

ISSUES

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Álvaro de Vasconcelos DIRECTOR

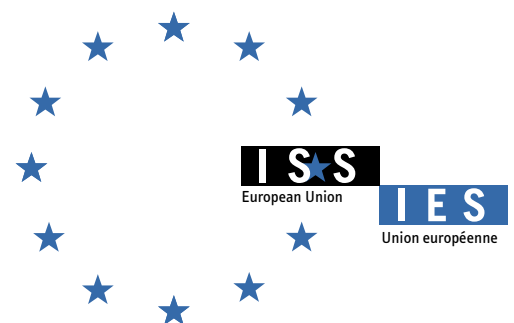
EUROPE: IT'S NOT OVER YET

The debate about Europe's place in the world has perhaps never been so intense, nor has it ever been so dominated by the idea that decline is inexorable. According to the declinists, seen from China, Europe – a once-powerful group of prosperous and able nations – is doomed to become a smallish peripheral peninsula of the Asian continent. That this view is gaining credence even with staunch advocates of the European ideal, who seem to have turned sceptical, is a worrying symptom of the growing despair arising from the so-called 'euro crisis' that has added to the uncertainty and fatigue that have accompanied the protracted process of EU Treaty reform.

Has Europe indeed crossed itself off the map of the future? Is past glory the one thing left, after having experienced an extraordinary, albeit brief, peak of achievement in overcoming nationalism? Or is it the case, conversely, that the 'European way' remains the best way out of the current crisis? Is it not the case, furthermore, that the Obama moment provides the EU with a golden opportunity to help shape the international environment in the sense that the Lisbon Treaty recommends and facilitates?

Believers in inexorable decline contrast Europe's current state of crisis with China and India's growth; they are keen to remind us that the current American administration is headed by the first 'Pacific President' – so called not because of being born in Hawaii, but for having made Asia his top priority. Those who think otherwise point out that the European project has survived a long list of severe crises: General de Gaulle's 'empty chair' in 1965 that kept France away from the Council for six months; the economic stagnation of the 1970s and early 1980s, when the term "eurosclerosis" was coined. They add that the EU market is the largest in the world, and that EU members' combined share of world GDP is also the largest.

More importantly, the European model of social cohesion, unity within diversity and solidarity among national states is unique. As a consequence, the Union musters formidable soft power, a crucial asset in today's interdependent world. In Jacques Delors's words, the European project is far from being over: 'If Europe's aim is to preserve its power and not resign itself to the inevitability of decline, then it should have come to Greece's aid without calling in the IMF. That was not a good thing.'



The European Foreign & Security Policy Institute

But the process of European construction has never been smooth and easy: it has survived many a storm. That is why I think it is still a project of vital importance for the generation of today and for future generations.'

It would be as naïve to deny the gravity of the current crisis as to consider that Europe has left the stage permanently to give room to others in the conduct of the world's affairs, especially as many of the issues with which Europe is confronted are also pressing issues for the new global players.

Europe's role in the world order will always depend on its ability in the years to come to consolidate the project of democratic inclusion on its own continent and to enlarge it to its neighbourhood. This ability is today closely linked to the EU's capacity to influence global trends and find solutions for problems that affect human beings across national divides, and to its capacity to assume common human interests, like international development or climate change, as its own and not lock itself into any short-term policies based on self-interest.

In today's interdependent world, Europe's place depends on the way it can influence the living standards of others through the model of its own achievements. President Obama recently said that the Greek crisis threatens the well-being of Americans. Many countries do indeed depend on sustained flows of EU trade and investment for their own growth. Thirty percent of BRIC's exports, and sixty percent of Russia's, are bound for the European market. Europe's capacity to overcome the crisis will determine its future as an international public good.

The impact of the crisis on Europe's place in the international arena is essentially a function of whether solidarity among states – the very foundation of cohesion and unity of purpose that binds them together – can withstand the pressures of multipolarity. Individually, all EU members are small players in the new global game and the world economy. With strong economic governance, one that goes beyond a successful monetary policy, the EU will not only be more capable of safeguarding the living standards of all its citizens but also of being a formidable international actor at a moment when financial and economic concerns are at the top of the international agenda. It would be strange if Europe failed to deliver where it is best equipped to act.

Since Monnet and Schuman, it has become clear that economic solidarity and strength are tools for political action. This was already the case with the post-World War II Marshall Plan, as it was also very much the case in the 1980s with Europe's support to Greece, Spain and Portugal, and later East Germany and Central and Eastern Europe in the 1990s. Sustained economic integration is at the heart of the European method.



Angela Merkel, George Papandreou, Nicolas Sarkozy and Herman Van Rompuy

This is definitely the case for the enlargement policy, as Southern European democracies will be the first to acknowledge. Today, to apply Monnet's method means coming to the rescue of those European citizens who are suffering the most from the consequences of the global financial crisis. Overall unemployment in the EU soared to 10.1% last April – with Latvia (22.5%), Spain (19.7%) and Estonia (19%) hardest hit – bringing the total number of unemployed across the EU to 23.3 million.

The difficult situation confronting many Member States is not however the Union's only concern. Despite the crisis, enlargement must proceed, together with support to the Western Balkans hopefuls striving to meet modernisation targets and membership criteria under the severe strains imposed by the crisis. Accession negotiations have started with Croatia, where negative growth is expected this year (current forecast for 2010 is -0.1%). The other candidate country seems to be a rare bearer of good news: Turkey's GDP is growing again, with a +2.6% forecast for the last quarter of 2010, in sharp contrast with the +0.2% average forecast for the euro zone over the same period.

Those who see Europe's economic project as separable from the European political project take a similar view, perhaps unknowingly, to that of the French Marxist

philosopher Alain Badiou, for whom Europe is not a political entity but a mere 'economic category.' In this respect, the current crisis offers an opportunity to prove the eurosceptics wrong yet again. The EU must rise up to the challenges of economic and social governance, coming up with a new EU-wide development model providing for the preservation of social cohesion and the transformation of environment protection into a driver for growth and a means to tackle unemployment. A development model, in sum, that would be in phase with the perception the world has of the European model: for the EU, the internal is indeed external.

While the gap between the 'old' and the 'new' Europe has barely been bridged, new fractures now appear to be weakening the Union at a time when it needs to muster all its many strengths. The EU will be a weaker actor in the international arena if inter-cine bitterness is allowed to erode the solidarity and cohesion that lie at its very foundation. There can be no such thing as a split EU, pitching the PIGS – a rather unfortunate acronym to designate, ironically, the formerly labelled 'cohesion countries' – against the economically well-behaved, just as it would be foolish to split the 'big' countries from the 'small' ones. Either there is one EU – based on solidarity among states and among citizens, focused on common interest and working for the common good – or the whole project will be severely compromised.

If in 2010 we can all be Greeks, the same way we were all Germans in 1989, Europe as we know it will remain a critical force for peace in the world. The 500 million-strong EU (a figure that will grow further still if enlargement is not abandoned) will thus be able to contribute its fair share to shaping the international order by impressing the brand of its model for multilateral governance, which is vital to the resolution of the serious challenges confronting an interdependent world. As German philosopher Jürgen Habermas noted, 'in a globalised world, we must all learn to integrate the perspective of others within our own perspective'. The EU must prove, first of all, that it is capable of integrating the Member States' various perspectives into one EU vision; this is the opportunity being opened up by the Lisbon Treaty. If this can be done, then the future of the Union will remain one of the best possible futures in the twenty-first century world.

Lessons from EUFOR Tchad/RCA

Paris, 18 March 2010

The EUFOR Tchad/RCA lessons learned seminar hosted by the Institute on 18 March facilitated a debate on the effectiveness of the EU mission in Chad. The discussions resulted in a number of recommendations for the planning, conduct and execution of subsequent EU operations and generated several ideas for the future of the CSDP.

European foreign policy and the Black Sea region

Paris, 16 April 2010

The Institute hosted the seminar titled 'European Foreign Policy and the Black Sea Region' on 16 April 2010 as part of the Harvard Black Sea Security Programme 2010. Some of the issues discussed included the respective roles of the EU, Russia and Turkey in the political development of the Black Sea region. Several unresolved conflicts block the smooth and constructive development of Black Sea regional relations, and many political, economic, environmental and security challenges remain unresolved. For regional cooperation to develop, a stronger sense of regional identity needs to emerge. There was broad agreement that Russia continues to play a predominant – but not always constructive – role in the development of regional relations.

Peacebuilding and the security-development nexus

New York, 26 April 2010



Álvaro de Vasconcelos and Pedro Serrano

The EUISS organised its third seminar in cooperation with the EU Delegation to the United Nations in New York on 26 April 2010, with the cooperation of the Finnish Permanent Representation to the UN. A group of some 40 UN officials, diplomats, researchers from countries such as India, Brazil, South Africa and China, as well as New York-based think-tanks and NGO communities took part in the debates. Central to the seminar was a discussion on

how to support peacebuilding in the field. It was determined that mediation capacities need to be developed at the local level in conflict prone and fragile countries. The resulting report of this seminar will be submitted to the EUISS Annual Conference in October 2010.

The Western Balkans: the path to EU integration

Sarajevo, 19-21 May 2010

With the objective of comparing the state of play in each of the former Yugoslav countries in relation to the process of European enlargement and to encourage a more effective international engagement in the promotion of integration of the Balkans, the Institute organised, with the support of the Foreign Policy Initiative BiH, a seminar which was held in Sarajevo from 19 to 21 May 2010. During the seminar Denisa Sarajlic-Maglic presented a Comparative Report for 2009 on Monitoring the BiH Integration Processes. Jacques Rupnik, EUISS senior associate researcher, highlighted during the conclusion of the seminar a number of basic guidelines for the EU to successfully move the Western Balkans away from crisis management and toward European integration.

Global governance 2025

Paris, 7-8 June 2010

This seminar addressed the interim findings of the project on 'Global Governance 2025' co-directed by the EUISS and the National Intelligence Council of the US. The aim of this initiative is to produce a joint assessment of the future governance gaps, opportunities and solutions to respond to far-reaching change in the international system. After extensive consultations with government, academic and business leaders across the main global regions, the Paris seminar gathered decision-makers from the US, the EU and EU Member States as well as prominent experts to debate the scope for global governance reform and the role of the EU in this context.

EU external policy under the Lisbon Treaty

Paris, 24-25 June 2010

With 60 qualified participants coming from different EU member states and EU institutions, the 24-25 June 2010 EUISS Conference organised in cooperation with the Spanish Presidency of the EU constituted

a timely opportunity to reflect on how foreign policy under the Lisbon Treaty should respond to global challenges. The conference was built on the premise that having outlined the features of the External Action Service, the EU now needs to concentrate on the substance of its foreign policy. The EUISS Annual Report 'A Strategy for EU Foreign Policy', which was released beforehand, serving as a basis for intense discussions during the conference.



Narcis Serra, Paris, 24 June 2010

Current challenges to humanitarian action in conflict situations

Paris, 28 June 2010

The EUISS co-organised a seminar with the International Committee of the Red Cross (ICRC) on 'Current Challenges to Humanitarian Action in Conflict Situations' in Paris on 28-29 June 2010. One of the objectives of the seminar was to highlight prospects for the European Union and humanitarian organisations. The debates focused on the diversity of humanitarian approaches and on key legal principles guiding it. More specific discussions touched upon war and displacement, civil-military relations and coordination among stakeholders. The seminar will feed the forthcoming discussions held at the EUISS Annual Conference in October this year on the role of civil society in global governance.

CSDP and Turkey

Paris, 28 June 2010

In collaboration with the Middle East Technical University, the Spanish Ministry of Defence and the Turkish Ministry of Foreign Affairs, the EUISS organised its third Seminar on CSDP and Turkey. Following two previous meetings in Ankara and Istanbul in 2009, this final seminar in a three-part-series took stock of the interaction between Turkey and the CSDP, focusing on practical recommendations for future improvements of the CSDP.

The EU in Bosnia and Herzegovina: powers, decisions and legitimacy

Occasional Paper N°83, March 2010

by Bart M.J. Szewczyk



The situation in Bosnia has increasingly deteriorated to such an extent that the current political atmosphere is, according to some observers, as tense and dangerous as before the war. Political deadlock is preventing progress on any substantive issues; there are renewed threats about dissolving the state; and Republika Srpska is officially defying the authority of the Office of the High Representative (OHR).

Bart M.J. Szewczyk analyses the legitimacy of past OHR decisions and, given the ongoing political problems in Bosnia, recommends that the Bonn Powers be retained by the OHR or the EU Special Representative, but with caveats. That is, that the Bonn Powers ought only be used to uphold the objectives justified under the Dayton Agreement: the preservation of peace, the promotion of the democratic process, and the protection of human rights.

A strategy for EU foreign policy

Report N°7 - June 2010

edited by Álvaro de Vasconcelos



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

The EU's ability to influence the international order will in future depend not only on its ability to bring together the whole of the EU – i.e. the institutions and, crucially, the Member States, who remain decisive in foreign and security affairs –

but just as importantly on drawing up a strategy for EU international policy to guide external action as a whole.

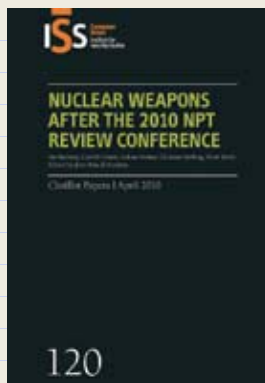
The European Union remains essentially a civilian power that confines the use of force to the most exceptional circumstances and broad international legitimacy. Soft power, nonetheless, is real power. This is all the more the case in today's interdependent world with its highly interlinked and networked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

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

Nuclear Weapons after the 2010 NPT Review Conference

Chaillot Paper - n°120, April 2010

edited by Jean Pascal Zanders



As of March 2010, 189 states are party to the Non-Proliferation Treaty, making it the most universal of all disarmament and arms control agreements. Just four countries remain on the outside: India, Israel, North Korea and Pakistan. However, each one of them is armed with nuclear weapons or widely believed to have stockpiled them.

The stakes in the 2010 Review Conference are considerable, because the previous meeting, held in 2005, ended without any substantive agreements and amid a lot of bitterness. But the cloud of pessimism about the treaty's future lifted somewhat with the election of US President Barack Obama. During a visit to Prague, he contemplated a world free from nuclear weapons as he reintroduced the notions of multilateral disarmament and arms control to the international security debates.

Chaillot Paper No. 120 continues a tradition of reflecting on issues affecting the NPT in the run-up to a review conference. As the 2010 Review Conference takes place amid rising proliferation concerns and a fresh focus on the global elimination of nuclear weapons, it examines closely the interface between the obligations in Articles IV (non-proliferation) and VI (disarmament).

Les dynamiques de mouvement de personnes

10 Papers for Barcelona - n°7, May 2010

par Bichara Khader et Catherine de Wenden



La question migratoire est en effet une question éminemment politique bien qu'elle ait aussi un caractère socio-économique, sociétal, fondamental. En d'autres termes, la gestion de la question migratoire est souvent conjoncturelle, elle n'est pas forcément rationnelle et souffre toujours du manque d'harmonisation des législations entre les 27 Etats membres.

Bichara Khader dresse un état des lieux de la situation et passe en revue les politiques migratoires de l'UE tout en mettant en exergue les contradictions flagrantes entre les « discours généreux » et les « réalités observables sur le terrain ».

Catherine de Wenden souligne, quant à elle, dans le cadre de son étude intitulée « L'Europe, un continent d'immigration malgré lui », que les Etats membres ne sont pas tous dans la même situation face aux questions migratoires, loin s'en faut. Si l'Allemagne est le premier pays d'immigration, suivi par la France, l'Espagne et le Royaume-Uni, des pays comme le Luxembourg ont une proportion d'étrangers de près de 30%.



EU ENLARGEMENT: A NEW HOME FOR BOSNIAN DIVERSITY?

On the road to European Union membership, Bosnia and Herzegovina (BiH) is currently lagging behind while its Western Balkan neighbours are fast making headway. This is somewhat paradoxical. Europe, with its rich tapestry of cultures, religions and ethnic groups, is a model of diversity. One would naturally assume then, that the European Union would provide a welcome home for BiH, accommodating the peoples of such a diverse country. But the socialist system that held the divergent peoples of BiH together has long fallen apart, and the fallout of the resulting wars that tore the region apart in the early 1990s has made the journey to this new home painful and slow.

It is frustrating then, for the average BiH citizen to see Central and Eastern European countries – themselves having made the transition from socialist systems to market-based economies – finding their way into the European family while their country remains firmly outside it. In the former Yugoslavia, its citizens felt that they were a *de facto* part of Europe: the standards of living at the time were higher than in many European countries, the country was undergoing extensive periods of economic growth and its citizens could travel abroad with relative freedom. But now the citizens of BiH feel isolated.

At present, 76 percent of the population of BiH are in favour of EU accession. Yet many of the country's political elite fail to mirror such ambitions. BiH's political leaders appear to be both unwilling and unable to undertake the necessary reforms to satisfy EU criteria and the expectations of Brussels. Neither does the nationalist rhetoric that continues to resonate in BiH provide an atmosphere conducive for the country's political leaders to reach agreement on reforms.

Under these conditions, BiH has experienced limited progress in the last 15 years. For its citizens, there remains no alternative: European and Euro-Atlantic integration is the only way of overcoming the long-standing crisis and to offer the citizens of BiH a better life. There

However, there is still a great deal of ground to be covered before the EU can open its doors to BiH. The democratic and human rights values common to all EU Member States have so far only been partially embraced and there is still room for improvement in creating the institutions and mechanisms central to establishing an effective rule of law. With BiH continuing to rank poorly on corruption indexes the sense of injustice felt by citizens only continues to be exacerbated.

BiH must also fulfil its duty in fully implementing the European Convention on Human Rights and Fundamental Freedoms. The EU clearly expresses the necessity for BiH to protect the rights and freedom of others, without discrimination, and with particular sensitivity toward vulnerable groups such as children, women, people with disabilities, war victims, ethnic minorities – particularly Roma – and sexual minorities.

For BiH to hasten the pace on its road to the European Union, the country must engage in the reform process with more willingness and energy than has been experienced so far. Citizens should mobilise themselves within civil so-

ciety organisations. This will give them a greater voice in making it clear that they expect a much faster reform process and *rapprochement* with the EU. A democratic and independent media is vital in supporting this process. New forms of pressure on governments and parliaments are needed at all levels to ensure a more efficient, accountable and pro-European policy, paving the way for the citizens of BiH to find a new home in the European family.



Catherine Ashton and Sven Alkalaj at the 2010 EU-Balkan summit in Sarajevo

are two reasons for this. Firstly, there is a sense of commonality between the values of European citizens and those of BiH – a sense of belonging to the European family. Secondly, undertaking reforms based on the EU's already accepted and adopted principles will, in BiH's case, prove far less problematic than trying to find a solution at the BiH-level. Harmonising with European legislation, with the *acquis communautaire*, will undoubtedly bring significant positive changes to the country.



THE EU IN THE WORLD: GLOBAL GOVERNANCE 2025

The US National Intelligence Council and the EU Institute for Security Studies launched in late 2009 a joint project on 'Global Governance 2025', with the support of the Atlantic Council of the US and the Transatlantic Policy Network. The aim of the project is to produce an informal joint assessment of the gaps, needs and opportunities in reforming the global governance architecture over the coming two decades. The context of this exercise is unprecedented. Far-reaching change in the international system entails long-term implications for the reform of global governance frameworks.

The speed of evolution of the international agenda, accelerated by the environmental emergency and the financial crisis, is striking. The test for multilateral cooperation lies less in tackling each separate challenge on its own than in managing their cumulative impact. The multiple links between climate change, resource scarcity and state fragility – 'hubs' of risks for the future – illustrate the interconnected nature of challenges ahead. The set of actors central to facing the problems and their solutions is growing larger and more diverse. Power is spreading away from the EU and the US and toward emerging countries, and from states to non-state actors. A vacuum of leadership might be looming ahead, as no country is in a position to drive the reform of global governance on its own. However, this challenges not only the EU and the US but also emerging powers as they rise in a deeply interdependent system.

Engaging new centres of power in the debate on global governance reform is essential to build mutual trust, achieve a shared assessment of the problems and take effective action. A team of experts from the US and Europe have travelled to Brazil, China, India, Japan, Russia, South Africa and the UAE. They consulted widely with government officials and business, academic and think-tank leaders to learn about respective views on priorities for international cooperation and options to enhance multilateral frameworks.

This exercise delivered a mixed picture. There is a broad acknowledgement that collective action at the international level will become more important to address a range of common challenges. However, perspectives differ on the relative importance of those challenges. For example, development and poverty reduction feature at the top of the agenda for countries like Brazil, India and South Africa, while threats such as nuclear proliferation are regarded as less pressing.

These insights carry two major implications. For one, while criticising 'Western' norms and arrangements, emerging countries have not consistently expressed a positive agenda to reform existing institutions. The 'script' of global governance reform remains to be written. For another, the alignment of different countries is likely to be very much issue-dependent, which suggests that a systemic contraposition between advanced and emerging countries, or between the West and the rest, is not on the cards for the foreseeable future.

As power shifts and deepening interdependence are re-shaping the international system, the scope for a 'grand bargain' to reform the global governance architecture seems very narrow. However, exchanges with partners in the course of the 'Global Governance 2025' project have exposed three dimensions of ongoing governance innovation. First, the rise of informal groupings, notably the G20, which mobilise collective leadership for problem-solving and mirror the changing balance of world power. Second, incremental progress in regional cooperation, above all in East

Asia but also in Africa and South America, which reflects the investment of leading regional actors in multilateral structures and a growing sense of regional self-reliance. Third, the major role played by non-state actors and networks as agenda-setters, providers of knowledge and expertise and partners in implementing decisions.

These are interesting pointers for future developments but fragmented initiatives will not suffice to address complex risks in a coherent and preventive fashion. There is a need for much work at the level of the interface between formal and informal, global and regional governance frameworks to ensure that they are mutually reinforcing. A joint US-EU assessment of long-term challenges, and of multilateral solutions, is a critical step toward fostering an inclusive debate with all key stakeholders and to take effective action on the global scale. The 'Global Governance 2025' project provides a contribution in this direction.



Barack Obama speaks during his closing press conference at the G20 summit in Toronto, Canada

Debates in partner countries showed that, in a more heterogeneous international system, respective assessments of what is fair and equitable often diverge, for example on trade and macroeconomic issues. The financial crisis has severely affected the credibility of the US and the EU as providers of economic stability and architects of multilateral arrangements. It has also turned most major powers inwards, which reduces the political space for negotiations at the international level.

In times of uncertainty on the global stage, national sovereignty is alive and kicking. On balance, leading countries take a selective approach to multilateral engagement, depending on whether or not it suits their short-term interests. Such an approach is, however, running into trouble because those powerful enough to afford picking and choosing 'suitable' regimes are growing more numerous. There is a risk of proliferation of different formats and of the resulting variable geometry getting unwieldy.

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