India, China and South Africa, and have made joint efforts to resist or adapt to them (Smith M. 2009a).

Not surprisingly, therefore, although there are clear differences between EU and US positions on the ways in which the WTO should operate – the EU is much more enthusiastic about rules-based processes, the US more inclined to favour litigation-based processes – there has also been a process of mutual learning within the WTO context. This has been supported by the development of ‘early warning’ and dispute-management processes at the transatlantic level, in which the New Transatlantic Agenda and then the Transatlantic Economic Partnership have played a central role (Petersmann and Pollack 2003; Pollack 2005; Pollack and Shaffer 2001; Steffenson 2005). In some areas, it has been further enhanced by the development of ‘domestic’ processes that draw on the lessons of the European integration processes or the changing functions of the US government; some of these areas, such as competition policy, environmental policy or standards-setting, are not classical ‘trade policy’, but are core to the broadening area of ‘commercial policy’ in which traditional trade issues are increasingly embedded (Bodansky 2003; Damro 2006a, 2006b; Vogler and Bretherton 2006).

As a result of these and related changes, we are left with a situation in which it might be argued that the EU and the US are closer than ever on issues of management and governance in the global political economy and the world trading system – but the global political economy and world trade themselves have changed in ways that make EU–US relations less central and less influential and pose new challenges for both Brussels and Washington (Smith M. 2009a). In this context, it is more important than ever for analysis to take account of the changing nature of institutions and of the EU’s and the US’s approach to them. The conclusions to this chapter thus focus on the questions that emerge for further research and analysis.

Conclusions

This chapter has attempted to identify questions arising from institutionalist approaches to the EU's and the US's role in IOs, especially in relation to world trade. We have seen that there is an important role for history and for mutual learning over an extended period in EC-US relations, and also that the changing content and context of world trade have been central influences on EC-US relations, especially since the end of the Cold War. We have also noted that divergences of preferences both within and between Brussels and Washington are important to an understanding of what they can accomplish in the world trading system. From this, we can infer that historical institutionalism, rational choice institutionalism and sociological institutionalism form the basis for further analysis of the relationship. But this does not mean that there are no analytical issues to address in such work.

A first set of issues concerns institutionalist approaches themselves. According to these, the EU's activities in international organizations will be shaped by the complex relationships between the EU's own internal organization, the process of preference formation in the EU and the extent to which it can extract resources both from its own members and from the IO itself. There will also be a fluctuating balance between internal bargains and the need for external commitment, and between the logics of appropriateness' at EU and IO levels. By contrast, in the case of the US, activities in a given organization will be shaped by considerations of material power and 'grand strategy', reflecting the ways in which US policies are constructed, and the high priority given to considerations of national advantage. The study conducted in this chapter suggests that such propositions apply very broadly to EU-US interactions in the institutions of world trade, and that they account for a good deal of the 'architecture' within which the EU and the US are embedded. But when the examination turns to more specific sectoral issues, there are likely to be important variations, reflecting issue-area qualities, domestic institutional and political constraints, processes of mutual learning and engagement, and the impact of the 'multi-level governance' system that has emerged in EU-US relations.

Two further avenues for enquiry are thus suggested by the preliminary examination in this chapter. First, and as sociological institutionalism would suggest, it is important to recognize the impact of norms on the ways in which the EU and the US encounter each other in questions of world trade, and specifically in IO contexts. The EU's presence in a given organization will be shaped by a mixture of internal and external forces. On the one hand, the organization will be seen as an arena for projection of the EU 'voice' and consolidation of an EU identity, and as a vehicle for projection of EU norms. On the other hand, involvement in the organization may serve to accentuate normative tensions within the EU itself, and create frictions between discourses developed at the regime level and those within the EU. Such normative considerations are likely to be far less important in the case of the US; or at least, the normative dimension of entanglement with IOs is more likely to be seen in instrumental terms, with

values and the rules that might express them seen as part of a broader US national strategy. At the same time, the potential impact of global norms on US policy-making and identity conceptions is likely to generate resistance and the defence of the American way of international life. Such arguments lend force to the use of sociological institutionalist approaches to EU–US relations in the area of world trade.

Second, it is necessary to pay attention to the process of negotiation itself. Involvement in IOs will uncover tensions in the EU between its commitment to processes of bargaining and its self-description as a problem-solving actor. This in turn will link to ideas about what is ‘normal’ for the EU and for relevant IOs, to the projection of EU norms and to the EU’s capacity to build relevant coalitions based on material or normative considerations. At the same time, and relatedly, involvement in IOs will raise questions about the EU’s conception of its international role and especially about its capacity to supply leadership within IOs on a consistent and continuing basis. For the US, the tensions are different: US engagement in IOs is assumed to be on the basis of US leadership, and processes that challenge or undermine that assumption are likely to be rejected. Where the US is actively engaged in negotiations within or about an IO, the engagement is likely to be in the form of hard bargaining and the implicit or explicit mobilization of material power, rather than in terms of the IO as an end in itself or as a forum for the realization of a US role in the global political economy. This reinforces the point made earlier in these conclusions, that analysis needs to take explicitly into account the differences between EU–US interaction at the ‘architectural’ level in the governance of world trade and what happens in specific sectoral contexts. It also suggests that rationalist approaches as well as sociological approaches will have considerable purchase in sectoral contexts, and that one challenge for research is to identify the ways in which they might complement each other.

Finally, it is important to reflect on the implications of these arguments for broader issues of multilateralism. Consideration of the significance of institutions, and their links to questions of norms and negotiation in the EU’s and US’s involvement in international organizations will provide a guide to (a) how far the EU and the US pursue and have achieved ‘effective multilateralism’ through such involvement and (b) how far the EU and the US themselves can be conceptualized as ‘effective multilateralists’ on the basis of their IO-related activities. This in turn will raise issues about the concept of ‘effectiveness’ as viewed from a range of standpoints, and thus about IO effectiveness more generally.

In terms of the broader themes on which this volume centres, we can say the following. First, in relation to the conditions affecting the EU’s interaction with IOs, it seems clear from the argument here that the US is indeed a major ‘condition’. US policies and actions in respect of major IOs are explicitly or implicitly a major incentive or disincentive to EU engagement – and this is clearly demonstrated by the ways in which EU–US interactions on questions of world trade have developed over a very long period. Indeed, it can be argued that in some areas, the EU’s activity and attempts to assert leadership arise directly out of the condition of ‘competitive interdependence’ that can be seen as characterizing

EU–US relations in the global political economy and more specifically world trade. In respect of the second theme – the ways in which engagement affects the EU itself – there appears to be evidence that the EU’s involvement in IOs with or without the presence of the US can feed back strongly into the practices and principles of EU regulatory and commercial policies. Both the presence and the absence of the US are key here, since they significantly affect not only the international opportunity structure for EU activities, but also the effectiveness with which IOs can be maintained and operate and thus the legitimacy of their rules and injunctions. In all of these areas, it is suggested that institutionalist approaches can provide a way into and also a way out of the complexities of EU–US relations in the global political economy. {newpage}

Notes

- 1 The discussion in this and the following section draws on Smith (2010).

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7 **Effective multilateralism on trial**

EU compliance with WTO Law¹

Alasdair R. Young

In academic articles and in public discourse the EU is frequently depicted either as a paragon of international law or as a ‘scofflaw’. These rival views can to an extent be reconciled because they focus on different aspects of the EU’s engagement with international institutions. Those that depict the EU as a paragon focus on how the EU pursues its external relations, particularly its commitment to ‘effective multilateralism’. Those that depict the EU as a scofflaw focus on its failures to comply with international rules, particularly adverse rulings by the WTO’s Dispute Settlement Body (DSB).

This chapter contends, perhaps not surprisingly, that neither depiction is accurate, but nor is either entirely inaccurate. More specifically, this chapter argues that the EU, as most other WTO members, actually has a generally impressive record of compliance with WTO rules, but that there are instances in which its international obligations have little purchase on its behaviour. The EU’s purported normative commitment to ‘effective multilateralism’ is not sufficient to overcome strong domestic political preferences. Thus the chapter contends that the EU engages with WTO rules in a way broadly similar to other powerful WTO members.

This chapter begins by setting out the contending depictions of the EU’s relationship with international law. It then establishes why analysing the EU’s compliance with WTO rules is appropriate for assessing its commitment to ‘effective multilateralism’. It then puts the EU’s compliance performance into perspective by considering the cases of problematic compliance in the context of other EU measures, and finally by examining how it has responded to adverse WTO rulings. The chapter concludes by reflecting on the implications of the analysis for the strength of the EU’s commitment to ‘effective multilateralism’ and what that suggests about the EU’s distinctiveness as an international actor.

Two sides of ‘effective multilateralism’

The EU’s commitment to ‘effective multilateralism’ is widely regarded as one of its most distinctive features as an international actor (Cooper 2003: 155; Kagan 2002; Keukeleire and MacNaughton 2008: 299; Laïdi 2008: 1; Manners 2002, 2008: 46, 52; Marsh and Makenstein 2005: 250; McCormick 2007: 3; Sjørusen

2006: 245; K. E. Smith 2003: 107). The European Security Strategy (European Council 2003: 13) states, that '[w]e need to pursue our objectives both through multilateral cooperation in international organizations and through partnerships with key actors'.

If the EU is to pursue its objectives through multilateral cooperation, it must be able to influence the substance of the cooperation, and that cooperation must be 'effective' (European Council 2003: 9); that it is, bring about the desired changes in behaviour. Toward this end, the EU emphasizes the importance of international law. According to the European Security Strategy, '[o]ur security and prosperity increasingly depend on an effective multilateral system. We are committed to upholding and developing International Law' (European Council 2003: 9). The Commission (2003: 3) also emphasizes that '[a]n active commitment' to 'effective multilateralism ... means taking global rules seriously' (see also Laïdi 2008: 2; Manners 2008: 46, 52; Sjursen 2006: 245). The literature on international cooperation stresses that for cooperation to be effective all parties must accept mutual obligations; in order to get others to change their behaviour an actor has to accept constraints on its own (Ikenberry 2001; Keohane 1984; J. M. Smith 2000; with specific reference to the EU and the WTO see M. Smith 2001).

The rival perspectives of the EU's relations with international law emphasize the different sides of 'effective multilateralism'. Those that depict the EU as a paragon emphasize the EU's efforts to influence multilateral cooperation (for example, Eide 2004; Laïdi 2008; Manners 2002, 2008: 46, 52; Ortega 2005). Those that depict it as a scofflaw, by contrast, focus on instances where the EU has not complied with its international obligations (for example, Bronkers 2008: 893; Goldsmith and Posner 2008; Hine 1985: 256; Princen 2004: 570; M. Smith 2007: 530).

There has, however, been little conceptually informed work on the impact of international institutions in general on EU rules (Oberthür and Gehring 2006). More specifically, there has been a notable lack of attention to the EU's implementation of multilateral trade agreements (M. Smith 2007: 530).² Thus the focus of most of the literature on the EU and international institutions has been on how the EU shapes the international environment rather than on how the international environment shapes the EU (Jørgensen 2007: 515).³ Analysing whether and why the EU complies with international rules when it is inconvenient to do so will help to illuminate whether its commitment to 'effective multilateralism' is more than a 'rhetorical profession of faith' (Commission 2003: 3).

The WTO: An appropriate test of the EU's commitment to 'effective multilateralism'

The EU's compliance with WTO rules is a particularly appropriate subject for assessing its commitment to 'effective multilateralism'. First, the WTO is widely regarded as one of the most legalized examples of international cooperation (Abbott et al. 2000: 405; Knodt 2004: 702), with precise, legally binding disciplines, binding, third-party adjudication, and the prospect of sanctions in

the event of non-compliance. Precise rules coupled with binding adjudication and enforcement are assumed to increase significantly the likelihood of compliance, and thus make cooperation effective (Goldstein and Martin 2000; Guzman 2008; J. M. Smith 2000). Second, the EU was instrumental to the creation of the WTO, and particularly the strengthening of the dispute settlement mechanism (Baldwin 2006: 933; Devuyt 1995; Paemen and Bensch 1995; Peterson 2004; Woolcock and Hodges 1996). The WTO, therefore, is an example of 'effective multilateralism' in the sense of the EU influencing multilateral cooperation. Third, moreover, the EU has, at least since the mid-1990s, depicted itself as the most committed advocate of the multilateral trading system and has been particularly active in advancing a 'rules-based' agenda (Ahnliid 2005: 130; Baldwin 2006: 933; Evenett 2007: 75; Smith and Woolcock 1999: 442; Winters 2001: 28). Fourth, significantly, the EU's support for a rule-based multilateral trading system is seen to reflect the EU's experience of internal, rule-based cooperation subject to supranational adjudication (Jackson 1993: 333; Woolcock 2005: 236). Fifth, the EU qua the EU is a member of the WTO and trade policy-making is centralized to an exceptional degree in trade policy (Nugent 2006; Pollack 2003), which controls for the problems of compliance associated with the EU not being a party to some international agreements (see Sbragia and Hildebrand 1998). All of these considerations should mean that compliance with WTO rules should be relatively easy for the EU; a 'soft case' for compliance.

Strikingly, however, the EU's problems complying with its WTO obligations figure prominently in the depictions of the EU as a scofflaw.⁴ Smith (2007: 530) observes that the EU fairly consistently 'states its commitment to and pursuit of multilateral principles, but it is often less easy to see this in terms of actual EU policy practice'. Goldsmith and Posner (2008) contend that the EU has 'defied' international law by not complying with the WTO's rulings in the hormone-treated beef and Genetically Modified Organisms (GMO) cases. Bronkers (2008: 893) concludes that in the bananas case the EU 'decided to ignore its international legal obligations'. Princen (2004: 570) argues that the hormones case presents a clear 'example of the relative ineffectiveness of GATT/WTO law'. This is a very different view of the EU's relationship to international law, with principle coming off a distant second best to internal political considerations.

The meaning of compliance

A crucial question, and one that bedevils the literature, is what is compliance? According to the most widely accepted definition (and the one implicitly used in the assessments of the EU's non-compliance above), compliance occurs 'when the actual behaviour of a given subject conforms to prescribed behaviour, and non-compliance or violation occurs when actual behaviour departs significantly from prescribed behaviour' (O. Young 1979: 4–5; see Raustiala and Slaughter 2002: 539; Simmons 1998). Compliance can be with respect to the international rules themselves ('first-order compliance') or authoritative decisions by an international third-party concerning failure to comply with the rules in the first

place ('second-order compliance') (Fisher 1981: 29).⁵ Crucially, domestic rules can align with international obligations through one of three routes:⁶

- 1 The international rule is sufficiently vague or unambitious so as not to create constraining obligations on domestic policy;⁷ cooperation is not effective.
- 2 The international rule creates constraining obligations, but existing domestic practices are compatible.⁸ Compliance can become politically problematic, however, if there is subsequent pressure to change policy in a way that would not be compatible with international obligations.
- 3 Domestic practices have to be altered in order to be compatible with international rules.

Problematising compliance in this way helps to illuminate the relationship between the two aspects of 'effective multilateralism'. To the extent that the EU is effective in shaping multilateral cooperation, it will be able either to neuter cooperation where it does not want to undertake obligations (route 1) or to shape international rules to reflect its current practices (route 2) (see, for example, Commission 2007; Drezner 2007; Laïdi 2008; Young 2002). To the extent that multilateral cooperation is effective, it might subsequently prevent the EU from doing what it otherwise would (route 2) or require the EU to change what it does (route 3). Such 'inconvenient commitments' are particularly politically interesting (Keohane 1992: 176).

EU (non-)compliance in perspective

In the light of these considerations, this section assesses whether and how the EU's policies have been affected by WTO rules. Given the extensiveness, diversity and complexity of the EU's policy activity, this will necessarily be a somewhat cursory assessment. In particular, it will focus primarily on the EU's second-order compliance with WTO rules as these instances are the most easily identified. Crucially, the criticisms of the EU's non-compliance with WTO rules, noted above, have focused on only a few cases: bananas, beef and biotech. This section puts these cases in a broader context by considering the measures that have not been challenged and examining what changes the EU has adopted in the wake of all of the adverse rulings.

Problematic cases in the context of other EU measures

Drawing conclusions about the EU's compliance performance based on only the highest profile cases, as those critical of EU compliance have tended to do, is analytically unsound because it rests on an implicit selection bias; the highest profile cases, which are those involving second-order non-compliance, are treated as if they are representative. Rather than consider only those cases in which the EU's compliance has been problematic, this section examines to what extent they are representative of the EU's compliance with WTO rules.

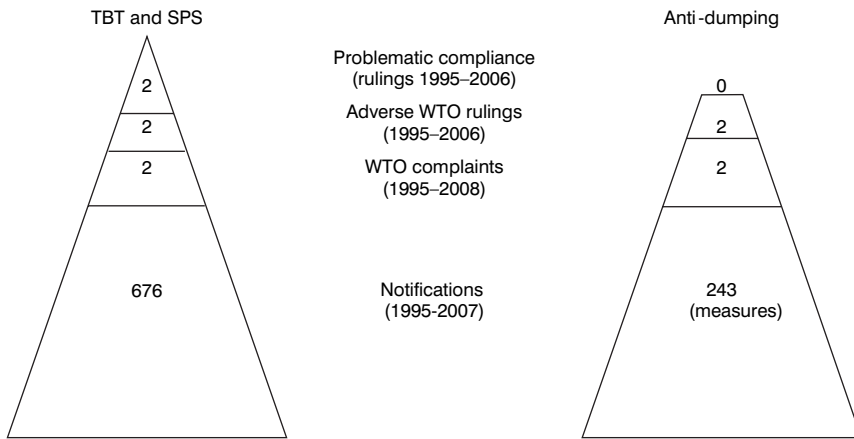


Figure 7.1 Problematic compliance in perspective (selected types of measure)

Notes: The figures for the EU exclude member state measures. Figures for concerns raised in TBT Committee are incomplete because they were not provided prior to the 2006 report (covering 2005). I have included ‘previously raised’ concerns listed in the 2006–2009 reports for issues.

Sources: WTO complaints are from the WTO’s dispute settlement gateway. The notifications to the TBT and SPS Committees are from WTO (2008a, 2008b), respectively. The number of anti-dumping measures adopted are from the WTO’s anti-dumping gateway statistics on anti-dumping ‘Anti-dumping Measures: By Reporting Country’ http://www.wto.org/english/tratop_e/adp_e/ad_meas_exp_country_e.pdf (accessed 29 May 2009).

If one considers the myriad measures the EU has adopted, only a small proportion have been challenged before the WTO. Even fewer have been found to violate WTO rules (first-order non-compliance). And a vanishingly small proportion have presented second-order compliance problems. Figure 7.1 depicts these proportions for the EU’s main regulatory activities, covered by the Technical Barriers to Trade (TBT) and Sanitary and Phytosanitary (SPS) Agreements, and its principle trade defence instrument, anti-dumping, covered by the Anti-Dumping Agreement. The TBT and SPS agreements require WTO members to notify the WTO Secretariat of any regulations falling under the agreements that might impede trade. The anti-dumping agreement requires WTO members to notify the Secretariat of initiations of anti-dumping investigations and of the imposition of measures. These notifications provide an indication of the total population of measures that might be challenged before the WTO. What Figure 7.1 makes clear is that since the WTO was established only tiny fractions of the regulations adopted by the EU and of the anti-dumping measures imposed by it have been challenged before the WTO. This strongly suggests that the overwhelming majority of EU measures comply with WTO rules (first-order compliance).

As the discussion of the meaning of compliance foreshadowed, this sterling record of compliance may not, however, be quite as impressive as it seems. First, given the EU’s role in shaping the WTO’s rules it is quite possible that the WTO’s rules allow sufficient latitude for the EU to act as it would wish or that the rules reflect existing EU practices. Elements of both possibilities seem to apply to the

SPS Agreement, on which I focus because it imposes more demanding disciplines than the TBT Agreement. First, the SPS Agreement's procedural requirements apparently reflected evolving understandings of good regulatory practice, to which the European Commission and EU member states actively contributed.⁹ Second, the EU is adamant that the SPS Agreement allows regulators sufficient latitude that it does not inhibit the proper application of the 'precautionary principle', which informs the EU's risk management practices (Commission 2000: 8, 10, 11; European Council 2000: point 4). Those EU regulations that have been challenged before the WTO – the ban on hormone-treated beef and the moratorium of approvals of genetically modified crops and member state bans – diverged from the EU's normal regulatory practice.¹⁰ Consequently, that so few EU regulations have fallen foul of WTO rules could well reflect the EU's effectiveness in shaping the rules rather than the impact of those rules on the EU's behaviour.

The story is slightly different with respect to anti-dumping. In this instance the EU explicitly reformed its procedures in order to reflect the requirements of the WTO's Anti-dumping Agreement (see Council Regulation 384/96 recitals 3 and 5).¹¹ In some respects, however, the new rules relaxed some of the earlier substantive requirements (e.g., with respect to causal link between dumping and injury; Holmes and Kempton 1996: 651). Moreover, even within the WTO's constraints the Commission has considerable leeway in how it calculates dumping and injury (Holmes and Kempton 1996: 651; Kempton 2001; Woolcock 2010). Where WTO rules did pinch was with respect to the practice of 'zeroing' in calculations of dumping margins,¹² which was the key feature in both of the anti-dumping complaints that the EU lost (see Table 7.1). Moreover, the Anti-Dumping Agreement does not regulate how the decision to impose duties is taken. In fact, the EU's reform implementing the Anti-Dumping Agreement lowered the threshold for adopting definitive duties from a qualified majority of member states in favour to a simple majority (Council Regulation 522/94). Council Regulation 461/2004 subsequently lowered the threshold further to adoption unless there is a simple majority against. Thus the WTO's anti-dumping rules have not been terribly constraining on the EU.

This discussion therefore establishes that the EU's non-compliance with WTO rules is very much the exception and not the rule. It suggests, however, that this might be because the EU shaped those rules in ways that made them fairly easy to live with.

Poor second-order compliance not all it seems

Having considered the evidence of the EU's first-order compliance, this section turns to those instances where the EU's measures have been found to be incompatible with its WTO obligations (first-order non-compliance) and whether or not the EU has complied with those adverse rulings (second order (non-) compliance). Second-order non-compliance is again the exception (albeit not an uncommon one), not the rule (compare Tables 7.1 and 7.2).

Table 7.1 EU policy responses to adverse WTO rulings through the end of 2006:
Compliance cases

<i>Case</i>	<i>Issue</i>	<i>Disputed measure</i>	<i>Complainant(s)</i>	<i>Adopted by DSB</i>	<i>Deadline for compliance</i>
69	Tariff rate quota on poultry	Com Reg 1484/95 (CM Reg 774/94 amended by Com Reg 2198/95 OK)	Brazil	23/07/1998	31/03/1999
141	Anti-dumping on bed linen	CM Reg 2398/97	India	21/03/2001	14/08/2001
174 & 290	Geographical indications	CM Reg 2081/92	US, Australia	20/04/2005	03/04/2006
219	Anti-dumping on malleable lead tube and pipe fittings	CM Reg 1784/2000	Brazil	18/08/2003	19/04/2004
231	Description of sardines	CM Reg 2136/89	Peru	23/10/2002	23/04/03
246	GSP (drugs arrangement)	CM Reg 2501/2001	India	20/04/2004	01/07/2005
265, 266 & 283	Export subsidies on sugar	CM Reg 1260/2001	Australia, Brazil, Thailand	19/05/2005	22/05/2006
269 & 286	Customs classification frozen boneless chicken	Com Reg 1223/2002	Brazil, Thailand	27/09/2005	27/06/2006
299	Countervailing duties on DRAMs	Com Reg 708/2003	Korea	03/08/2005	03/04/2006
301	Ship-building subsidies (trade defence measures)	CM Reg 1177/2002 (Reg 1540/98 OK)	Korea	20/06/2005	n/a

Notes: Com = Commission; CM = Council of Ministers; Reg = regulation; RPT = reasonable period of time; MAS = mutually agreed solution

<i>Change(s)</i>	<i>Compliance date</i>	<i>Timing of compliance</i>	<i>Notes</i>
Com Reg 493/1999	05/03/1999	Within RPT	
CM Reg 1644/2001 Replaced by 2239/2003 CM Reg 160/2002 (Pakistan & Egypt). [CM 1515/2001 WTO Enabling Regulation]	20/12/2003	RPT + 28.25 months	CM 1515/2001 established procedure for revisiting anti- dumping and anti-subsidy measures in the wake of adverse WTO rulings. CM 1644/2001 suspended against India. CM Reg 696/2002 confirmed duties under 1644/2001. 2239/2003 response to India's successful challenge to 1644/2001
CM Reg 510/2006	20/03/2006	Within RPT	
CM Reg 436/2004	26/04/2004	Within RPT (+ 1 week)	Reassessed the decision – found dumping, but at lower injury level.
Com Reg 1181/2003	02/07/2003	RPT + 2.25 months	MAS accepting change
CM Reg 980/2005	27/06/2005	Within RPT	
CM Reg 318/2006 Com Reg 493/2006 Com Reg 769/2006	20/02/2006 27/03/2006 19/05/2006	Within RPT	Complainants indicated not satisfied. MAS preserving complainants right to challenge based on effects of implementation. Not done as of 23/10/09
CM Reg 949/20006	27/06/2006	Within RPT	MAS preserving complainants right to challenge based on effects of implementation. Not done as of 23/10/09
CM Reg 584/2006	10/04/2006	Within RPT (+ 1 week)	Reassessed decision – found injurious subsidy, but at slightly lower level.
Measure expired prior to ruling	31/03/2005	Within RPT	

Table 7.2 EU policy responses to adverse WTO rulings through the end of 2006:
Non-compliance cases (status as of 12 May 2009)

<i>Case</i>	<i>Issue</i>	<i>Disputed measure</i>	<i>Complainant(s)</i>	<i>Adopted by DSB</i>	<i>Deadline for compliance</i>
26 & 48	Ban on hormone-treated beef	CM Dir 96/22/EC (replaced) CM Dirs 81/602, 88/146 & 88/299	US, Canada	13/02/1998	13/05/1999
27	Banana trade regime	CM Reg 404/93	Ecuador, Guatemala, Honduras, Mexico, US	25/09/1997	01/01/1999
291, 292 & 293	Approval of GMOs	General & specific moratorium MS bans	US, Canada, Argentina	21/11/2006	21/11/2007 Extended

Sources: The measure in question is taken from the original WTO complaint.

Policy changes are taken from the EU's 'status reports' to the WTO and updates on the Dispute Settlement Gateway (http://www.wto.org/english/tratop_e/dispu_e/dispu_e.htm). Where these sources are not available, searches were conducted using the original document number through Eur-Lex (the EU's legal database) and, secondly, Google. Identified amendments were evaluated to see if they referred to the WTO ruling and/or addressed the problems identified by the WTO ruling.

Moreover, in every instance of a measure being found to have violated WTO rules, the EU has adopted policy changes (see Tables 7.1 and 7.2). In the three cases of second-order non-compliance – the cases as the heart of the depiction of the EU as a scofflaw – these changes were not sufficient to placate the complainants. Together the infrequency of second-order non-compliance and the prevalence of policy change suggest that the EU does not simply ignore its WTO obligations, as suggested by the more extreme depictions of the EU as a scofflaw.

Examination of the politics of policy change, however, suggests limits to the pull of the rule of law. The rest of this section focuses on the three cases of second-order non-compliance because of their prominence in the debate. It is important to recognize, however, that in many respects they represent hard cases for compliance for two reinforcing reasons: they are highly politically salient and the relevant decisions rules mean that there are a lot of veto players. It is widely recognized

<i>Change(s)</i>	<i>Date of interim changes</i>	<i>Notes</i>
Initiated risk assessments First Commission debate (04/05/1999) EP & CM Dir 2003/74/EC	22/09/2003	Sanctions in place. EU requested compliance panel Dec. 2008.
CM Reg 1637/98	20/07/1998	Successful recourse to Art 21.5.
Agreements w/ US and Ecuador set deadline of 01/01/2006 for introduction of tariff-only regime.	11&30/4/2001	Negotiations on tariff level on- going (most recent status report 8/5/2009).
Doha Waiver echoed deadline and required arbitration on tariff levels.	Nov. 2001	Columbia launched challenge to revised regime 25/3/2007 (DS361).
CM Reg 2587/2001 (implementing understandings w/ US and Ecuador)	19/12/2001	Panama challenged 22/6/2007 (DS364).
CM Reg 1964/2005 + Com Reg 2014/2005 as amended by Com Reg 566/2006	29/11/2005+	
	06/04/2006	
Resumption of approvals for marketing only	May 2004	No approvals for cultivation.
Austrian ban on marketing lifted	27/5/2008	Austria maintained ban on cultivation and other MS have adopted.

that the political salience of an issue impedes compromise in trade disputes (Busch and Reinhardt 2000; Guzman and Simmons 2002) and compliance with international obligations (Steunenberg 2007; Treib 2008). Domestic regulations that affect trade – as was the case with the ban on hormone-treated beef and GMO approvals – are more politically salient than traditional trade measures (Busch and Reinhardt 2000; Damro and Sbragia 2003; Guzman and Simmons 2002; Hodges and Woolcock 1996: 304; Young 2007b). Trade policies that are associated with foreign policy objectives – as the banana trade regime was – are also more politically charged (Baldwin 2006; Hodges and Woolcock 1996: 304; Josling and Taylor 2003: 195–6; Meunier and Nicolaïdis 2006). Thus, there were particularly high political costs to compliance in each of the three particularly problematic cases (see Alter and Meunier (2006), Bronckers (2008: 892) and Cadot and Webber (2002) on bananas; Damro and Sbragia (2003), Devereaux

et al. (2006: 83), Josling and Taylor (2003: 195–6), and Princen (2004: 570) on hormones; Bernauer (2003) and Pollack and Shaffer (2009) on GMOs).

Moreover, any policy change becomes more difficult the more veto players there are (Héritier et al. 2001; Risse et al. 2001; Scharpf 1988; Tsebelis 1995). In both the hormone-treated beef and the bananas cases decision rules impose serious obstacles. Changes to the ban on hormone-treated beef must be adopted under the co-decision procedure, requiring the approval of both a qualified majority of the Council and the assent of the European Parliament. While changing the banana trade regime requires only a qualified majority in the Council, it involves an additional complication in that it reflected a commitment to the African, Caribbean and Pacific countries under the Banana Protocol to the Lomé Convention (Alter and Meunier 2006). Only in the case of GMOs is the decision rule quite permissive – the Commission’s proposal to approve a new variety is adopted unless there is a qualified majority opposed. The interaction of political salience and decision-rules thus suggests that we should expect bananas, beef and biotech to be particularly problematic cases of second-order compliance.

Nonetheless, in all three cases there has been non-trivial policy change. In bananas the EU has replaced the system of tariff rate quotas with a tariff-only regime, although negotiations over the level of the bound tariff have been protracted (European Communities 2009b). After conducting further risk assessments on hormone-treated beef the EU confirmed its ban on one type of artificial hormone and converted its other bans to temporary bans, arguably permissible under Article 5.7 of the SPS Agreement. The US and Canada contend that these changes are not sufficient and have kept their sanctions in place. The EU has requested that the WTO assess whether the changes it has adopted are sufficient to bring it into compliance (European Communities 2009a). With respect to biotech the EU has resumed approving new varieties for sale and marketing, but not for cultivation. There are also no longer member state bans on the sale and marketing of any EU-approved GM varieties, although a number of member states have adopted bans on the cultivation of some varieties. In July 2009 the EU and Canada reached a mutually agreed solution to the dispute, establishing a framework for a dialogue on biotech market access issues (WTO 2009); the US and Argentina, however, are not yet satisfied with the EU’s implementation of the WTO ruling. The question, therefore, would seem to be is it more surprising that there has not been compliance or that there have been any policy changes at all?

One can certainly make the case that there would not have been policy change in the absence of WTO rulings. What is less clear, however, is the extent to which a normative commitment to the rule of law, as suggested by ‘effective multilateralism’, played a prominent role. While the need to comply with the WTO ruling appears to have been accepted by the Commission and the member states (Cadot and Webber 2002: 30; Davis 2003: 33), there is little indication that this acceptance had much traction in the policy process. First, only the Commission, and particularly its Directorate General for Trade, is depicted as primarily concerned about compliance (Pollack and Shaffer 2009; Stevens 2000: 404; Tangemann 2003: 57–8). Second, to the extent that there is concern about

non-compliance, the emphasis is very much on the consequences; the imposition of sanctions or, less frequently, the loss of reputation, or reciprocal rule-breaking (that others might defend their measures on comparable grounds) (Damro and Sbragia 2003: 23; Davis 2003: 330; Josling and Taylor 2003: 201; Tangermann 2003: 53). Third, and consequently, there seems to have been very little change in the preferences of EU actors (Alter and Meunier 2006: 371–2; Cadot and Webber 2002: 30; Pollack and Shaffer 2009: 239; Young 2004: 407); those that advocated changes to EU rules were those that did not like them in the first place. Even those targeted by sanctions have not actively sought policy change (Davis 2003: 335–6). Thus, while the EU's policies may have changed the underlying politics essentially did not, contributing to the problematic nature of the EU's second-order compliance.

Conclusions

The depictions of the EU as a paragon of international law and an international scofflaw are both inaccurate. On the one hand, the EU actually has an extremely good record of complying with WTO rules, as reflected in the very low proportion of its measures challenged before the WTO and in that it complies with the vast majority of those rulings that go against it. The problematic cases, therefore, are something of a 'blip'. Moreover, even in those most difficult cases the EU has adopted policy changes, even if they have not (yet) been sufficient to placate the complainants. On the other hand, in those most difficult cases it is difficult to discern a strong impact of a commitment to international law. Few in any EU policy actors changed their positions in the wake of the adverse rulings. Moreover, of those that did advocate compliance virtually all seem to have done so because they had opposed the challenged policy in the first place.

This analysis indicates that the EU's response to WTO rules is not that dissimilar to that of the other major player in the multilateral trading system, the US. As an influential actor during the Uruguay Round the EU was able to shape the WTO's rules such that they are not overly constraining (one aspect of 'effective multilateralism'). Where these obligations are inconvenient, however, the EU, like the US, struggles to comply, not least for reasons of internal political complexity. This suggests that to the extent that the EU is a distinctive actor within the WTO it has more to do with its power and internal politics¹³ than with its commitment to 'effective multilateralism.' {newpage}

Notes

- 1 This chapter is based on research conducted as part of an Economic and Social Research Council funded project on the EU's compliance with WTO rules (RES-062-23-1369). It develops an observation first floated in a paper presented at the UACES Conference 'Exchanging Ideas on Europe 2008: Rethinking the European Union', Edinburgh, 1–3 September 2008. Earlier versions of this chapter were presented at the Graduate Institute for International Affairs and Development, Geneva, 22 May 2009 and to 'The EU Presence in International Organizations' Workshop, European

- Cultural Centre, Delphi, 11–13 June 2009. I am grateful to the participants for their comments and to Scott Brown for his invaluable research assistance.
- 2 Knodt (2004), Lawton and McGuire (2005) and Woolcock (1993) are partial exceptions. Knodt (2004) examines how the EU's trade policy institutions, formal and informal, have changed in order for the EU to participate effectively in the WTO. Lawton and McGuire (2005) analyse how WTO disciplines on anti-dumping policy have affected EU firms' requests for anti-dumping measures. Woolcock (1993) assesses the compatibility of the EU's body of law with multilateral rules, but this is done at a high level of abstraction in terms both of the rules considered and what is compared: the 'shape' of the rules, essentially the general approach to addressing a particular kind of trade barrier. Moreover, Woolcock's assessment is based on the multilateral disciplines prior to the conclusion of the Uruguay Round.
 - 3 The internally focused policy-making literature is also largely silent on the extent to which international rules impact on EU policy-making. None of the works that I surveyed for the Internal Market chapter of the Sage *Handbook on European Union Politics* (Young 2007a), for instance, highlighted international obligations' impact on policy. The issue of compliance with international obligations does not figure prominently in any of the leading texts on EU policy-making (Bache and George 2006; Cini 2007; El-Agraa 2007; Hix 2005; Nugent 2006; Richardson 2006; Wallace, Pollack and Young 2010; Wallace, Wallace and Pollack 2005). This assessment is based on checking all references in the index to 'international agreements', 'international institutions', 'international law', 'international organizations', 'international rules', 'compliance', and 'World Trade Organization'. (The 'international' phrases appear shockingly infrequently.) Hix (2005: 383–4) touches on reciprocity as an incentive for compliance and contends that the Commission seeks to head off WTO judgements by changing rules, but this point is not substantiated. Brühlhart and Matthews (2007: 473, 480–2) note the need for the EU to comply with WTO trade rules, but do not provide any discussion of whether or why it does.
 - 4 It is worth noting that prior to the Uruguay Round the EU was regarded as being opposed to legalistic dispute settlement, favouring negotiated solutions (Jackson 1993: 333; Hayes 1993: 30; Patterson 1983; Wolf 1983; Woolcock 1993: 556). Moreover, Wolf (1983: 163) claimed that the EU 'has been essentially uncooperative and unresponsive when complaints have been made against it' (see also Teese 1982: 44). Hudec (1993: 314) observed that the EU sought to 'circumvent GATT law without openly violating it', by seeking to avoid formal rulings of GATT violations, such as by blocking the adoption of panel rulings. Hine (1985: 256) accused the EU of helping to 'devalue' the GATT by 'rejecting unfavourable rulings'. Patterson (1983: 223), in part because of the EU's stance on dispute settlement, termed it a 'threat to the system'.
 - 5 Jacobson and Weiss (1998) and Zürn and Joerges (2005) also draw this distinction, but use different terminology.
 - 6 Raustiala and Slaughter (2002: 539) note that with the emphasis on behavioural outcomes compliance can occur inadvertently through some exogenous change or faithful action may be overwhelmed by events. Consequently, they prefer the term 'implementation' to describe the process of putting an international commitment into practice. As WTO obligations aim to discipline state behaviour, however, the gap between compliance and implementation identified by Raustiala and Slaughter largely disappears.
 - 7 This possibility (even probability) is central to Downs et al.'s (1996) critique of the high level of observed compliance with international rules.
 - 8 In the 'Europeanization' literature this situation often gets discussed in terms of a state's ability to 'up-load' its policy preferences to the EU level and the resulting 'goodness of fit' between EU and national policies (see Börzel and Risse 2007). The concepts of 'up-loading' and 'goodness of fit', however, apply best with reference

- to instances of positive integration, in which common international rules are agreed. With the notable exception of the Trade-Related Aspects of Intellectual Property Rights (TRIPs) Agreement and partial exceptions of the procedural requirements in the TBT, SPS and anti-dumping agreements, WTO rules only impose constraints on states' behaviour ('negative integration').
- 9 Author interview with a DG SANCO official, Brussels, 16 September 2003.
 - 10 The hormone-treated beef ban was not based on a completed risk assessment, for which the European Parliament criticized the Commission (EP 1985). The moratorium on approvals of GM crops reflected a suspension of the EU's approval procedures, which the US explicitly did not challenge (USTR 2004: 1). The national safeguard bans were not considered appropriate by the EU's own European Food Safety Authority or the Commission because they were not based on new evidence that would justify a different assessment of risk from the original authorization (Pollack and Shaffer 2009: 219, 258).
 - 11 Author interview, WTO Secretariat official, Geneva, 22 May 2009.
 - 12 Zeroing is assigning a negative dumping margin (that is no dumping) a weight of zero when computing a weighted average dumping margin, which increases the likelihood of finding dumping and its value.
 - 13 Hudec (1993: 312–13) made a similar observation with regard to the EU's engagement with dispute settlement under the GATT.

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8 The European Commission in the WTO's DDA negotiations

A tale of an agent, a single undertaking, and twenty-seven nervous principals

Bart Kerremans

Introduction

The WTO's Doha Development Agenda (DDA) suffers from a profound gridlock out of which it seems impossible to escape. After more than eight years of negotiations, an outcome is not in sight and repeated commitments to re-launch the negotiations have largely remained unmet. This chapter aims at getting a better insight into the consequences of this gridlock for one major trading block in the WTO: the EU. It does so by analysing the consequences of the WTO's negotiating agenda for the ability of the EU's negotiator, the Commission, to negotiate credibly and effectively in the WTO or in multilateral negotiations overall. That agenda, and the issues that prevail there, affect the opportunities and constraints that the Commission as negotiator faces, and with it, its ability to influence the pressures that it will face internally, particularly from the EU member state governments. The Commission and these governments are indeed engaged in a principal-agent relationship where the former negotiates on behalf of the latter on the basis of trade negotiating authority delegated by the latter, and in a context where the latter try to exert as much control on the former as possible. Negotiating in a multilateral setting may give the Commission the ability however, to influence the kind of pressures that the EU member state governments will exert on it. The WTO's negotiating agenda – in this case the DDA – may be a crucial element here. The point of this chapter is indeed that it is such a crucial element. In order to explain this, the principal-agent relationship that characterizes the role division between the EU Commission and the EU member state governments in the WTO needs to be extended with the notion of a delegation chain. In such a chain, it is taken into account not only that the EU member state governments exert pressure on the Commission with the aim of having a WTO agreement that promotes or represents their interests, but also that these governments themselves are exposed to domestic pressures as well. To the extent that these pressures emerge as a consequence of the negotiating agenda in the WTO, opportunities and incentives emerge for the Commission to influence the kind of pressures that the EU member

state governments are exposed to domestically, and thus, the kind of pressures these governments will exert on the Commission-as-negotiator. This chapter aims at clarifying this chain, the opportunities it provides, and the conditions under which these may present themselves. It does so by making a theoretical claim, and by providing some tentative empirical evidence.

But let us start with the DDA itself, or, as some have called it, the Doha Round. In November 2001, a new range of multilateral trade negotiations was launched in Doha, Qatar. This new WTO round was not the same as the previous one, the Uruguay Round (1986–93). The Uruguay Round consisted of a broad range of negotiations, spanning trade in services, trade in goods, trade in agricultural products, intellectual property rights, etc. that would all be included in a single undertaking. In such an undertaking, nothing is agreed to until everything has been agreed to. Even if on some issues, most notably on government procurement, some exceptions were made to this principle, the Uruguay Round ended in a comprehensive agreement that applied to all the members of the newly created WTO.

When the Doha Development Agenda was launched in November 2001, the objective was equally to come to such a single undertaking, but this time the topics covered by such an undertaking were not comprehensively determined at the start of the round. For some issues, the decision whether to include or exclude them was postponed until September 2003 when in Cancun, another WTO Ministerial Conference would be held. These issues are better known as the Singapore issues: competition, investment, trade facilitation, and transparency of government procurement. The problem was however that a significant number of developing countries opposed their inclusion in the agenda. As a matter of fact, most developing countries were not really happy with a new negotiating round in the first place. Many of them believed indeed that the Uruguay Round had not brought them the benefits promised or expected. And as a precondition for opening a new round, these countries expected some changes to the commitments made in the previous round, specifically, but not exclusively, on transition periods available to them for the full implementation of the Uruguay Round agreements.

For a player like the EU, the opening of a new round was tremendously important. Part of the reason is related to the offensive interests that the EU wants to put forward. These interests are related to the extra export market opportunities that the EU expects from such negotiations, particularly with respect to services and technology-intensive manufactures. But defensive interests were at stake as well. The Uruguay Round had not just ended with a range of agreements that needed to be implemented. It had also ended with a so-called built-in agenda that provided that on services and on agriculture, new negotiations had to be reopened from March 2000 on. In addition, protection against the application of the dispute settlement procedure on agricultural subsidies (the so-called peace clause) would expire in 2003. As such a procedure may result in retaliatory measures against WTO members that are found to fail in their legal obligations as enshrined into the Uruguay Round agreements, the end of the peace clause loomed as Damocles' sword in the background of the built-in agenda. And it is here that the EU's

defensive interests come in. It is clear that new negotiations on agriculture would put a lot of pressure on the EU to further reduce – if not dismantle – its agricultural subsidies and its agricultural tariff barriers. And it is equally clear that this would be politically costly because of a significant intra-EU pressure against it, as the negotiations during the Uruguay Round had shown. For the Commission as negotiator on behalf of the EU, the consequence was clear: rather than negotiating on agriculture and services in an isolated fashion, the two needed to be integrated in a wider agenda. This would allow the Commission to balance the costs of agricultural concessions better with benefits acquired through concessions by its negotiating partners on other issues, among which services, but also certain manufacturers, competition, investment rules, and trade facilitation. It could also allow the Commission to avoid certain concessions in the agricultural area by allowing others to avoid concessions in areas sensitive to them but where the EU could possibly have offensive interests. In other words, a single undertaking approach in which all issues would be linked to all, was by far the way preferred by the Commission. Specific concessions would be made to the least developed countries in order to get them on board.

That is why after the 1999 Seattle Ministerial – where a first attempt to start a new round failed – the EU launched the ‘Everything but Arms’ initiative on the one hand, and quickly started to work on a second attempt to launch a round on the other hand. This new round, or rather Agenda, started in November 2001. But the problem has been that keeping to the single undertaking approach has proved to be extremely difficult throughout the negotiations. It assumes that all negotiating partners are prepared to treat the different topics on the agenda with more or less the same level of priority, or at least that they allow this to happen. In the DDA, the biggest problem has proved to be just that. Instead of through a single undertaking, by far, the negotiations have been focused more on agriculture than on the other topics, which are non-agricultural market access (NAMA) and services. The problem for the European Commission has been that here, more defensive than offensive interests are at stake so that its position as negotiator on behalf of the EU has not only come under serious pressure, but has also remained so throughout the negotiations. There are several reasons why this is so. One among them, this chapter will show, is that mobilization in favour or against the WTO negotiations tends to be significantly affected by the issues that are prominently present in these negotiations themselves. And this is in the first place the case with defensive interests, as political mobilization on such interests tends to be easier than on offensive interests. As we will see, principal–agent theory may help us understanding why this is the case and how it works. We will therefore discuss first principal–agent theory, then the notion of delegation chains. We will then provide some empirical evidence about the way in which the WTO negotiating agenda affects the pressures to which the Commission as negotiator is exposed, and how this may affect the Commission’s behaviour vis-à-vis that agenda. The single undertaking is indeed part of a Commission strategy to keep its role as EU negotiator manageable, not only at the WTO level but also inside the EU itself (Kerremans 2004).

Principal–agent theory

Principal–agent theory focuses on the delegation of authority by one actor (the principal) to another (the agent), where the principal is bound by the decisions taken by the agent (Salacuse 1999: 158; Hood and Lodge 2006: 44), and thus where the former has a strong incentive to control the latter. That incentive exists because the agent may be inclined to engage in actions that serve its own interests in the first place, rather than the interests it is supposed to serve: the interests of its principal. There is, in other words, a potential problem of agency loss, and principals need to invest in control in order to avoid or to constrain this. Principal–agent theory tries to explain then why principals delegate authority and why they engage in more or less control. Central are therefore, the act of delegation, the act of control (Rasmussen 2005; Delreux 2008, 2009), and the balance between these two (Delreux and Kerremans 2010). Indeed, engaging in control is not cost-free for the principal, and as such, a principal needs to make the following trade-off (adapted from Epstein and O’Halloran 1999: 7; see also Majone 2001: 103): a trade-off between the cost of producing policy on its own on the one hand, and the net result of delegating the production of such a policy to an agent on the other hand. The net result is affected then by the benefits of delegation minus the sum of the costs due to agency losses and the costs of controlling the agent. The latter two are interrelated. The higher the investment in controlling the agent, the higher the probability that agency losses will be low. The trick is then to find a way that limits the costs of control, maximizes the effectiveness of control, reduces the extent of agency loss and maximizes the benefit of delegation. In such a situation, an agent will act for the sake of serving the interests of its principal. The agent’s assets – which in itself provide an argument why principals delegate in the first place – will be used then, for the benefit of the principal.

What are these assets, specifically when one looks at the EU’s external trade policies? Several authors have pointed at several such assets, such as expertise, time, and credibility (Pollack 1997; Epstein and O’Halloran 1999; Thatcher and Stone Sweet 2002; Pollack 2003). The first is straightforward. The second refers to the ability of agents to dedicate a substantial amount of time to the delegated tasks, time that the principals lack, or given the time opportunity costs that principals face when they would exert these tasks themselves. The third is particularly important here. The agent may provide a level of credibility that the principal may need but fails to produce itself. In the EU’s external trade policies, the credibility of external representation is particularly important. The EU is a trading bloc that consists of twenty-seven member states. In order to be able to weigh on international trade negotiations, these member states need to find a way to credibly combine their individual market powers. Delegating trade negotiating authority to one institution that can credibly negotiate on their behalf is central here. That institution is the European Commission. Whenever the EU negotiates on trade therefore, it is the Commission that does the negotiating; this on the basis of an authorization granted by the member states (through the Council of Ministers) and under the control of these (this through a special committee of

member state representatives, known as Committee 133). From a principal–agent perspective therefore, the Commission as agent operates under the control of multiple principals, not just one and as such the task for the Commission may be pretty complicated. Indeed, an agent that is confronted with multiple principals may be exposed to countervailing pressures (Nielson and Tierney 2003), and with it, to the risk that at the end of the day, at least some of them will reject the agreement that the agent negotiated. Part of the task of the agent (and thus of the Commission) consists therefore of managing the pressures that the principals exert on it. There are two ways to do this: managing these pressures from above, or managing these pressures from below. Whereas the first refers to the pressures that may be transmitted from the international level (in this case the WTO) to the member states, the second refers to the pressures that the member states each face domestically. Here agenda management is important. An insight into delegation chains may clarify this.

Delegation chains

As indicated above, the Commission is as negotiator of the EU engaged in a principal–agent relationship with the EU member states. The Commission is the agent and the member states are the principals. But rather than with the member states as such, the principal–agent relationship in which the Commission is involved is one with the representatives of these member states. And these representatives are themselves agents of their domestic governments. And these governments are agents of their parliamentary majorities. And these parliamentary majorities are agents of their voters (cf. Mitchell 2000; Strøm 2004), or at least of the interested part of their voters (cf. Mattli and Woods 2009). In other words, most of the principals are also agents. And as such, they are exposed to pressures from *their* principals. To fully understand the pressures to which the Commission as agent is exposed therefore, one needs to track the trajectory through which domestic pressures are transmitted to the Commission by the different players who simultaneously play the role of agent and of principal. It is here that the notion of a delegation chain shows up (see Figure 8.1). In that chain, the Commission is the ultimate agent as it only fulfils the role of negotiator on behalf of the EU. It is not a principal. It does not delegate any negotiating authority to another player. It negotiates itself, knowing that the outcome of its negotiations will have to be acceptable to its principals.

On the other side of the chain, one can find the ultimate principals. These are players who are not agents themselves but who are bound by the agreements that the ultimate agent negotiates. It is ultimately on their behalf that the Commission as ultimate agent negotiates. These ultimate principals are the voters, or at least that part of the voters that is not indifferent to the outcome. We are after all talking about pressures that are channelled throughout the delegation chain. Indifferent voters will not pressurize, and their role is therefore irrelevant for the way in which the delegation chain affects the negotiations that the Commission as ultimate agent conducts. Relevant here are those interests on which domestic mobilization

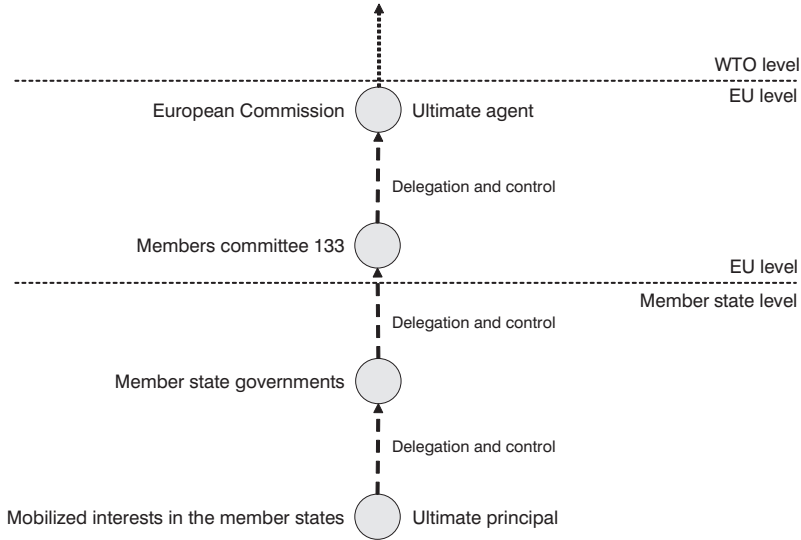


Figure 8.1 The delegation chain whenever the EU negotiates in the WTO

takes place. It is these interests that generate political pressure with the purpose of ultimately affecting the negotiating behaviour of the ultimate agent. It is equally these interests that have a chance that the ultimate agent will pay attention to their concerns as a consequence of this pressure. But the chance that this will happen is affected itself by the players in between them and by the ultimate agent.

Indeed, in between the ultimate agent and the ultimate principals, one can find the players who each play a double role: one of principal and one of agent. As such, they each act within the confines set by their direct principals, that is, those principals that directly delegated authority to them. If no information losses occur, the pressures that the ultimate agent face accurately reflect the pressures that are faced by the players who are the direct agents of the ultimate principals. But information losses do occur, as the ultimate principal is not as much involved in the negotiations as the ultimate agent is. It is even less involved than its direct agent is. With each step along the delegation chain, information losses emerge therefore, and with them, the ability of the ultimate principals to control the ultimate agent. But at the end of the day the ultimate agent needs to take into account that whenever the approval of the negotiating outcome is at stake, the ultimate principal will be able to significantly affect this through its direct agents and the direct agents of these agents. In other words, despite the distance that a delegation chain creates between the ultimate agent and the ultimate principal, ultimate principals matter for ultimate agents.

The delegation chain when the Commission negotiates in the WTO

As indicated above, in the WTO, the Commission as agent negotiates on behalf of an EU that consists of twenty-seven member states. In principal–agent terms, this means that the Commission as negotiator operates on the basis of twenty-seven delegation chains (see Figure 8.2). Each of these chains originates in one member state, most particularly with the mobilized interests on trade in that member state. These mobilized interests exert pressure on the government of that member state. With it, the probability grows that this member state will take these interests into account when it instructs its representative in the Council of Ministers or in Committee 133. As such, this representative will try to point the Commission to these interests or is at least under significant pressure to do so. The Commission as ultimate agent is then exposed to the pressures that each of these twenty-seven chains transfer to the Council of Ministers or Committee 133, and with it, to the chance that in case it neglects these, disapproval of the agreement it negotiates in the WTO will ensue. The Commission thus faces a multitude of pressures that emanate from the twenty-seven member states. The relevance of this multitude may vary as a consequence of the majorities that are required in the Council and Committee 133 to approve instructions and to ratify negotiated agreements. In case of unanimity, each delegation chain will matter on its own (Nielson and Tierney 2003). In case of QMV, the extent to which a delegation chain matters will depend on the extent to which pressures channelled through a chain are similar to those channelled through at least three other chains. Only in such cases will member state opposition result in a blocking minority. Whatever the procedure therefore, the Commission will face a significant multitude of member state pressures and concerns. On top of that, it is also exposed to the demands and pressures from its counterparts in the WTO. How to manage this? How will the Commission ever be able to negotiate an agreement that will survive member state scrutiny, specifically when politically sensitive issues need to be negotiated about, as is currently the case in the DDA? Different methods can be followed and are being followed. Research has shown that one of the ways in which the Commission tries to manage this is by transmitting the pressures it is exposed to in the international negotiations to the member states. As such, it aims at increasing the member states' understanding of the feasibility of their demands and the consequences of possible obstinacy (Kerremans 2006; Delreux and Kerremans 2010). Ultimately, the Commission may even try to bring the member states into a take-it-or-leave-it position, but it rarely does so out of the blue. It does so with an eye for the domestic pressures the member states are exposed to, and with it, for the probability that despite the international political cost of rejection, member states will reject the outcome. This is something we see in WTO negotiations, but also in other international negotiations in which the EU participates (Delreux and Kerremans 2010).

But the Commission is not just an 'interest-taker'. It may be partly be an 'interest-maker'. The delegation chains may show how this works, and central

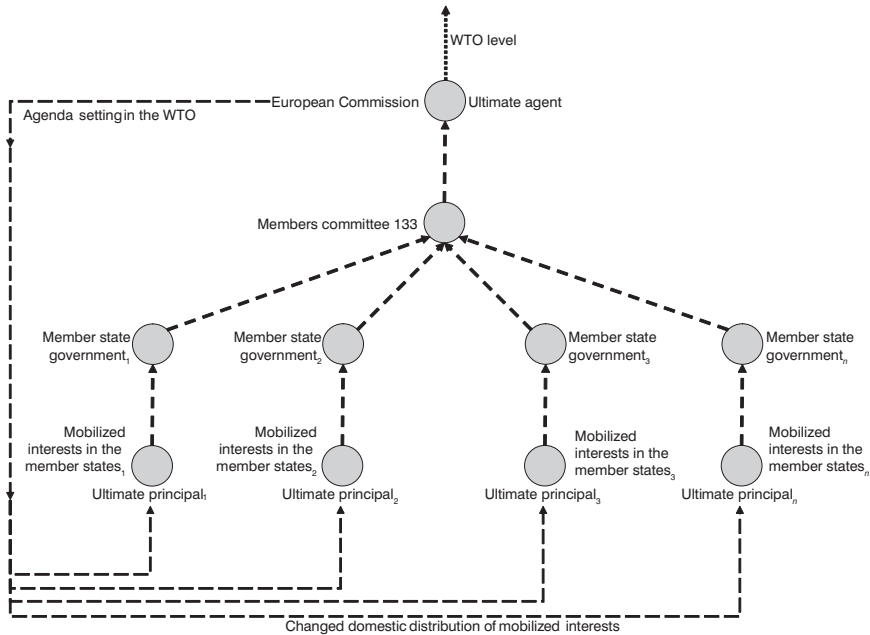


Figure 8.2 WTO agenda-setting and the distribution of mobilized interests in the EU member states

here is that a correlation seems to exist between what is being negotiated at the international level (here the WTO) and what is being mobilized on politically in each of the EU member states.

The delegation chains and opportunities for interest making

The logic of the delegation chain has shown that mobilized interests in the EU member states may affect the pressures that the member state representatives will exert on the Commission as ultimate agent. If we want to understand these pressures, we need to understand the pressures that mobilized interests will exert on member state governments, and thus the factors that drive political mobilization domestically. Three factors are important here: the kind of effects that domestic groups anticipate from an agreement negotiated by the Commission in the WTO, the intensity of these anticipated effects, and last but not least, the probability that political mobilization with regard to these effects will be effective.

Endogenous tariff theory indicates that political mobilization on trade will structure itself according to the expected costs and benefits of anticipated policy measures. This means that not all preferences on trade will be politically relevant. Only those preferences on which mobilization occurs will achieve that relevance. Those who expect costs will mobilize against and those that expect benefits will mobilize in favour. The point is however that mobilization will happen more readily on costs than on benefits. As Kahneman and Tversky (1979) observed, it

is easier to mobilize people for the sake of avoiding a cost or a loss, than to engage people for the sake of gaining a profit or a benefit. Moreover, people tend to be more receptive and alert to information about potential costs than they are on the potential benefits of proposed policy measures. As political mobilization is never cost-free, the fact that the propensity of individuals to engage in political action is affected by the divergent impact of expected costs and benefits, affects the probability that groups will be able to overcome their collective action problems, and therefore, the probability that political mobilization on an expected policy measure will occur.

In addition and importantly, the per-capita effects or anticipated effects matter too. The larger the per-capita effect, the stronger the incentive for individuals to engage in political action, and thus the higher their propensity to do so (Schneiberg 2005: 101). With it, collective action problems become smaller and the probability of political mobilization increases. When the divergent impact of costs and benefits is combined with the per-capita impact of expected policy effects, the result is that political mobilization will take place more readily on policy measures with anticipated concentrated costs than on measures with anticipated concentrated benefits. It also implies that the probability of political mobilization on measures with expected diffuse effects (whether costs or benefits) is very low. The distribution of political mobilization is clear therefore: those who expect concentrated costs will mobilize, those who expect concentrated benefits will be more hesitant to do so. Those that expect diffuse effects will barely notice what is going on, let alone that they would engage in political action. The outcome is then that the distribution of political mobilization across groups in society tends to be skewed towards those that fear the effects of trade liberalization, and thus towards protection. To the extent that policy-makers cater to mobilized interests, policy outcomes will tilt towards trade protection rather than to liberalization. As such, defensive trade interests will have a louder voice and potentially a larger impact than offensive interests, all else being equal.

Despite this reasoning, it has been observed that trade policies are more often characterized by trade liberalization than by protection, even if many liberalizing measures are ambiguous or contain escape clauses in the case of rising domestic pressure against the negative fall-out of trade liberalization for some economic sectors (Naai 2009). In the search for the explanation of liberalization, several authors have pointed at the impact that the probability of lobbying success may have on the propensity of individuals or groups to engage in political action. More recently, authors such as Dür (2007) and Manger (2009) included this in their analysis of circumstances in which offensive interests engage in political mobilization. Dür did so by pointing at the factors that often discourage export interests from engaging in political mobilization as much as protectionist interests do. The lack of clarity on the exact benefits they will reap for themselves seems to be an important element here. Will market opening at home lead to reciprocal market opening elsewhere and in case it does, how much of the new export opportunities will go to one's firm and how much to competing firms (Dür 2007: 461–2)? Manger (2009: 15–16, 37–8) points at factors that may push offensive

interests into lobbying, namely when the concentration level of the expected benefits is so high that firms can exactly measure how significant the benefit of successful lobbying will be for them individually. Manger shows this for outsourcing companies (given high MFN tariffs and strict rules of origins) and for services companies that hope to reap a first-mover advantage in new markets.

Apart from the substantial benefits and the level of concentration of these, Hathaway (1998) has pointed at the probability of lobbying success as a factor in the probability of political mobilization. The more groups expect to be able to convince policy-makers to follow them in their trade policy measures, the higher the probability that they will engage in political action. Thus even in the case of offensive interests, it can be claimed that political mobilization will occur when the perceived probability of success is high. And it is here that policy-makers and the delegation chain enter the picture. Policy-makers may influence this perceived probability, and they sometimes do, specifically in the US. Observers of US trade policy-making will notice that lobbying on trade not only happens in response to societal demands but also happens in response to government demands. It sounds counterintuitive as it is normally expected that groups lobby government and not vice versa. But in the case of the US, lots of – especially offensive – interests wait until the Administration either pressurizes them into lobbying, or starts to invest political capital in an issue to such an extent that offensive interests can interpret this as a sign that mobilization from their part will be successful. One could call this reversed lobbying, as mobilization takes place in response to government demands for lobbying. Why policy-makers engage in such reversed mobilization is clear: to change the distribution of mobilized interests on an issue. When it comes to trade, such change often means that defensive interests – who have an inherent incentive to mobilize – start to be countered by offensive interests, knowing that the latter used to be dormant. The wake-up call that reversed mobilization brings with it, is thus often a wake-up call for offensive interests.

When this way of working is applied to the EU's delegation chain, it is clear where reversed lobbying shows up and who it is targeted at. Seen from the perspective of the ultimate agent, a protectionist bias in domestic lobbying, that is, defensive lobbying in each of the member states, may be problematic, specifically in case the ultimate agent believes that a focus on offensive interests would bring the EU and its member states significant aggregate welfare gains (Gawande et al. 2009). The ultimate agent will have to act however, in case it wants to counter the focus on defensive interests in the member states. It can do so by signalling to domestic offensive interests that the probability of lobbying success is relatively high. It may hope then that these offensive interests will start to invest in political mobilization in the member states and, as such, will start to counter the defensive bias in such mobilization. In case it succeeds in doing so, the domestic pressures each of the member state governments face, will start to move from a defensive focus to either a more balanced focus between defensive or offensive interests or in the direction of offensive interests. Given the delegation chain, it may be expected then that member state governments will focus more on offensive interests whenever they instruct their representatives

in Committee 133. And given these instructions, the kind of pressures that the Committee 133 members will exert on the Commission as their direct agent, will be more balanced between offensive and defensive interests. That in itself enables the Commission as negotiator in the WTO to counter demands for market access in sensitive sectors with EU demands for more market access elsewhere in sectors in which the EU has export interests. This enables the Commission to balance the costs and benefits of an agreement it negotiates in the WTO more carefully, and thus, to increase the probability that such an agreement will ultimately be approved by the EU member states or at least will not be rejected out of hand. And with it, the probability of an open confrontation between the Commission as negotiator and the member states as ratifiers diminishes as well.

How can the Commission signal that the probability of success for offensive interest lobbying is high? There are different ways to do so, and among them is agenda-setting in the WTO. Agenda-setting does not only mean that it wants issues to be on the agenda, but also that real negotiations on these issues need to take place. To the extent that they do, it is signalled to offensive interests that mobilizing on such issues may be warranted. As domestic mobilization on such interests may increase, the distribution of mobilized interests in the member states changes as well. The assumed bias in favour of defensive interests disappears or becomes smaller, and with it, the kind of pressures member state governments face to target defensive or offensive demands to the Commission as negotiator. By targeting the WTO agenda, the Commission may thus be able to affect the kind of pressures its principals will put on it inside the EU, as depicted in Figure 8.2.

Are there reasons to believe that indeed, targeting the WTO agenda may change the distribution of mobilized interests within the EU member states? There are. From an empirical point of view, there is indeed some tentative evidence that the DDA agenda affects the distribution of mobilized interests in the EU member states. We at the same time see that the Commission almost desperately attempts to broaden that agenda by linking the three kinds of issues we pointed at earlier in this chapter: agriculture, NAMA, and services. Linking these issues is not neutral for the mobilization of interests in the member states. As such, a plausible claim can be made that agenda-setting at the WTO level is part of an approach by the Commission as agent to manage the relationship with its direct principals, this by affecting the kind of domestic pressures to which these principals are exposed.

The attention and timing of attention for the DDA: A clue from parliamentary debates

What we need to research is then both the timing and the substance of domestic mobilization on the DDA in the EU member states. We do so on the basis of national parliamentary debates. Such debates can be seen as proxies of domestic mobilization. They are not perfect indicators, as that would require an accurate insight into the national population of interest groups, the activities they develop on the DDA, and the timing of these activities. A wide range of sources needs to be analysed for that purpose, including sources that are not public as they may be

related to inside lobbying activities by groups. Indeed, it is a combination of inside and outside lobbying that creates pressure, and that may give us an accurate picture of the kind of pressures member state governments are exposed to. The labour and time intensity is however too high for a research design in which political mobilization in several EU member states is measured. Parliamentary debates are a second-best solution here. The measurement is more or less the same across different member states, the sources are publicly available over a longer time span, and the indicator itself does reflect to a large extent domestic mobilization on issues. Parliamentarians are elected officials who need to pay attention to pressures that emanate from society. They may act – as often is the case with the EU member states – under a high level of party discipline – but that means for members of the majority something different than for members of the opposition. The members of the majority may restrict their parliamentary interventions for the sake of government stability. But the members of the opposition may have an interest in pushing whatever mobilized societal interests put forward in order to point the parliamentary majority to the failures or shortcomings of the sitting government. It may then be the case that defensive interests may be presented more readily than offensive ones, given that the political cost of neglecting such interests may be higher than the cost of neglecting offensive ones. But that in itself could provide an argument to the majority to either argue against claims that defensive interests are not protected enough, or to focus more readily on offensive interests that the government should pay attention to, especially when the government feels uncomfortable about focusing on defensive interests only. Overall therefore, both defensive and offensive interests should have a place in parliamentary debates in case societal mobilization on them is occurring.

Studying parliamentary debates may have benefits in terms of the feasibility of comparative research across member states, it also has its limits. A major limit consists of language. Research of member states beyond the usual big ones like the UK and France, immediately raises the question of access to languages. For that reason, the number of member states involved here is limited to five: Germany, Italy, Austria, Spain, and Portugal. They were selected with the purpose of including northern and southern EU member states, and including large, medium, and small economies. Time constraints explain why it is currently limited to these five as a number of others will be included in future research. These will include Belgium, the Netherlands, Ireland, the UK, and France. For the member states included here, use was made of the search engines that the parliamentary websites of these member states contain. Search terms (translated in their respective languages) such as ‘World Trade Organization’, ‘WTO’, and ‘Doha Development Agenda’ were used to detect the plenary debates for further reading. In the Spanish case, public meetings of the major parliamentary committees were included as well, as the role of these committees seems to be comparatively stronger than in the other four member states under scrutiny here.

The period covered by the debates starts in January 2001 (the run-up to the WTO Doha Ministerial Conference) and ends in December 2008 (the aftermath of the July 2008 attempt to e-launch the DDA). As such, the period covered provides

a picture of the ups and downs of parliamentary attention for the DDA, the ups and downs of parliamentary attention for different topics on the negotiating agenda, and the timing of these ups and downs.

One of the first conclusions to be drawn from a scrutiny of parliamentary debates is the synchronized way in which parliamentary attention for the DDA ebbs and flows across the member states. And in this, a high level of synchronization exists with the ebb and flow of the DDA negotiations themselves. WTO Ministerials and Mini-Ministerials tend to act as catalysts here. With upcoming WTO Ministerials and in their immediate aftermath, parliamentary attention for the DDA grows significantly. Afterwards it declines again. Ministerials such as the ones in Doha (November 2001), Cancun (September 2003), and Hong Kong (December 2005) were preceded and followed by high levels of attention for the DDA negotiations. The same was true for the period between September 2003 (the abortive Cancun Ministerial) and July 2004 (when the problems that blocked Cancun were more or less resolved). Other attention-triggering events consisted of the Mini-Ministerials organized in July 2005 (Dalian), June 2006 (Geneva), January 2007 (Davos) and July 2008 (Geneva, where an agricultural breakthrough stumbled over a US–Indian dispute on Special Safeguards for the developing countries).

A second observation is that in this ebb and flow of parliamentary attention for the DDA, the issues that drew most attention were those issues that were prominently present on the agenda of the DDA negotiations or on the WTO agenda overall. The meaning of ‘prominently present’ is not that they were just formally part of that agenda, but that they were the real focus of ongoing negotiations. When the issue of access to generic medicines (compulsory licensing) rose in prominence in the WTO negotiations during the run-up to the Doha Ministerial, the issue also rose in prominence in the parliamentary debates in each of the member states under scrutiny here. When agricultural subsidies rose in prominence in the DDA or even dominated it (like in the run-up to the July 2008 Mini-Ministerial), they also rose in prominence in the parliamentary debates. When water services gained more attention in the DDA, water services started to show up in domestic parliamentary debates as well. When the Singapore issues (investment, competition, trade facilitation, and transparency in government procurement) became the point of attention in the run-up to the Cancun Ministerial, national parliamentary debates also started to pay a substantial amount of attention to these issues. And in most cases, a decline in DDA attention for issues was matched by a decline for these issues in the parliamentary debates in the member states.

A third observation is that the impact of the DDA negotiations on domestic parliamentary attention for issues, while significant for all kinds of issues, tended to be larger for defensive than for offensive interests. This observation is somewhat tentative as defensive interests prevailed largely over offensive interests in the prominent issues in the DDA negotiations, at least from the perspective of the EU. But the offensive interests that the Commission tried to get into the DDA agenda did trigger much less domestic attention than the defensive ones. As a matter of fact, when it comes to members of parliament (not members of government) the rise of attention for defensive interests largely outpaced attention for offensive

interests, whenever such issues rose in prominence in the DDA negotiations. The large offensive interests that the Commission wanted to get attention to in the DDA in the area of services, faced more difficulties in attracting attention, at least from an offensive interest point of view. It did sometimes attract attention from the perspective of anti-globalization or from those that are highly sceptical about the possibly positive impact of trade liberalization on development. When services came on the table, the main discussions in the national parliaments focused on water services and the criticisms the EU was exposed to because of its offensive requests towards the developing countries. Services also triggered heated debates on the notion of public services and the fact that they needed to be shielded from liberalization and privatization commitments in the WTO. Not many parliamentarians explicitly supported the offensive interests that the EU has in this area. Apart from water services and public services, the requests and offers made by the EU in the DDA negotiations on services barely triggered any attention. But also in the DDA itself, the service negotiations were almost all the time in the background, never really prominent, despite efforts by the EU and the US to lift their prominence in the negotiations. Whenever services showed up as an offensive interest in the national parliamentary debates under scrutiny, it was largely because government representatives stressed the economic importance of increased exports in this area for the EU. As Austrian chancellor Schüssel phrased it in the Austrian Nationalrat (debate of July 6, 2005):

Österreich hat einen großen Anteil von internationalen Vernetzungen: Jeder zweite Arbeitsplatz hängt im Wesentlichen vom Handel, vom Export mit Gütern und Dienstleistungen ab ...¹

A fourth observation is that in all the cases where attention for offensive interests showed up, the definition of what these interests are remained relatively vague, this in sharp contrast with the defensive interests.²

In these cases, sectors and subsectors were mentioned by name, and with it, the problems in these sectors and the eventual additional effects that liberalization would generate. A similar clarity showed up in the expression of anti-globalization concerns, particularly with regard to the effects of existing trade policies on poverty and underdevelopment in the developing world, particularly in Africa.

A fifth observation is that despite the impact of the DDA negotiations on national parliamentary debates, one issue tended to cut across this impact: the reform of the EU's Common Agricultural Policy, specifically the mid-term review in 2002–03 and, to a lesser extent, the health check in 2008. In each of the national parliaments involved in this study, interventions rose in prominence in which it was stressed that the reforms enabled the EU to really negotiate on agriculture in the WTO, but this within the limits of the reformed CAP. As the Spanish Secretary-General for external trade phrased it in a parliamentary committee debate on November 30, 2005:

el mandato que tiene la Comisión Europea ... dice clarisamente que el límite de las concesiones que pueda realizar la Comisión Europea en la negociación agrícola lo marca la política agrícola común reformada.³

In addition, with the reformed CAP, the notion of multifunctionality rose in prominence as well, especially in the Italian, Spanish, Portuguese, and Austrian parliaments. The same holds for geographical indications where the recognition of such indications beyond the area of spirits and wines was claimed to be an essential component to maintain a competitive edge for EU agricultural products, given declining subsidies. As an Italian member of parliament phrased it succinctly with reference to Italy (intervention from Marconi, Camera dei Deputati, May 5, 2004):

Si tratta di un tema fondamentale per l'agricoltura italiana, che non potrà competere in futuro, a livelli di prezzi e di costi, sulle commodities, vale a dire sui beni agricoli indifferenziati che vengono prodotti nel mondo.⁴

A sixth observation with respect to the national parliamentary debates is that the member state governments tended to act as a counterweight against strong parliamentary attention on defensive interests or on issues pushed forward by the anti-globalization movement, and this irrespective of which party was in office. In addition, it was also largely from the side of the governments that it was stressed that agriculture was only one topic on the agenda of the DDA negotiations, and that ultimately, a successful outcome of the DDA would require concessions across agriculture, NAMA, and services. As the Spanish Secretary-General for external trade phrased it in the European Union Committee of the Congreso de los Diputados (November 25, 2008):

seguimos creyendo que es posible y es necesario llegar a un acuerdo global ... que no se limite a productores agrícolas o NAMA, sino que llegue hasta el mercado de servicios, para conseguir en la Ronda Doha un resultado exitoso.⁵

The account given until now may give the impression that no differences between the national parliamentary debates of the different EU member states showed up. This is not however the case. There were differences in terms of the presence of anti-globalization voices in these debates, and in terms of supporters and opponents of trade liberalization. In the German parliament, a clear pro-liberalization counterweight proved to exist against more critical leftist voices on globalization, but here part of the pro-liberalization rhetoric was clearly triggered by the opposition of the liberal FDP during the whole period under scrutiny. In Italy, anti-globalization voices were prominently present and principled pro-liberalization voices more muted. The impact of the change in government from Berlusconi to Prodi and later on back from Prodi to Berlusconi didn't really make a difference. In Austria, agricultural concerns tended to be predominant, at least in comparison with the other national parliaments under scrutiny. In Spain,

fishery subsidies showed up frequently,⁶ and in Portugal fishery subsidies and textiles. And, as noted above, the member state governments tended to act as a counterweight against strong parliamentary attention on defensive interests or on issues pushed forward by the anti-globalization movement, irrespective of which party was in office. But in all the cases where attention for offensive interests showed up, such definition of what these interests are remained relatively vague, in sharp contrast with the defensive interests.⁷ In these cases, sectors and subsectors were mentioned by name, and with them the problems in these sectors and the eventual additional effects that liberalization would generate. A similar clarity showed up in the expression of anti-globalization concerns, particularly with regard to the effects of existing trade policies on poverty and underdevelopment in the developing world, particularly in Africa.

The observations made above with regard to the national parliamentary debates of five EU member states are tentative, but they clearly indicate that the agenda at the WTO-level has an impact on the domestic political agendas on trade. In addition, defensive interests tend to rise more rapidly in prominence than do offensive interests. Given the former however, a WTO agenda where the prominence of defensive and offensive interests is more or less balanced, at least from the perspective of the EU, would result in equally more balanced domestic debates on trade, and would as such balance more the kinds of pressures the Commission is exposed to inside the EU in terms of defensive and offensive interests. From that perspective, it may not be a surprise that the Commission is among the most fervent supporters of a single undertaking in the DDA.

Conclusion

Managing its role as negotiator on behalf of the EU is a complicated task for the Commission. On the one hand, it is confronted with a range of member states that are concerned about the kind of concessions the Commission is prepared to negotiate and about the political costs that a WTO agreement may entail for them. On the other hand, the WTO agenda itself puts pressure on the Commission and its ability to balance costs and benefits for each of the EU member states. Affecting that agenda is not easy as the EU is, albeit an important player, not a one that can fully determine what is going on in the WTO. As a matter of fact, it is ever less so. New important players, such as China, India, Brazil, South Africa, South Korea, Argentina, and several more have shown up. They co-determine the range of issues that the DDA negotiations will focus on. Even if the EU member states were prepared to understand that and to help the Commission accordingly, member state governments are themselves exposed to domestic pressures. Nonetheless, this chapter has provided a theoretical argument and some empirical evidence that the Commission may still be able to manage this difficult situation. It is able to do so by targeting the political pressures to which its principals, the member state governments, are exposed to domestically. Our empirical material suggests indeed that this pressure tends to be significantly affected by the prominence of issues in the WTO negotiations themselves, and thus in the DDA. When that

agenda is largely dominated by issues on which the EU has defensive interests to defend, domestic opposition will be mobilized readily in most member states. Offensive interests will overwhelmingly remain silent. When offensive interests increase in prominence in the DDA, domestic mobilization may be triggered when domestic societal players believe that there is a significant chance that lobbying will result in outcomes that cater to their interests. It is the resulting risk factor that the Commission tries to manage. By trying to get a higher level of prominence for issues in the DDA where the EU has offensive interests, rebalancing the domestic pressures on the member state governments away from defensive interests is targeted. That is why the Commission belongs to the WTO players that mostly emphasize the ultimate objective of working on the basis of a single undertaking. But the last eight years have shown that this is indeed a daunting task. {newpage}

Notes

- 1 My translation: 'Austria participates actively in international transactions: every second job depends essentially on trade, on exports of goods and services.'
- 2 There are some relatively rare exceptions, such as the demand for tariff dismantling in the textiles and footwear sector in the Italian Parliament in March 2002 (Camera dei Deputati, March 4, 2002, intervention by Landi di Chiavenna).
- 3 My translation: 'The mandate that the Commission holds says clearly that the limits of the concessions that the Commission can make in the Agricultural negotiations are indicated by the reformed CAP.'
- 4 My translation: 'It [the GIs] concerns a fundamental topic for Italian agriculture, which will not be able to compete in the future on the basis of prices and costs, that is when it concerns agricultural products that are not different from those that are produced in the world.'
- 5 My translation: 'We still believe that it is possible and necessary to reach a global agreement that does not limit itself to agriculture and NAMA, but that also includes services, this in order to achieve a successful outcome for the Doha Round.'
- 6 As it was phrased in a parliamentary commission debate (Economía y Hacienda) of the Congreso de los Diputados on November 6, 2001: 'La pesca es indiscutible que para España tiene una importancia decisiva.'
- 7 There are some relatively rare exceptions, such as the demand for tariff dismantling in the textiles and footwear sector in the Italian Parliament in March 2002 (Camera dei Deputati, March 4, 2002, intervention by Landi di Chiavenna).

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9 The Commonwealth and the European Union

A multilateralism of international institutions

Paul Taylor

Introduction

In this chapter¹ the EU's relations with another intergovernmental international organization, the Commonwealth, are discussed. This is an interesting example of the way in which the EU can impose upon other international organizations in the space around its borders. The Commonwealth has members across the world, in the five continents. The EU is a regional organization with expansive intentions, however pacific, and real power, however civilian. The predictable outcome, explored here, is that the EU will impose upon the Commonwealth.

International institutions might cooperate by mutual agreement on common projects, sharing responsibility for planning, management and financing. Another possibility is that one organization takes the lead in joint projects and the other has a useful but complementary role. A first impression, to be explored later, is that the latter is likely to be the case with the Commonwealth and the EU. The two organizations could not be regarded as equal partners in setting up, managing and financing projects, as the EU is vastly bigger and richer than the Commonwealth. But they have intersecting agendas, and the Commonwealth's input is valuable from various points of view. They are both involved in a large number of projects over the five continents though there is a differentiation of roles.

International organizations may have overlapping memberships. How far do the members of one organization work together in the other in support of their own policies? Is one organization itself a member of another, through its Secretariat? How far does it coordinate the business of its members in the other organization (Laatikainen and Smith 2006)? These are the kinds of problems that arise when considering the work of the EU in, say, the Specialized Agencies of the UN system, or the World Bank and International Monetary Fund. In these cases the overlap in membership is considerable, and there are recognized procedures for coordinating the policies of EU members, and agreeing common positions in the other organizations. EU specialists have complained that they are not as effective as they could be. Unlike the Secretariat of the Commonwealth, the Commission of the EU often plays a very strong role in the administrations of other international organizations and is itself a member of the Food Agricultural Organization (Taylor 2006). Since the EU has only three members of the Commonwealth,

Britain, the Republic of Cyprus and Malta, and the latter two are small and joined relatively recently, the question of how far they organize themselves to push a Commonwealth agenda in the EU is not of immediate importance. It might become a subject for later research.

The working assumptions of this chapter are therefore that the Commonwealth plays supporting roles on a stage dominated by the EU, and that it has not established the kind of presence in the administration of the EU, the Commission, which the latter has established in other international organizations. The nature and pattern of development of these roles, and the contribution made by the Secretariat, are considered in this essay. The details of the large number of projects in which they are both involved can only be touched upon in the space available.

A comparison of the Commonwealth and the EU as international institutions

The Commonwealth is a source of ideas, skilled personnel and seed money. It lacks the resources to carry through large projects. It has become above all a highly sensitive lobbyist on behalf of its members and as a builder of civil society. In the first years of the new millennium this role has been strengthened in a number of ways. It is now hard to think of any other international organization that is so geared up to influence.

The EU in contrast is concerned with developing an economic community amongst its members, and ‘an ever closer union of peoples’ (Dinan 2005). It has moved towards a greater degree of central management than ever existed previously between sovereign states. It is debatable whether the EU will develop a common defence policy and a coherent foreign policy, and whether the sovereignty of members has been diminished by its arrangements. But it certainly has larger, more political goals than the Commonwealth. It has more resources too, and a considerable range of soft power and normative power (Manners 2002). Those who study the EU wonder whether it will ever become more than a framework for enterprise, and be capable of playing a role in the global balance of power system (Taylor 2008). But enough has been said to indicate that it is altogether richer, with a larger agenda, than the Commonwealth.

Their institutional arrangements have some similarities but also striking differences (Commonwealth Secretariat 2009; Groom and Taylor 1984). They both have Secretariats under the leadership and management of a top official chosen by governments but these are very different in size and capacity. The EU perhaps has too many Presidents, one of the Commission and one of the Council of Ministers, and another planned in the Lisbon Treaty. The equivalent in the Commonwealth is the Secretary-General. In 2008 the Commonwealth had about 300 permanent officials at its offices in London, the EU had around 32,000 in Brussels. The EU has a permanent body of national governmental representatives at the highest level, the Council of Ministers, which plays a key role in making binding laws for its member states according to a qualified majority voting procedure. But there is no equivalent body in the Commonwealth, though there are meetings on

particular policy areas, and there is an overseeing body made up of government ministers. Both have occasional meetings of Heads of State and Government, the EU twice yearly, as the European Council, and the Commonwealth every two years in the form of Commonwealth Heads of Government Meetings (CHOGMs), which try to agree the main policy objectives of the organization by consensus. Both organizations have a Parliament.

But here we begin to stretch our comparisons as the Commonwealth Parliament is drawn from volunteers from the assemblies of member states, and sometimes, in fact, individuals chosen by governments, especially where the national parliament is a mere fig leaf for dictatorship, but has no role in making law for its members. The European Parliament, in contrast, is directly elected and plays an increasing role in drawing up and approving EU legislation. The EU has a strong system for making law, which is directly applicable in member states and has primacy over national laws. The Commonwealth lacks such a capacity. Both organizations produce numerous general declarations of principles and intent.

The EU has transformed the political framework of the states and peoples among which it was created. The Commonwealth, on the other hand, has no such transformative ambition. It hopes to help the states to perform better, and to be more democratic, but it has no formal mandate to promote international political or institutional integration. There has even been some controversy about whether the Commonwealth was concerned as much with the interests and rights of peoples as with those of states. Surprisingly the question was only answered clearly in 2007 when it was confirmed that 'the Commonwealth is an association of peoples as well as of states' (Commonwealth Secretariat 2007a). The EU has gradually developed its role with regard to the rights and interests of people, though the Treaty of Rome, the founding treaty, suggests that these matter only as long as they affect the development of the economic community. The Commonwealth sometimes implied that, for all its great declarations in support of democracy, the rule of law, and parliamentary institutions, these were for the benefit of state stability rather than the comfort of their people. The EU's original concern with the welfare of its citizens was to promote the economic community. That of the Commonwealth was to make its member states more stable. Both organizations have moved to a more direct concern with human rights and welfare for moral rather than instrumental reasons.

There are some obvious differences between the membership of the two organizations. The Commonwealth has 53 member states (about 2 billion people), the EU 27 (about 370 million), and both have steadily increased in size over the years. Three states are members of both organizations, two recent new members, Malta and the Republic of Cyprus, and Britain. The former two states joined the EU with the large group of Central and East European states in 2005, and in January 2008 they became members of the Eurozone. There is, however, little evidence to suggest that they act as a lobby on behalf of the Commonwealth in the EU, or that they regard themselves as forming a partnership with Britain in that context. The two small states are more likely to sympathize with each other as small recently developed states, and likely to find themselves opposed

to the group of large rich northern states in the EU like Britain. Both states rather self-consciously moved away from the developing world when they joined the EU: Malta left the Group of 77 in May 2004. They incline to support each other, including on Commonwealth matters in the EU context, but on a loose pragmatic basis.

They recognize that as Mediterranean island states they share interests on matters such as development, dealing with illegal immigration, and enlargement of the EU to include the emerging states of South Eastern Europe, such as Croatia and Macedonia. In this agenda there are certainly issues which link them with other small states around the world which made the Commonwealth a relevant framework. Malta hosted the CHOGM in Valletta in November 2005. Prime Minister Gonzi indicated that Malta would strengthen its delegation in Brussels to represent Commonwealth interests – ‘looking to cooperation between the two bodies’ (Bourne 2005) – when he took on the post of Chairperson-in-Office of the Commonwealth for two years at the Valletta meeting. The EU is not however particularly stressed in the various public pronouncements on the international diplomatic fora in which they cooperate, such as the list² mentioned in the speech made by Malta’s new High Commissioner to Cyprus when he took up office in Nicosia in January 2009 (Ministry of Foreign Affairs, Republic of Cyprus 2009), and there was no obvious commitment to a common agenda, such as that of the Commonwealth, in the EU.

There is an inclination to work together on a pragmatic basis. It is striking, and important with regard to their bilateral relations, that they agreed in December 2008 to have joint premises for their diplomatic missions in Tel Aviv and Ramallah. Cost was an important factor, but could not have been decisive were it not for overall policy agreement (Ministry of Foreign Affairs, Republic of Cyprus 2009). But the two states also had different preoccupations. Malta was encouraging but carefully even-handed about the ways forward on the problems of a divided Cyprus. The government of the Republic of Cyprus, in contrast, was determined that the problem should be settled on Federalist rather than Confederalist terms (Mallinson 2008).

The EU is obviously a regional organization. Indeed the Treaty of Rome requires that its members should be European. The Commonwealth membership, in contrast, extends over the five continents and although it contains a number of regions, and there are regional based Commonwealth organizations, it is better regarded as a global organization. But here again it becomes more difficult to find similarities. The membership of the EU includes some of the richest states in the world, though there are some, especially among the new members added in 2004 and later, which are less well off. But all members are rich compared with the majority of Commonwealth members. In the Commonwealth the UK is the dominant member in terms of GNP and per capita income, though states like Australia, Canada and New Zealand are comparable in terms of per capita income. The Commonwealth contains some of the world’s poorest states. In Africa, in particular, its membership is dominated by the least developed countries with the lowest per capita incomes in the world.

When it comes to the conditions of membership there are also some noteworthy differences. The EU, as already mentioned, insists that its members should be European. But beyond that they need to be democracies and to have high standards with regard to the maintenance of human rights and the operation of a fair and effective legal system – though some would argue that these conditions have been somewhat relaxed with regard to the most recent new members, Romania and Bulgaria. These conditions were spelled out for new members in the so-called Copenhagen criteria (Sedelmeier and Wallace 2000). The Commonwealth appears at first sight to be rather similar. A committee of the Kampala meeting of the Commonwealth Heads of Government in November 2007 laid down that an applicant country must be able to show a commitment to democracy and democratic processes, including free and fair elections and representative legislatures and the rule of law (Commonwealth Secretariat 2007a: exec. Summary, para c). It was odd that such an agreement about the conditions of membership, a set of Copenhagen criteria for the Commonwealth, had come so late. Ironically members had already declared their support for such values in the Declaration agreed at the meeting of Heads of Government in Harare, Zimbabwe, in October 1991. They were affirmed again in the Aso Rock Declaration on Development and Democracy in December 2003, though ominously democracy ‘must be uncomplicated and take into account national circumstances’ (Commonwealth Secretariat 2003: para 7).

The present writer argued twenty-five years ago that such earnest declarations were one of the necessary fictions of the Commonwealth (Taylor 1984). Writing in 2008 there is little reason to change this judgment. In 2000 the EU suspended Austrian participation in its key committees when Jurg Haider became Austrian Prime Minister, on the grounds that he and his party professed Neo-Nazi views. (The Austrians again gave significant electoral support, 18 per cent of the total, to a far right party in the elections of September 2008; Zielonka 2002.) In contrast the Commonwealth governments have been prepared to live with a sharp contradiction between what they professed in their meetings and what they practised in their countries. They were not all democracies or committed to the rule of law as is illustrated in Secretary General of the Commonwealth, Don McKinnon’s comment in September 2007 that of the 18 Commonwealth members in Africa ‘only 11 had multi-party systems’ (McKinnon 2007). He insisted, however, that the movement was in the right direction – towards more democracy and the rule of law.

In the same speech McKinnon claimed that the Commonwealth regularly suspended from membership states which fell short. He claimed that the Commonwealth was unique in being able to do this, but the EU certainly has the power to suspend the rights of members, though the power to remove has not been tested. In the Commonwealth there were indeed such cases, and the EU and the Commonwealth have cooperated in dealing with them. The Commonwealth Ministerial Action Group, made up of the foreign ministers of nine member states, had the responsibility for dealing with states that breached its values. They included Fiji, Pakistan, Nigeria and Zaire. It met in New York in September 2008 to discuss the case of Fiji, and no doubt there were discussions with the EU’s representatives

there. But these countries were not suspended because they were not democracies. Rather it was because they had been victims of a military coup or were guilty of particularly nasty transgressions. Thus, for the Commonwealth, democracy and the rule of law are aspirations, rather than conditions of membership.

The Commonwealth deserves credit for a great deal of good work in this area, and continuing this work in a number of states probably requires not insisting too heavily on exposing the hypocrisy. It is necessary for it to stay in the good books of member governments and better to continue to persuade gently.

The traditional role of the Commonwealth

In sum, the Commonwealth's role was always that of a facilitator rather than generator and manager of its own projects. Hence it was said that the Commonwealth helped the world to negotiate but did not negotiate for the world. It acted as a lobbyist for its non-British members, first representing their interests with Britain itself, and more recently with other actors, but including the EU. Its main funding mechanism, the Commonwealth Fund for Technical Assistance (CFTC), was intended to provide technical support to identify possible projects, design them in their major dimensions, but then to seek capital funding from agencies such as the World Bank, and involve other major project builders.

This Commonwealth role went along with its attitude towards change and its member governments. It was always rather conservative, never tried to bring about dramatic change, worked with member-governments rather than against them, and, though pushing member-governments towards greater democratization, still worked with them when they fell short of democratic ideals. The Commonwealth was not revolutionary, but rather was statist, essentially intergovernmental. Its style of operation required that it did not refuse to work with those members that were not democratic, and only quarrelled with them in the event of a military take-over, or particularly gross transgressions of human rights.

As the world changed it was always down to the Commonwealth to adjust to its new environment. It had very limited capacity to change the environment to suit itself. Whilst the EU had the capacity to impose, to encroach on new functional and geographical territory, the Commonwealth had to change what it did to fit in with the new circumstances. In particular the Commonwealth needed to be fast on its feet to maintain its role as a lobbyist. Its role was essentially inter-positional, seeking to insert itself between what it construed to be its clients, made up in particular of the states of the developing world, and the emerging new actors, especially the EU.

Its tragic destiny was that it was always in the process of working itself out of a role. In the earlier period an important contribution was its leadership of the anti-apartheid movement. With the appearance of the rainbow nation, the new South Africa, it had to seek a new role to survive. But if it succeeded with its new mission, pushing through the programme of adjustments which the developing world now had to make to the EU and to economic globalization, which was its firm intent, it would again be looking for something to do.

The development of Commonwealth–EU relations: The sands shift

There have been a number of changes in the strategic setting of the Commonwealth since it was formed out of the embers of the British Empire in 1965. One of its obvious goals in the early days was to protect the interests of its members when Britain joined the European Economic Community (EEC) in 1973. A fundamental Commonwealth purpose was to persuade Britain, easily its dominant member and focus of its trade and political culture, to seek arrangements in the Common Market which at least compensated members for the loss of privileged access to the British market in the scheme known as imperial preference (Austin 1988). These pressures, and the interests of the two main colonial powers, Britain and France, led to a series of preferential arrangements in what was then the EEC, with the states emerging out of empire. Keeping in touch with Britain for reasons of economic interest was at least as powerful an incentive for membership in the Commonwealth as dealing with the problem of apartheid in South Africa. As a result the British managed to get for Commonwealth members a range of concessions – for New Zealand privileged access for lamb and butter, and for the Caribbean privileged access for sugar and bananas, and for most members easier access than for non-members for goods such as textiles (Kitzinger 1973).³ There were a series of trade deals between the EU and the African, Caribbean and Pacific (ACP) developing countries which developed these privileges, and accompanying aid, for Commonwealth members named after the town of Lome. Lome was replaced by the agreement signed in Cotonou, capital of Benin, in June 2000 between 79 ACP countries and the then 15 members of the EU (Cotonou 2000).

The relationship between the Commonwealth and the EU before the twenty-first century was one of wary suspicion. The staff of the Commonwealth Secretariat (ComSec) distrusted the EU. It diverted the British government from giving its full attention to the development of the new Commonwealth. And for a number of Commonwealth member states, including Secretary General McKinnon's country of origin – New Zealand – British EU membership brought economic costs. The Commission of the European Community, on the other hand, tended to see the Commonwealth as a post-colonial structure for the UK – an equivalent to La Francophonie for the French. It was merely a zone of British influence.

But antipathy between ComSec and the EU was not just a consequence of specific grievances. The fact was that until the late 1990s neither side had understood the strategic value of working much more closely with the other. An internal survey in ComSec in the mid-1990s revealed that senior people had not grasped the importance of developing closer relations with other international institutions including the EU. And the EU had not understood that the Commonwealth could be a useful ally in developing its policies towards Africa and other ACP countries. The Commonwealth's role as a builder of agendas, promoting better governance, providing technical assistance, and acting as a lobby for its members crucially depended on developing such strategic partnerships.

Although this strategy had been alluded to at earlier CHOGMs, it was only formally agreed at the Coolum, Australia, meeting in March 2002. There was to be closer consultation with regional and other international organizations, which would permit 'strategic advocacy and political influence focused in areas of shared concern, where high level political engagements can be deployed in support of members' economic and development interests' (Coolum 2002). The list of bodies to be cultivated was extensive and included regional and global organizations like the EU, the World Bank, the UN system, the WTO, and other Commonwealth bodies.

A ComSec paper following the Coolum decision placed getting closer to the EU as the first item on its list of proposals. This would help to redress 'the continuing absence [in the EU] of a well informed view of the nature of the [Commonwealth Secretariat] as well as the breadth and depth of our common endeavours' (Commonwealth Secretariat 2002: para 2). The paper stressed that the EU and the Commonwealth shared interests in election monitoring, conflict prevention, trade, agriculture and other more specialized policies. The EU should understand that the Commonwealth's 'capacity to communicate across cultures and at the highest levels amongst its members' (Commonwealth Secretariat 2002: para 1) was a valuable asset that few others possessed. 'The Commonwealth deploys people rather than funds', but cooperation in areas of common interest could involve some financial support by the EU for programmes in which the Commonwealth was involved.

This agreement seemed to energize the Commonwealth's engagement with other international institutions over a wide range of matters. Amongst a range of suggestions, the results of which are reflected in various parts of this chapter, the Director General was advised to adopt an active public policy approach, involving the delivery of more speeches intended to attract media interest. The paper supported the declaration in the Coolum Communique that 'greater consultation and collaboration among intergovernmental and other bodies would help to make the Commonwealth more coherent, effective and relevant' (Commonwealth Secretariat 2002: para 4, sub.para. a). The more activist seeking of partners led to a cascade of meetings, visits, and conferences in support of the economic and development agenda of the Commonwealth.

This can be illustrated by Secretary-General Don McKinnon's meeting with the Foreign Affairs Committee of the European Parliament, reported above, and with the President of the Commission and the Commissioners responsible for trade, Pascal Lamy in June 2002, and, later, Peter Mandelson. The Commonwealth Secretariat also organized what it called a High-Level Trade Seminar at the Commonwealth Secretariat Offices in February 2005. There were also meetings with the Commonwealth's recently joined other members of the EU, Malta and the Republic of Cyprus, to ginger them up in the cause of the Commonwealth. The Secretary-General was also active during the late phases of the Doha round of trade negotiations in promoting Commonwealth trade priorities. The number of meetings between Commonwealth representatives in the context of the annual General Assembly get-together in New York also seemed to increase. For instance

Commonwealth Heads of Government and Foreign Ministers met in New York on 12 September 2008 to promote UN reform and their agreed policies on such matters as climate change. In this tradition a prestigious meeting, the High Level Technical Meeting on *The EPAs: the Way Forward for the ACP* was organized with the ACP Secretariat and held at Cape Town on 7–8 April 2008. This was attended by representatives of the ACP and the EU, as well as several national ambassadors to Brussels, the Secretary General of the ACP, Sir John Kaputin, and Glenys Kinnock, Co-President of the ACP–EU Joint Parliamentary Assembly (Commonwealth Secretariat 2008a). The Commonwealth Secretariat reported that ‘this new level of engagement with other organizations is reflected in the Secretariat’s enhanced relations with the EU’ (Commonwealth Secretariat 2005).

Expanding the range of strategic relationships was a timely development since it coincided with a change in stance on the part of the EU Commission towards the ACP countries. The decision was taken by the EU in 1995–96 to negotiate more directly with regional organizations within the ACP group of states, and to allocate funding from the development fund and other parts of the EU budget to those regional organizations rather than to the ACP group through its secretariat in Brussels. The negotiation of Economic Partnership Agreements (EPAs) with the economic regions, discussed further below, is an aspect of this policy. Funding to the ACP secretariat from the EU was greatly reduced in 2007. The ACP Secretariat went along with this de-concentration, even though it led to a loss of influence.

There was now a degree of movement on both sides. EU trade Commissioner Pascal Lamy and his successor Peter Mandelson realized that the EU Commission needed further knowledge and technical assistance in its new policy of cultivating closer relations, including EPAs, with the regional economic organizations in various parts of the developing world. The Commonwealth and its various sub-bodies was a useful source of such support. The EU acknowledged that the Commonwealth had more access than itself to Commonwealth ACP countries, including those in the EU’s back-yard, Africa, and, of course, it had developed, through the strategic partnership programmes, supporting links with relevant organizations like the African Union (AU) and the UN system organizations. One area where the Commonwealth had particular expertise was that of understanding and managing LDC’s debt. In 2008 the Commonwealth was working with the EU and the AU in improving their newspapers and broadcasting arrangements, and with the government of Iceland in developing fishing in the Pacific region. One commentator concluded that before 2002 there had been little or no formal EU–ComSec contact at any level. After that date, however, contacts multiplied, though they were often in the context of larger gatherings of institutions – a kind of multilateralism of international institutions – and practical cooperation greatly increased. As a part of this there was increasing contact between the Commonwealth Secretariat and the EU Commission’s Directorate-Generals, particularly with those concerned with Trade, External Affairs and Development.

If the Commonwealth was to help form agendas, and supply human resources, it was essential that it should improve its ability to persuade others that its status was significant, and that it had such intellectual resources, and such wide

contacts, that it could be a helpful ally to those with the money. Getting into the administrations that mattered, like the EU Commission, was essential for its role. Arguably it was essential for its survival. Without the 2002 strategic partnerships initiative it could not have continued to be an asset for its members.

New challenges for the Commonwealth

The development of the EU's policies towards Africa was another important change in the strategic setting of the Commonwealth. In Africa, in particular, the Commonwealth now had a rival in the EU even in pursuing one of the more important and longstanding items on its agenda, namely democratization. For the time being it was arguable that the two organizations were working side by side on improving governance and in some ways the Commonwealth had the advantage in that it had a higher standing with LDC governments. But the EU stopped short of providing any funding for Commonwealth governance activities, and was not hesitant about using its considerable economic leverage. The Commonwealth had normative power, but was short of the kind of power that came from money. It could appeal to governments on the basis of recalling an echo of British values, but it could not push too far lest it offended target governments. It was said that Commonwealth members regarded each other as distant cousins, but the gossamer threads of family ties were no match for the EU's economic power; and its advertised values, unlike those of the US, have proved attractive to outsiders. To twist the metaphor still further, family ties were likely to yield before the attractions of marrying into money.

In its economic negotiations with LDCs the EU invariably applied the policy of conditionality, which required a strengthening of civil society, democratization, and pursuing core labour standards, and so on, as a condition of agreeing new economic deals and obtaining aid from the EU (Smith 1997). It pursued these values directly in its trade negotiations and indirectly through the membership of its member states in the International Labour Organization and other UN organizations. This EU asset was outlined in the introduction to this essay. The agendas of negotiations between the EU and LDCs always contained obvious items which had political as well as economic implications. Even the common EU demand that private capital should play a role in development strategies could be seen as political intervention by LDC governments that preferred a strong state. Within the EU the French had seen EU pressures towards economic liberalization in these terms. There was indeed a difficulty in drawing a clear line between conditions which were required in order to make an economic agreement work and conditions which served the more general purpose of improving national government or served a political agenda. It was sometimes difficult for the Commonwealth to attack what it judged to be unfair economic demands by the EU without appearing to be defending anti-democratic practices. But its members complained about conditionality on the grounds that they were sovereign states and should not have their internal affairs meddled with in this way. They certainly objected when the EU tried to circumvent national governments, on grounds

of their corruption, by providing aid and other forms of support directly to stakeholders in the state.

The EU put pressure on the Commonwealth in other ways. In the early twenty-first century there was a dynamic of integration at the margin of the EU which impinged on the activities of the Commonwealth. The EU was the world's leading trading block and was bound to be a major pole of attraction for African states as an alternative to the Commonwealth. A difficult question that could not yet be answered was whether interest and involvement in both contexts could be maintained, or whether, as EU involvement increased that with the Commonwealth would decline. The EU was extending its zones of influence southwards in Africa towards states which were Commonwealth members, through the group of states around the Mediterranean, which were partners in the Euro-Med programmes, and beyond that to states which were classed by the EU as forming part of its 'neighbourhood'.

The European Neighbourhood Policy was adopted by the EU in 2004 and involved states around the expanded EU included those of North Africa, some of which impinged on Commonwealth members further south. It aimed to strengthen 'the prosperity, stability and security of all concerned' (European Commission 2009).⁴ The EU was seeking to engage with states in a widening ring in order to lessen the chances of conflict and to improve economic and social conditions so that their populations would be less likely to emigrate to the EU. But it was also taking over the Commonwealth agenda with regard to recognizing and seeking to improve – by a kind of direct action – the problems of peoples. The success of the Commonwealth's most innovative institutional device, the CHOGMS, depended primarily on the good will of governments which often presented views of sovereignty that were opposed to too much pressure on their internal arrangements. As an essentially intergovernmental arrangement the Commonwealth could not push too hard, but the EU had enough real power to do so.

In the EPA negotiations the EU was concerned to negotiate primarily with regional economic organizations. This was the logical strategy rightly supported by the Commonwealth and the other participants in the development process. But the success of the negotiations would help the economic regions to be more defined, more capable – eventually – of developing their own relations with the EU, and better able to act as negotiating units within the WTO. The Commonwealth in its various arrangements for helping the developing states to negotiate the EPAs was preparing the ground for a reduction in its own role in the longer term as an advocate for its members. A relevant test case for the views presented here was the experience of the two non-British members of the Commonwealth which were also members of the EU, the Republic of Cyprus and Malta. The test was whether these states were becoming less involved in the Commonwealth, and less interested. The bet of the present writer was that this was likely to be the case – but the jury was still out and the research remained to be done.

The Commonwealth paper mentioned above acknowledged that there were dangers for the Commonwealth in the Hub and Spokes programme and the stress now being placed by the EU on the development of closer relations with regional

trade organizations, and support for greater regional integration. ‘Too strong a regional identity could fracture the Commonwealth relationship and undercut Commonwealth consensus’ (Commonwealth Secretariat 2002: para 2). The paper went on to advocate a policy for resistance to too much regionalization. ‘The Commonwealth as a whole will need to ensure that the trend towards regionalization which now appears inevitable, can be managed in ways which do not dilute the presence and capacity for political and consensual action by the Commonwealth itself, at Commonwealth and global levels’ (Commonwealth Secretariat 2002: para 2).

This point may be rather old hat: the Commonwealth was in the business of working itself out of a job, another illustration of an old habit – as with the loss of a role in opposing apartheid when the new South Africa was born. A further problem was that the ACP programmes of the EU had no clear territorial fit with the Commonwealth member territory. The EU dealt with individual states and regional groups – regardless of their Commonwealth status – such as Pacific, African or Carribean. The first EU–African summit took place in 2000, the second in 2007 in Lisbon. The AU was the natural interlocutor in Africa and the great plan prepared from the discussions of the Africa–EU summit in Lisbon in December 2007 contained no reference whatsoever to the Commonwealth. More of this below! The Commonwealth nested in other frameworks which were dealing with the EU. If it was to defend its role it had to chase after contacts with the various alternative frameworks which the EU cultivated.

The negotiations on the Economic Partnership Agreements: The strange alliance

The following paragraphs show how the EU and the Commonwealth were involved in difficult and odd negotiations about the new post-Cotonou economic arrangements. The EU played a kind of hard cop–soft cop role. It insisted on policies of which the developing states disapproved, and the Commonwealth protested on their behalf. But it also worked with the Commonwealth in helping the developing countries to negotiate, and indeed provided finance to the Commonwealth to do this. There can be very few cases in which one party to strenuous negotiations helped the other side to fight its corner. There was a sense in which the Commonwealth was both an ally of the EU, receiving EU money and working up schemes for technical assistance, and also an opponent of the EU. This was indeed a strange alliance.

The Cotonou agreement was the end of the line for trade deals between the EU and the ACP countries which provided privileged access to EU markets. Under the rules of the WTO established in 1995 it was necessary to phase out privileged access to the EU and a deadline of December 2007 was set for achieving this. By the early years of the twenty-first century the Commonwealth had taken on the onerous task of helping its members to strike new deals with the EU which satisfied the rules of the WTO. Now there were to be new EPAs with the APC regional economic organizations to replace the Cotonou agreement. If these were

not agreed by the due date members fell back on the less advantageous General System of Preferences or they could individually negotiate interim agreements with the EU which would be replaced by the regional agreement if/when the latter was successfully negotiated. By the time of writing only one region, CARICOM, had agreed a regional EPA. In April 2008 only 35 out of 77 ACP states had initialled interim and full EPAs which meant that 42 less developed states now had access to the EU market, and EU support, on the less favourable terms of the General System of Preferences. The failure to complete negotiations on the EPAs meant that Commonwealth members were now involved in a number of different trade regimes (Commonwealth Secretariat 2008b). The group was being fragmented and for a good many of them the terms of their deal with the EU was, at least until the EPA negotiation was complete, less favourable.

The EPA negotiations with the EU threw up a number of difficulties for Commonwealth states and the Commonwealth Secretariat generally took a robustly critical view of the EU's position. One of the most contentious issues was that of the liberalization of services, which, it was pointed out, was not something that WTO rules required. The service sector covered a wide territory. A few random examples include transport infrastructure, banking services, insurance services, communication services, various business support services, and investment regulations and support – an agenda that overlapped with the abortive OECD agenda for a Multilateral Investment Agreement which was abandoned in the late 1980s largely because of ACP objections. But the EU was insistent that services should be part of the deal and a number of ACP states declined to close the deal because of this. One reason for EU concern was that 75 per cent of its exports were now generated from the service sectors (Commonwealth Secretariat 2008c), and it was clear that if EU service sectors did not benefit from service liberalization with African states there were other states, especially China, that would step in. The ACP states were rightly concerned that the general weakness of their own service sectors would inevitably allow the EU based services to take over, but it was understandable that the EU should judge this was a better option than yielding ground in this sector to the Chinese. It was also a problem that in some regions a more optimistic view was taken than in others. CARICOM was the one region that successfully negotiated an EPA with the EU, including services, by the deadline of December 2007 but some judged that it may have overestimated its own strength in this sector.

Other bones of contention concerned the scale of resources which the EU could provide in exchange for liberalization. There was concern that no further money would be available above the existing contributions from the European Development Fund. The ACP countries wanted additional funding for the additional costs of accepting reciprocal liberalization. There needed to be help, they argued, with trade adjustment, and in developing new industries where they could compete in the EU market. As Don McKinnon pointed out, in the speech to the European Parliament Foreign Affairs committee mentioned above, the loss of privileged access to the EU market for exports of sugar and bananas was hard to accept without some kind of equivalent concession from the EU. Although

it was accepted on both sides that there could not be completely symmetrical liberalization there was sharp disagreement about the scale of special treatment which could be granted under WTO rules. There were also disagreements about the Most Favoured Nation principle which required that deals with the EU must be available to all trading partners. A further difficult issue was the EU's wish to tighten up on rules of origin.

The EPA negotiations were a difficult mix of problems arising from the need to do away with privileged access to the EU market, to provide compensation for what the ACP countries would lose, and help them to build up alternative exports, to satisfy WTO rules, and to achieve what the EU regarded as necessary concessions, for instance, with regard to liberalizing the service sector. The Commonwealth Secretariat was perhaps a little too critical of the EU position which, as will be seen, did a great deal to strengthen the hand of the states with which it was negotiating through the TradeCom facility and its involvement with, and financing of, the Hub and Spokes programme, as well as the Aid for Trade programme (Europa 2008a) and the work of the European Development Fund.

But there were other considerations. The ACP countries, including the Commonwealth members, were concerned that they should all be in the same boat, hence the repeating of the need to share information, and there was bound to be anxiety that one region or another would gain an advantage in its relations with the EU. The AU's Ministerial Declaration on EPA negotiations, produced at the AU Conference of Ministers of Trade at Cairo, 5–9 June 2005, is suggestive of this problem in its repeated appeals for coherence and its observation that the different EPA groupings were moving at different speeds and 'should harmonize their positions on issues of common interest before final decisions are taken' (African Union 2005). Negotiating with the regions was the EU's preference but each was concerned that it would not do as well as the other. The complexity of the negotiations made this more difficult to be sure about, and the stakes were sharpened by the possibility of gain through compensation and other forms of aid from the EU. The ACP regions were on the horns of a dilemma: they were torn between anxiety that the ACP should stick together, but not to the extent that it stopped them from getting as much as they could from the EU for themselves. Among the ACP countries, including the Commonwealth members, there was in the EPA negotiations a logic of diversity as well as synthesis

The New Labour government in Britain certainly wanted to improve the lot of Africans, and Prime Minister Gordon Brown took a particular interest in this. But it was likely that the British would now be more inclined to support the agreed EU agenda on negotiations with the developing world than had once been the case, despite the deserved British reputation for anti-Europeanism. Perfidious Albion was now as likely to be unreliable for Commonwealth members as it had been for its European allies. This was where the Commonwealth Secretariat stepped in. It could help to work up schemes for providing the least developed states, especially in Africa, with more technical command of what was necessary to deal with the EU's pressures. This was absolutely necessary as member states, especially the least developed ones, lacked the specialist capacity which would allow them to

understand what was at stake and what concessions they should expect. In the early years of the twenty-first century the Commonwealth geared itself up to be a better source of such technical advice and to act as agent for the poorest Commonwealth states in lieu of the British.

A specialized unit, the TradeCom Programme, was set up in the EU Commission to help the ACP countries develop the necessary knowledge and skills (TradeCom Facility 2009). TradeCom was another channel through which the ComSec and the EU worked together. Ninety per cent of TradeCom's funding came from the EU, and a modest degree of support came from the Commonwealth. TradeCom had, however, a rather ambiguous administrative status, since, despite being a part of the EU Commission, administrative responsibility for it lay with the ACP Secretariat in Brussels. TradeCom was a kind of neutral administrative space through which money could be channelled to the economic regions to support trade policy advisors in the Hub and Spokes arrangements. This programme had its origins in the Overseas Development Institutes programme for providing trade advisors to the Pacific Region in the 1990s.

TradeCom was a partner in the Hub and Spokes programme which was itself administered jointly by the Commonwealth Secretariat and the Organisation Internationale de la Francophonie (OIF). ComSec was to be responsible for the implementation of the Project in ACP member states of the Caribbean, Pacific, Eastern and Southern Africa regions and the AU. OIF was to be responsible for the implementation of the Project in the regions of West and Central Africa. The Hub and Spokes programme was relevant to the three parts of TradeCom's mandate, namely building the knowledge, applying it to trade negotiations, and implementing the resulting trade agreements. The Commonwealth Secretariat and the OIF received 17 million euros of the TradeCom budget of 50 million euros, and the rest was allocated to the 77 ACP countries, including Commonwealth members, and nine regional integration organizations. The money would help to train individuals and develop training facilities in universities and other institutions.

The programme involved the placing of 48 Trade Policy Advisors in regional organizations in Africa, the Caribbean and the Pacific Islands, as well as in national administrations. The word *hub* applied to six regional policy advisors placed in the secretariats of Eastern and Southern Africa Organization, the Southern Africa Development Community, Caribbean Community, Pacific Islands Forum, Organization of Eastern Caribbean States and the AU, and the *spokes* were the advisors attached to national ministries in the regions. In phases I and II of the project, set up in 2000–04, help was given to the Pacific region and to a number of states in Africa.

At the time of writing the outcome of this programme and indeed of the EPA negotiations was hard to measure. Much more work needed to be done for the developing states to acquire a sufficient degree of trade expertise for them to deal by themselves with such a high-class act as the EU. And the EPA negotiations were far from concluded. It was also clear that negotiating with the regions rather

than with the ACP countries overall was likely to increase the demand for extra regional assistance from such organizations as the Commonwealth.

Measuring the Commonwealth against the EU

The range of practical cooperation between the EU and the Commonwealth was large, though it is impossible to go into detail about the respective contribution of each partner in the wide range of individual programmes in which both were involved in an essay of this length. The Secretariat had its own Commonwealth Fund for Technical Cooperation (CFTC), set up in 1971, which had initiated and managed a wide range of programmes for helping the development process in Commonwealth member states. A glance at the CFTC's 2007 Report revealed programmes for capacity development, advising on trade development, improving competitiveness, managing debt, strengthening national administration (public service delivery), sustainable development, social transformation, and promoting human rights and the rule of law (Commonwealth Secretariat 2007b). The range is wide – useful support was provided for the development of new businesses, as well as special support for small island developing states. The work of the fund ran alongside the Hubs and Spokes programme mentioned above. It also ran alongside the wide range of work undertaken by the EU in the European Development Fund (EDF), and the programme known as Aid for Trade.

There was no doubting the important contributions made through the CFTC but the finances at its command were small compared with those of the EU. In April 2007 the EU Commission complained that the member states had not contributed what they had agreed to contribute to the target budget of the Aid for Trade programme of 2 billion euros by 2010, but despite this the Commission paid 840 million euros for the programme in 2005, much more than the EU member states' contribution of 300 million euros (European Commission 2005). The amount committed from the Ninth EDF, extending from 2000 to 2007, was 17.9 billion euros, and from the Tenth Fund, 2008 to 2013, was 22.7 billion euros. Following the rules of the EDF budget this was contributed directly to it by member states, rather than from the overall EU budget. The European Investment Bank would contribute a further 2 billion euros.

Against this total for these two programmes of something approaching 30 billion euros the sums spent through the Commonwealth's CFTC in 2005–06 seemed rather small at around 35 *million* euros (Commonwealth Secretariat 2007b). The work was important but the Commonwealth always saw this fund, as its title suggests, as a way of locating and working up projects which would attract finance from what came to be called, as suggested above, its strategic partners. The CFTC's annual report did point out that it received 'considerable external resources through strategic partnerships'. A key member of its group of partners was certainly the EU: the latter not only largely paid for the Hub and Spokes programme but also made large contributions alongside the Commonwealth to the range of programmes set up to help the development of ACP states.

The headings under which the programmes fell can be taken from a Commission document (Europa 2008b). The programmes under Aid for Trade had to help with alleviating poverty, they had to involve public and private ownership, and to contribute to economic and social sustainability, they had to fall within an agreed common framework of policy among EU member states, and they had to stress regional involvement and integration. They had to give priority to proposals which would make a contribution to the integration of the economic regions. As already pointed out, the policies were intended to help the economic development of ACP states, to obtain more democratic government and a stronger civil society, as well as to negotiate successfully with the EU about a more liberal, WTO friendly, trade regime to succeed the Cotonou Agreement. But they were also intended to promote more integration within the existing regional economic frameworks in Africa and elsewhere. This would probably adversely affect the role of the Commonwealth.

Conclusions

In the first decade of the twenty-first century the overall situation was that the EU did not always pay as much attention to the Commonwealth as the latter would have liked – for all the attempts of the latter to insinuate itself into EU policy making. Hence the appeal made by Don McKinnon, the Secretary General of the Commonwealth, when he addressed the Foreign Affairs Committee of the European Parliament in September 2007. He appeared to be pleading for a role: ‘I call upon the EU to strengthen its own impact in Africa by making practical use of the breadth and depth of Commonwealth political and technical engagement in Africa’ (McKinnon 2007). In a number of key areas, such as the EPA negotiations, the Commonwealth wanted a stronger role. But, paradoxically, it helped the EU to achieve its broad goals, sometimes at the expense of its own future role.

An indication of the continuing difficulty experienced by the Commonwealth in getting the attention it sought and deserved from the EU is in the EU’s massive document, *Africa–EU Strategic Partnership*, agreed at the Lisbon 2007 meeting of the European Council. This included a meeting of African and EU heads of government. The document contained eight fiches of action areas, each with goals, and priority action areas, and lists of relevant actors, but no mention whatsoever of the Commonwealth. This was the second of two EU–Africa summits, the first having taken place in 2000.

In 2008 the Commonwealth had two primary agendas, namely promoting sustainable development and a greater respect for liberal democracy among its members. In this it was at one with the EU and there was ample opportunity for the two to help each other. The Commonwealth seemed in some ways to have woken up and to have improved its strategies for achieving its goals through the more active cultivation of strategic partners. At the same time the EU realized that closer links with the Commonwealth could be useful. Both changes were probably essential for the survival of the Commonwealth as an international organization. It was hard to see what other role it could usefully adopt. As the saying goes, it did

not negotiate for the world but helped the world to negotiate. The awakening was about improving the help it could give to the extent that it seemed a useful ally for both the EU and the Commonwealth member states. {newpage}

Notes

- 1 An earlier version of this chapter appeared in James Mayall (ed) *The Contemporary Commonwealth: An Assessment 1965–2009, Essays to Mark the Centenary of the Publication of the Round Table*, London, Routledge, 2009.
- 2 The list included the UN, the Commonwealth, the OSCE, the Council of Europe, and the Union for the Mediterranean.
- 3 Kitzinger (1970) provides a useful discussion of the arrangements made for the Commonwealth members when Britain joined the EEC.
- 4 See also the works of Hill (2002) and Wallace (2000).

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10 Conclusions

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The increasing engagement of the EU with multilateral organizations is a prominent and largely inevitable by-product of the ever-growing, deliberate or not, international presence of the EU. This volume focuses explicitly on the *politics* of the EU–IOs relationship. In that respect, it adds up to the existing literature with a similar research agenda (especially Jørgensen 2009; Laatikainen and Smith 2006; Elgström and Smith 2006). Although we articulate the research questions in a different way, our insights are largely complementary rather than contradictory. Before summarizing the main findings of the volume, let us first revisit the three sets of questions we have asked the authors to address in their contributions and which basically revolve around: (a) parameters conditioning the EU–IOs interaction, (b) cross-temporal evolution of the EU–IOs interaction, and (c) the effect of this interaction both on the EU and the IOs.

To recall, first this volume seeks to identify a – by no means exclusive – list of *endogenous* (i.e. EU related) and *exogenous* (i.e. systemic/IO-specific) parameters that condition the EU–IOs interaction. These parameters can be related with the institutional features of both the EU and the respective IOs and/or the political underpinnings of their relationship (member-states' preferences and intra-EU cohesion, third states' membership and role in an IO, compatibility among multiple arenas of EU international presence). Second, we are interested in exploring the evolution of the EU–IOs relationship over time in light of changing membership in both the EU and the IOs as well as the changing international role and aspirations of the EU and the IOs alike. Third, bearing in mind the 'top-down' and the 'bottom-up' effect of the EU–IOs interaction, we need to consider not only the EU impact on the functioning of the IOs but also the intra-EU effect of these interactions, in particular what challenges they entail for the EU political and institutional evolution. Admittedly, these questions delineate a very broad research agenda but are necessary in order to capture as many aspects of the EU–IOs relationship as possible. Naturally, neither are they relevant to all interactions examined in the volume nor do all contributors tackle all three of them.

Parameters conditioning EU–IOs interaction

The first research question deals with the internal and external factors that condition the EU's engagement with IOs. To begin with, the endogenous factors

revolve primarily around the EU political system and institutional architecture. The EU's political system is especially complex and dynamic, with multiple focal points of power at national and EU level (Hix 2005). We should always bear in mind that the EU suffers inherently from a split personality syndrome, constituting both an actor in its own right but also an arena for the articulation and projection of member-states' particularistic interests (Jørgensen and Laatikainen 2006: 10). Thus, unsurprisingly, all EU international relations, including the interaction with IOs, are subject to the diverging member-states' preferences and aspirations, which feature highly in most contributions dealing with internal aspects of the EU relationship with IOs. For example, Hill, in his contribution, examines the efforts of the 'big beasts in the European jungle' to form some kind of inner leadership group to direct EU foreign policy. Likewise, Young and Kerremans show how national preferences hover over the formation of EU negotiation positions in trade issues in the first place and subsequently in the EU's response to and compliance with adverse WTO rulings.

The two latter contributions bring to the fore one additional issue of great analytical value: domestic politics in member-states and their effect on the EU–IOs relations. Especially in the context of the pluralistic political system of the EU with its multiple governance channels, the assumption of unitary member-states with a single negotiation position strikes one as rather anachronistic. Instead, an interactive relationship between the national and EU levels of analysis is in place, which in our case acquires a third tier when the EU 'goes international'. Thus, Robert Putnam's 'two-level game' metaphor for the conceptualization of international negotiations emerges – appropriately adjusted – as an analytical framework capable of capturing the intersecting role of domestic pressure groups of all kinds, national governments and supranational institutions (Putnam 1988; Evans et al. 1993). In that respect, Kerremans' 'delegation chain', specified and aptly elaborated in his contribution, illustrates how governments are exposed themselves to domestic pressures. The European Commission has attempted to use these pressures instrumentally during the negotiations of the Doha Development Agenda to achieve a negotiating mandate that would put pressure off its own shoulders. Some caution, though, is required about the generalizability of this three-tier conceptualization and especially as to whether it can capture the EU relationship with other IOs outside the economic realm. In a similar study of the US relationship with IOs, the influence of domestic politics and interest groups has been shown to be potentially important yet rather limited in the economic and environmental areas (Foot et al. 2003: 9). The EU seemingly fits this picture as well, as corroborated also in our volume and elsewhere (for example Taylor 2006; Damro 2006).

In terms of the EU-specific institutional features that condition the EU–IOs interaction, the volume contributions reinstate two important insights. The first one is related not only with the EU relationship with IOs, but also with the broader orientation of the EU's foreign policy. Hill highlights in his analysis a leadership vacuum in EU foreign policy that has resulted in the past in various efforts to form a *directoire*. This vacuum has been associated with the political and institutional

limitations of the rotating EU Presidency and other forms of EU external representation (like the 'new' troika, comprising the Commission, the Presidency and the High Representative) to provide such leadership. This need has been fully acknowledged in all deliberations of EU constitutional change, leading to the strengthening of the EU external representation, as encapsulated in the Lisbon Treaty. These limitations stem mainly from the collective incapacity of the EU political system to move majority voting in foreign policy issues from the realm of theory to practice (as stipulated in the Treaty of Maastricht) and make appropriate use of the 'constructive abstention' provisions (of the Amsterdam Treaty). Furthermore, the continuous membership expansion has further accentuated these political and institutional limitations, providing additional impetus to the leadership quest. This gap has been partly covered by the Commission, which provides such leadership vis-à-vis the EU external representation and relationship with IOs in its areas of exclusive competence, especially trade issues. Albeit an agent of the constituent EU member-states and thus subject to their often dysfunctional political coexistence within the EU structures, the Commission has often overcome – or perhaps taken advantage of – the deriving, inherent policy-making limitations and moulded the negotiation mandate according to its own preferences. As discussed by Kerremans, by skillfully orchestrating domestic political and societal opposition to national governments, more often successfully than not, the Commission has solidified its position in the EU inter-institutional power constellation, dividing and ruling EU member-states.

Among the external factors, the US presence emerges as a critical component of the EU–IOs relationship. As Smith argues in his contribution, US policies and actions in major IOs are explicitly or implicitly a major incentive or disincentive to EU engagement. In some areas, especially trade, the status of 'competitive interdependence' that characterizes the transatlantic relationship in the global political economy fully accounts for the EU's role and aspirations in the respective IOs. The US presence or absence in an IO feeds back into the practices and principles of EU regulatory and commercial policies, affecting not only the international opportunity structure for EU activities, but also the operational effectiveness of IOs and their legitimacy.

This seems to be the case not only in trade and more generally in the realm of political economy but also – and perhaps more convincingly so – on security. The evolution of the EU relationship with NATO is an illustrative example of this complex and – occasionally or potentially – competitive interdependence, as discussed by Ojanen and Sperling in this volume. Taking into account that the history of the transatlantic security relationship is basically a history of crises, it is necessary to reconsider the structural foundations of this relationship, based over time on three things: collective identity built around common values, economic interdependence grounded in common material interests, and reliance on norm-based, common institutions to regulate the relationship. None of the post-Cold War structural changes in world politics (i.e. the unprecedented American predominance and the rise of transnational terrorism in the post-9/11 era) may account alone for the current crisis in this relationship (Risse 2008: 78–9). In

that respect, Sperling discusses and points out the different institutional and self-ascribed role conceptions of Americans and Europeans in the security domain in an attempt to predict NATO's future. The EU–US security relationship, of which NATO constitutes the central pillar, may unfold in three ways, with the EU remaining a subordinate partner of NATO, evolving as a cooperative pillar or emerging as Europe's primary security institution replacing NATO.

According to Sperling, the prevailing option – and subsequently the future US role in the European security architecture – is conditional upon exogenous factors, primarily the nature and origins of the perceived security threats. The current conceptualization of the European security identity, nested in the broader transatlantic security identity, predisposes for an EU role of a subordinate partner of NATO. However, a broadened spectrum of security threats that privileges EU civilian crisis capabilities, as opposed to NATO's power projection capabilities, will transform potentially the EU to NATO's cooperative pillar. Furthermore, in the absence of an existential threat depriving an American-led NATO of its strategic salience and as American and European security interests diverge, the EU may emerge in the future as Europe's primary security institution disentangled from the US. Ojanen points out in her contribution that inter-organizational relations need not necessarily end up with organizations eating each other up but rather take the form of institutional transformation. This has been evident in NATO with the adoption of a functional response to the potential deadlock caused by consensual decision-making in a setting of diverging strategic views, threat perceptions and security interests. In such a setting, NATO members have resorted to institutional flexibility in the form of choosing levels of participation and commitment to address this fundamental problem that threatened NATO's own existence (Schimmelfennig 2008: 184–5). Still, the emergence of an EU caucus inside NATO brings about a profound transformation of the latter, affecting its *modus operandi* and the US role in it. Thus, systemic considerations in the form of the 'new' security challenges that the EU faces constitute a critical conditioning parameter of the EU–NATO relationship, the US role and the broader future of the transatlantic security community.

In addition to the US role and systemic considerations, the EU relationship with IOs in the security realm depends also on the security functions of the respective IOs. As Kirchner argues in his contribution to this volume, the EU is more prone to a cooperative engagement with IOs in cases of conflict prevention and assurance rather than compellence. Thus, the EU contributions to international security organizations vary accordingly, without suggesting, however, that growing contributions always lead to effective outcomes or a leadership role for the EU. This variation is largely attributed to the distinct and divergent national political and legal cultures that inform and underpin the security policies of EU member-states (Kirchner and Sperling 2007; cf. Katzenstein 1996). In that respect, it brings to the fore an additional overarching conditioning parameter of the EU–IOs interaction, namely the quest for a European security culture that evolves in a setting of competing national security discourses born out of different interpretations of history and country-specific experiences (Edwards

2006; cf. Jakobsen 2009; Neumann and Heikka 2005; Howorth 2004). The EU–IOs interactions are filtered through this heterogeneous mix of national security cultures, rendering some IOs more compatible with the EU ‘genetic code’ than others.

Finally, a brief note on the issue of overlapping membership between the EU and various IOs of mainly regional focus. Taylor brings up this topic in his examination of the EU–Commonwealth interaction, although in this specific case it does not raise any particular problems given that only three EU member-states are also part of the Commonwealth and actually two (Malta and Cyprus) are newcomers to the EU with marginal political significance. However, this point gives a lot of food for thought, especially considering that in a few other cases, like NATO for example, overlapping but not identical membership is an important source of tensions and may strengthen or undermine potential cooperation. In such cases of overlapping membership, all three sides have a distinct role and need further exploration. The countries that are members of both organizations may be ‘Trojan horses’, hijacking the IO agenda in pursuit of EU interests, or ‘hinges’, bringing the EU closer to the respective IO and vice versa. The EU members that do not take part in this IO may set their terms and conditions in the further evolution of the EU–IO relationship, as has been the case, for example, with the ‘EU neutrals’ and their role in the evolution of the EU–WEU and EU–NATO relationship. Finally, the other IO members that do not partake in the EU may also have their own say in the scope and format of the EU–IO interaction. Again, the example of NATO pops up, as illustrated, for example, by the role of Turkey in the conclusion of the Berlin and ‘Berlin Plus’ agreements.

Evolution of EU–IOs interaction

The second overarching research question we address in this volume is related to the dynamic and evolutionary nature of the EU–IOs interaction. Two features are critical in that respect. First, the successive rounds of EU enlargement have not only radically transformed its *modus operandi*, potentially at the expense of internal cohesion, but have also raised the EU collective capabilities. At the same time, membership expansion of IOs, like in NATO and the WTO for example, alters internal balances and affects the role of the EU in them. Second, the changing international role and aspirations of the EU and the IOs alike, associated largely but not exclusively with structural developments at the systemic level, bring to the fore new issue areas of potential friction and new cleavages, transforming the EU–IO relationship.

These issues have preoccupied most contributors to this volume to some extent, either directly or indirectly through their examination of the parameters conditioning the EU–IOs interaction, as discussed above. Ojanen captures the EU trajectory to international maturity and independent actorness, when examining the EU relationship *with* and presence *in* the UN and NATO. As she argues, the four forms of relationships that the EU has with NATO and the UN track the evolution in time of the EU’s actorness. Starting from a relatively modest intention

to coordinate foreign policies and seek common position whenever possible, the EU has gradually moved – with all given limitations – to being a fully-blown actor in its own right in the UN setting (cf. Laatikainen and Smith 2006). In defence and security issues, progress has been slower with the final stage being currently under way, arguably with the formation of an EU caucus inside NATO that will bring forward a profound transformation of the latter – and perhaps its end.

This development has no teleological or deterministic connotations whatsoever; the emergence of the EU as a security provider does not necessarily end up with the two organizations in a competitive relationship and/or eating each other up. As mentioned before, Sperling, in his contribution, associates the future of the EU–NATO relationship with the scope and nature of security threats. The ‘new’ security agenda that takes security conceptualization far away from territorial defence and links it with many EU horizontal policies, like, for example, energy, environment and migration, brings security and military cooperation in the EU from the back door. Emphasis shifts away from the intergovernmental approaches of the past that carry the burden of many failures and disappointments. This development has also very interesting theoretical implications for the study of European integration, adding considerable analytical leverage to neo-functionalist approaches that stress the spillover effect of these horizontal EU policies to the evolution of the EU international actorness and the articulation of an EU grand security strategy. Thus, the broadening security agenda casts its shadow upon the evolving EU interaction with the respective IOs in this field.

However, security is not the only field that has changed over time triggering a – perhaps unintentional – EU response that has strengthened the international presence of the EU. In contrast to security, world trade provides an illustrating example of a *shrinking* EU role in an IO. Smith, Young and Kerremans discuss *inter alia* and from different perspectives the diminishing capacity of the EU to determine the final negotiating outcome in the WTO. Such incapacity may be accounted for by reference to an inherent lack of internal cohesion as a result of the multitude of national interests represented by a sole negotiating agent (i.e. Commission) as well as a dysfunctional participation in the negotiations through the agent’s frequent attempts to bypass the nervous principals (i.e. member-states). More importantly, however, systemic changes, related not least to the ascendance of new powerful actors in world trade negotiations (i.e. the BRIC countries – Brazil, Russia, India and China, with Russia not yet a WTO member), have undermined the EU international economic role. Thus, these changes have altered the terms of EU interaction with major economic IOs and especially with the WTO. Such a development has occurred despite the EU enlargement that has increased in absolute terms the EU-generated trade volumes. This testifies the necessity for a concurrent analysis of internal (i.e. intra-EU developments) and external (i.e. systemic changes/other countries) features of the EU–IOs interaction.

Along these lines, systemic changes have also led to the gradual marginalization of a few IOs or at least their downgrading in terms of international political relevance and clout. Unlike NATO that has seemingly managed to overcome its identity crisis and find a role in the new European security architecture, other

IOs have been flirting with political obsolescence. In that respect, and given the EU international ascendance, the interaction of the EU with these IOs acquires different properties, becoming hierarchical and lopsided. Taylor has described such a growing asymmetry in the EU–Commonwealth relationship, discussing and indicating more generally how the EU imposes itself upon other IOs especially in its vicinity, often taking over their role and functions. Such a discussion becomes even more relevant in cases of IOs in crisis. At the same time, growing regionalism has created new or has upgraded existing country groupings (like ASEAN and MERCOSUR for example), with which the EU is engaged in a systematic, multidimensional and formalized relationship (Hardacre and Smith 2009; Telò 2007). Although such regional IOs and their interaction with the EU are not explicitly studied in this volume, they represent the other side of the coin, namely IOs in ascendance that pursue a more balanced relationship with the EU than in the past, reflecting the emerging, multi-polar, economic and political world order.

Effect of EU–IOs interaction

Finally, we have asked the contributors to examine the effect of the EU–IOs interaction on the functioning of either the EU or the IOs or both. Let us first consider the intra-EU effect of this interaction, i.e. the impact on the EU itself. The engagement of the EU in a structured relationship with an IO does not necessarily entail an embracement of the same underlying organizational principles and norms of function. Thus, the interaction may accentuate normative tensions within the EU itself, and create frictions between discourses developed at the systemic level and those within the EU, especially given the EU internal heterogeneity on this issue. Furthermore, given the oft-appearing lack of cohesion in EU negotiation positions and the subsequent centrifugal trends in the EU engagement in international negotiations, participation in IOs may uncover tensions between the EU commitment to processes of bargaining (which more often than not are of redistributive nature with internal winners and losers) and its self-description as a problem-solving actor. In that respect, the EU interaction with an IO may raise substantial ontological and identity issues, not least since some international settings, such as the UN, may increase the EU's tendency to become more a state-like actor itself – including becoming a permanent member of the UNSC. All these issues generate in turn questions about the 'normal' and 'appropriate' EU international attitude, how effective the international projection of its norms is, and whether the EU's coalition-building in the respective negotiations should be based on material or normative considerations. In a nutshell, interaction with IOs brings to the fore unequivocally the problematic EU's conception of its international role and especially its capacity to supply leadership within IOs on a consistent and continuing basis.

A second broad effect may be seen on the functioning of the EU, regarding both the inter-institutional power constellation as well as the EU's *modus operandi* (Oberthür and Gehring 2006). As far as the former is concerned, we have already

discussed, for example, how the interaction with the WTO generates domestic pressures for EU member-states, creating a window of opportunity for the Commission to seek a more influential role. In the same vein, initiatives to form an inner leadership group besides the existing EU institutional structures have been fuelled occasionally by the EU's incapacity to translate its numerical power in actual presence in IOs, like for example in the case of the UN. As regards the EU functioning modality, the very interaction with other IOs that do not share the same organizational characteristics may entail the danger for the EU to internalize an operational model alien to its current form, due to pressures for institutional isomorphism. For instance, in its dealings with NATO, the EU may be enticed to working in a more intergovernmental mode on issues of security and defence because of the very impact of NATO (Ojanen 2006a). The other side of this coin, which is related to the effect of these interactions on the IOs, i.e. the external aspect of this impact, reveals a substantial opportunity for the EU to export its organizational blueprint and shape the institutional format of other IOs. Such a process is currently undergoing in the EU relationship with regional organizations that seek to imitate the seemingly successful EU story. However, this is more the case for IOs in their infancy rather than for IOs in a phase of institutional maturity. Finally, an issue of concern remains the bridging of contradictions deriving from interactions with IOs in the same field but functioning under different logic and to what extent this may set the EU off course in its efforts to articulate and establish its international identity. The most illustrating case is the EU's effort to combine NATO-like independency and the interest-based functioning of the alliance with the UN-like emphasis on international inter-dependency based on global norms and collective interests (Ojanen 2006b: 51).

The impact on the IOs may be seen along two dimensions: the first is related to the institution-building process of an IO, in particular any EU institutional and organizational features that are 'uploaded' to the institutional design of the IO. The second revolves around the IO role, in particular whether the interaction has strengthened, undermined or simply transformed the functioning of the respective IO. As mentioned above, the EU may serve as an institutional blueprint for the set up of other regional IOs in an era of growing regionalism. *In extremis*, the idiosyncratic nature of the EU as an international actor, which profoundly sets in question the state-centred organization of international relations, may even entail an ontological challenge for some state-centered IOs. In that respect, IOs have to come to terms with new entities in international affairs, like the EU, and address many emerging issues, not least that of formal membership, adjusting appropriately their constitutional documents.

As regards the effect on the IO role, the international ascendance of the EU constitutes an existential threat for some IOs of regional focus, emerging as a potential competitor and thus questioning their *raison d'être*. The relationship among IOs need not always be symbiotic and some degree of organizational Darwinism seems to be in place generally. The EU may undermine the role of IOs, working 'against' them or simply taking over some of their functions, but does not sentence them necessarily to oblivion. Both NATO and the Commonwealth have

been or are challenged by the EU but have persevered. Although the two IOs differ in many respects, they show how to handle a closer engagement with the EU, sometimes – admittedly – at the expense of their own future role (Commonwealth) and sometimes striving for a complementary and not duplicating role assignment (NATO). In this institutional *bras de fer*, overlapping membership and the US factor play a critical role, as discussed above.

‘Effective multilateralism’ and future research agenda

The former High Representative for Common Foreign and Security Policy, Javier Solana, has pointed out that the EU is more successful in its international activities when it works together with other IOs such as the UN or regional organizations in Asia and Africa (Solana 2009). That is, ‘effective multilateralism’ in action! Indeed, as Kirchner argues in his contribution, during the past years, the division of labour at least in the international security framework (e.g. between the EU, NATO, the UN, the Council of Europe and the OSCE) has improved, with ‘interlocking’ aspects of the EU–IOs interaction becoming more prominent than the ‘inter-blocking’ ones. Such development is evident when comparing, for example, the inter-organizational cooperation in peace-enforcement and -building in the Western Balkans in the 1990s with more recent joint activities. However, he acknowledges that further cooperation is still required if the modern security threats, which are multidimensional and varied in nature, are to be met successfully by multilateral means.

Surprisingly enough, perhaps, the questioning of the EU’s commitment to ‘effective multilateralism’ comes from the field of political economy. In trade issues, for example, Young argues that the EU’s purported normative commitment to ‘effective multilateralism’ is not sufficient to overcome strong domestic political preferences. At the same time, as an influential actor in the Uruguay Round, the EU was able to shape the WTO’s rules in reflection of its own economic interests. Whenever these rules have generated inconvenient obligations, the EU, very much like other international state actors like the US, has struggled to comply, not least for reasons of internal political complexity. Such analysis points to a predominantly interest-based commitment to multilateralism, associated with Caporaso’s ‘instrumental multilateralism’ discussed in the introductory chapter of this volume (Caporaso 1992).

To our understanding, it is inevitable that the study of the EU–IOs interaction creates more questions than answers, bringing to the fore a number of enduring issues and tensions that need further exploration and delimit future research agenda. First, the inevitable contradictions between the articulation of ‘European interest’ – in itself a tantalizing process – and the construction of a normative, international ‘European identity’. Second, variations in the salience and effectiveness of multilateral commitments in different issue areas, deriving from the degree of intra-EU, policy-making maturity in each respective field, the exposition of the EU political system in domestic political pressures, and last but not least systemic developments that may alter the contours of international cooperation in a field.

Third, an inherent potential for lack of cohesiveness and contradictions between the EU's activities in various multilateral, minilateral and bilateral arenas, that may occur due to varying negotiation dynamics in different international forums.

The capacity of the EU to sustain such a commitment to multilateral cooperation and IOs seems inexorably linked with the different understanding by EU member-states of 'effective multilateralism' and the political connotations it entails for them. Each member-state is situated in a different location along the 'principled–instrumental multilateralism' continuum. Principled multilateralism entails generalized norms and values underpinning international modes of conduct, whereas instrumental multilateralism constitutes an *à la carte* institutional form of state action coordination according to particularistic interests of the constituent parties involved. Whenever the two are in congruence, the EU will successfully bear the flag of multilateralism and provide effective leadership in IOs, gradually translating its contributions into political ends and building up its international presence. In the opposite case, the EU will bitterly remember its own multilateral nature when member-states with a different understanding of 'effective multilateralism' will struggle to upload their own preferences. No matter what the outcome will be, this process will traumatize the further evolution of the EU–IOs interaction. Or will it be a blessing in disguise, another crisis that will make the European integration process stronger? {newpage}

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