

# EUROPE DIPLOMACY & DEFENCE

THE AGENCE EUROPE BULLETIN ON CSDP AND NATO

## *Restructuring European diplomacy and defence*

The debate due to begin today on the external representation of the Union, in the framework of the second Brussels Think Tank Dialogue, comes just at the right moment. In a few days' time, on 9 February in theory, the European Commission is set to adopt a communication on "Europe in the World". However, as the authors of the "carte blanche" published today explain, in the absence of some thorough restructuring, European diplomacy runs the risk of obsolescence in a world in which the centres of power have moved and in which united efforts are de rigueur in the various multilateral bodies where the new sectorial agreements are being negotiated (climate, economic governance, financial services, trade, etc). Today, only the European Union can save the skin of its own Member States by acting as a amplifier for their influence and power to defend European interests and specific national interests, the latter being largely compatible with the former.

This evidence, however, comes under attack from the endless sniping by the governments in the priority issues which, as the above-mentioned "carte blanche" shows, brings with it the risk of undermining the image and capacity for action of the Union. To the point, also, that in the constitution of the European External Action Service, the stances of the individual nationales seem to take priority over the competences and functioning of the service and the strategy to be implemented. And, little by little, this embryonic European diplomatic service, which should have helped to save money (the Member States spend more than 7 billion euros on their national diplomatic services every year, not including humanitarian aid or operational costs) and committing to restructuring the national diplomatic services, leading to greater efficiency, is turning into a 28<sup>th</sup> service being infiltrated by the other 27!

But without doubt, the most absurd element of this saga is the attitude of the Member States which, despite budgetary constraints and the stratospheric amounts they spend on their national diplomacy, are obstinately refusing to give any margin for budgetary growth to the EEAS (476 million euros), the European Defence Agency (30 million) or, more generally, to the budget of the Union. On 4 January this year, we saw Michèle Alliot-Marie pleading the stabilisation of overall European expenditure and France is not the only one to take this view. With negotiations due to start soon on the forthcoming multi-annual financial framework, it already has the United Kingdom, Germany, the Netherlands and Finland behind it. It is against this backdrop that Commissioner Andris Piebalgs (Development) will coordinate a meeting of the members of the College on 2 February, tasked with examining the "External Relations" chapter of the forthcoming financial framework.

And with European defence moving towards strategic downgrading, due to the threefold effects of a lack of common strategic vision, continual underinvestment since the 1990s and unnecessary duplication of effort, the reflection on the implementation of the new provisions of the Treaty of Lisbon (permanent structured cooperation, solidarity clause, capability and armaments policy, etc) is also lagging behind. But this restructuring, as urgent as it is, is not ready to see the light of day with a High Representative who seems committed to undoing everything her predecessor so patiently tried to build up. In Catherine Ashton's eyes, the EU is nothing but a "soft power" which cannot and "should not necessarily react to political events as quickly as the Member States". Moreover, in one year she has made a very good job of reacting belatedly and she has never considered even the slightest mission. As for the military dimension of the EU, this has quite simply been erased, as demonstrated by the recent reorganisation of her cabinet around three focal points: foreign policy, external aspects of internal policies and coordination. Could someone please remind Baroness Ashton that she is "High Representative for Foreign Affairs and Security Policy"?

Olivier Jehin

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*Carte blanche*

## Upgrading the EU's Role as Global Actor

*By Michael Emerson, Rosa Balfour, Tim Corthaut, Jan Wouters,  
Piotr Maciej Kaczynski, Thomas Renard \**

Globalisation, the rise of the BRICs and the new multipolarity mean fundamental changes for the nature of international diplomacy globally, but most of all for the small and medium sized countries that make up the EU. The national foreign services of the 27 member states now exhibit accelerating obsolescence and waste of precious resources, since they individually have little or no chance of having any serious impact on many if not most global affairs. The EU as a single actor could have some such impact, if of course it literally gets its act together. The Lisbon Treaty innovations, with the enlarged responsibilities of the High Representative and establishment of the European External Action Service (EEAS) come not a moment too soon, and how to make real use of them is now the question.

Many people are understandably saying, after the long travails of the Lisbon Treaty, that it is time for the EU to get into the substance of foreign policy, rather than continue negotiating internally over who does what. Certainly the real issues are pressing, every month or even week – last month Cancun, last week Belarus, this week Tunisia ... next week who knows? But still it is too easy and premature to say that institutional issues can be given a long rest.

There are three institutional issues that are not yet sorted out, if the EU is to become a world-class foreign policy actor over the next decade or two, which is our premise.

The first and immediate issue is to tidy up the loose ends of the Lisbon Treaty, which is not sufficiently precise or explicit on who in some circumstances should represent the EU and negotiate on its behalf – the High Representative, the Commission, the EU delegations or the rotating Council Presidency. In particular in the many fields of ‘shared competences’, that are shared between the EU and its member states, there remains an annoyingly extensive grey area, which provokes competition, tension and even inter-institutional conflict mainly between the Commission and member states in the Council. A current case in point is who should negotiate a new international treaty to control the use of mercury. Much of 2010 was taken up in an inter-institutional scrap over this question. In the end a compromise seems to have been arranged by the Belgian Presidency at the end of last year (which in passing we applaud for its by-and-large most constructive and efficient handling of post-Lisbon issues, despite deplorably nihilistic tactics by some foreign ministries). This scrap meant that last year the EU had initially no agreement as to who should present the EU position at the Stockholm international mercury conference, resulting in embarrassing public in-fighting on the conference floor. Moreover, there are still almost daily reports of many more instances of petty tug-of-war in the most diverse international fora, involving the Commission, the Council and its Presidency and the local EU delegations. This kind of institutional disorder has to stop, through some kind of institutional understanding or entente. Neither European public opinion nor the EU’s partners in the world have any patience for this bickering, and Europe only loses from it.

The second and much bigger issue is the status of the EU in multilateral organisations, including the UN system, the IMF and World Bank, and many other bodies or procedures that execute multilateral treaties. The member states are in general full ‘members’ of these organisations, whereas the EU’s status is often just observer, only sometimes a ‘member’ or full contracting party, sometimes completely absent even when its legal competences are involved. The UN system has invented the category of ‘regional integration organisation’, which some but far from all of its bodies have agreed to use to justify the presence of the EU. There is now a large collection of institutions where the EU’s status is not adjusted to the level of the real competences which its member states have delegated to it. In one important case, the UN General Assembly, the Lisbon Treaty has even had the unintended effect of backwards movement (Lisbon gives either Van Rompuy, Ashton or the Head of the EU Delegation – according to level of the meeting) the task of representing the EU there, but the rules of procedure say the EU now can only speak as observer after the 192 member states, whereas before the rotating Presidency member state could

intervene in a timely manner). A proposal to rectify this has been made, but failed to pass at first discussion in the Assembly, and needs now to be re-submitted. But there are many other anomalies. The Eurozone should have a single seat at the IMF Executive Board, and the EU should surely at least be observer at the World Bank Executive Board. Many other cases are behind the times, including several sectoral organisations such as for maritime and air transport where the EU's extensive internal market law has to sit alongside international law, and often actually lead its development. But all this is a huge agenda, the EU having already been party of one kind or another to 249 multilateral treaties. It is an agenda for a decade or two, but which needs to be engaged resolutely and with diplomatic skill without delay, and with the full backing on the member states (again at times deplorably lacking).

The third issue is the restructuring of European diplomacy. The 27 member states have 3,164 diplomatic missions, employing 93,912 staff (of which 55,441 full diplomats, which is about twice as many as the US), costing €7,539 million (these figures exclude aid administration and operational expenditures). By comparison the EU starts its new foreign service with 136 missions (delegations), 3,720 staff (of which 1,643 diplomats), costing €476 million. The three largest diplomatic corps in the EU, those of Germany, France, and the UK have each around 12,000 staff. The member states spend about €16 per capita of population on average on their diplomatic corps; the new EEAS costs €1 per capita. At the functional level one can envisage a gradual transfer of functions to the EEAS to cut gross duplication or to achieve more effective impact. The functions may concern political and economic reporting, consular services including visa issue for Schengen states, humanitarian and crisis management operations, and also more economical co-locating mini national embassies with the EU delegations. The fundamental change, however, is in the nature of the new global diplomacy, which is increasingly a matter of global regulatory activity (trade, financial markets, transport, energy, environment etc.), and these are within the EU Commission competences rather than the High Representative. For these functions the delegations in major capitals will have to have sectoral specialists, since the subject matter cannot be really handled by generalist diplomats, and certainly not 27 times over in the member state embassies. Meanwhile many missions by small member states in small partner states can be cut back – Sweden here leads the way, closing its embassies in Slovakia, Slovenia, Luxembourg and even Belgium (where it co-locates an ambassador in its EU mission), and also in several important countries in other continents.

In this context the declared intention of the member states to limit the budget for the EEAS alone to 'towards budget neutrality' is the work of small-minded bookkeepers in alliance those in foreign ministries who want to keep the status quo (a 10% increase in the EEAS budget would amount to 0.03% of the EU budget). Yet this would mean strangling the EEAS at birth, while also missing a chance to achieve real budget savings by combining a steady but moderate growth of the EEAS with a slimming down of national foreign services in an integrated restructuring operation. The present authors have worked out quantified restructuring scenarios for adapting European diplomacy to the new global multipolarity, together with detailed reviews and recommendations also for the other two topics here summarised, in a new book just published<sup>1</sup>. We warn that failure to act along these lines will result in an increasingly irrelevant, obsolete and wasteful European diplomacy.

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<sup>1</sup> 'Upgrading the EU's Role as Global Actor – Institutions, law and the restructuring of European Diplomacy', available at [www.ceps.eu](http://www.ceps.eu).