

TOWARDS AN EU STRATEGIC CONCEPT

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ABSTRACT: The article 'Towards an EU Strategic Concept' examines the state of the EU's foreign and security policy after the Iraq war and after publication of both the Convention's draft constitutional proposals and Mr Solana's European security strategy paper. It suggests that while the Iraq war caused considerable damage to the EU there is now a desire to move forward as evidenced by the welcome all member states gave to the Solana paper at the European Council meeting in Thessaloniki. There remains much work to be done and there are difficult choices ahead, especially in the EU's relations with the United States.

Introduction

In June 2003, Javier Solana presented his European Security Strategy (ESS) paper to the Thessaloniki European Council. In the same month the Convention on the future of Europe finished its deliberations and included proposals to strengthen the external relations of the European Union (EU). The demand for the Solana paper came partly as a result of the Union's open disarray during the Iraq crisis and partly in response to the US national security strategy paper of September 2002 that secured worldwide headlines for its open promulgation of 'pre-emptive strikes'. This article examines the state of the EU's foreign and security policy on the eve of the intergovernmental conference (IGC) and just a few months before the biggest-ever EU enlargement.

Lack of coherence

Individual Member States have their own security concepts but the Iraqi crisis exposed the vacuum at the EU level. According to polls,

European citizens, especially in Romania, are overwhelmingly in favour of 'more Europe' in the foreign and security policy fields. This public support and interest, as was evident in the massive anti-war demonstrations throughout Europe in February 2003, is something on which to build. The Union's lack of coherence on Iraq had a damaging effect on its identity, credibility and institutional structures as well as impairing trust between Member States. As the EU foreign ministers seem to recognise, there is an urgent need for the EU to agree on a basic security concept if it is to develop further as a major international actor. No one doubts this will be an easy task, especially as the very nature of security is evolving as a result of the end of the Cold War, globalisation, extreme disparities in global wealth, regional tensions, ethnic disputes, international terrorism and rising trans-border crime. Furthermore, for many years European elites have become so accustomed to the United States (US) taking the lead in international security that they have lost any

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sense of responsibility for playing a role themselves. This attitude must change.

New threats – new roles

The EU is not threatened by military attack from any other state or regional grouping. But security today is much more than the absence of any direct military threat. According to the ESS, the EU's security could be threatened by instability in its immediate neighbourhood, interruption to its energy supplies, terrorist attack, the spread of weapons of mass destruction (WMD) as well as a breakdown in the multilateral system that has developed since 1945. The EU's security is thus inextricably linked to developments in the global arena.

In recent years the EU has played an increasing role on the international stage. It is not a military power like the United States (US) but has a wide range of tools to exert influence and defend its interests. When the Union speaks with one voice as it does in international trade negotiations its views command respect. When it fails to do so, as in the Iraq crisis, the Union lacks influence and credibility. The EU's poor performance on Iraq should not hide the fact that it is now the main promoter of stability in the Balkans and its Member States have more peacekeepers on the ground there, and in Afghanistan, than the US. The Union has also shown itself capable of taking a global leadership role in areas from global warming (Kyoto Protocol) to the International Criminal Court (ICC), in both cases in opposition to the US. The EU has also been a staunch defender of the United Nations (UN) and other institutions of global governance. Here again, there is an area of growing disagreement with the US with its preference for à la carte multilateralism.

Economic giant

The EU's economic strength and size means that it cannot escape global responsibilities. It has a gross domestic product (GDP) of around 8.5 trillion euros accounting for about one fifth of world output and a population of 375 million. The enlarged EU of 25 Member States will be the biggest single market in the world, with more than 450 million people and a GDP equal to, if not larger than, that of the US. The EU is the world's leading exporter of goods and services and a major source of foreign direct investment. It is the main export market for more than 130 countries around the world, has the largest integrated market in the global economy and the world's second reserve currency. Its main trading partners are the US, Japan, China, Turkey, Switzerland and Russia. The EU plays a vital role in the WTO and was crucial in setting the agenda leading to the launch of the Doha Development Agenda (DDA) in November 2001.

Common values, different traditions

The EU's external policies are founded on the same values and principles that underpin its internal development, namely support for democracy, the rule of law, human rights, market economy, solidarity, sustainable development and the preservation of national and cultural diversity. The EU is still struggling, however, to agree on some of the major issues of international security, particularly those involving the threat or use of military force. There are different strategic cultures, traditions, and capabilities in the Member States. Most Member States belong to NATO but some do not and reject any moves for closer defence cooperation. There are divergent views on threat assessments. Indeed

there is no real Union mechanism to assess threats and it is to be hoped that the debate on a EU strategic concept will accelerate such a capability. There is an urgent need for more intelligence cooperation and sharing, and more joint diplomacy. These problems, however, can only be overcome with time, by building on areas of agreement and joint action. In the meantime, enhanced cooperation may be a practical vehicle to drive CFSP and ESDP forward.

There is, for example, very broad support for conflict prevention and peacekeeping operations. The first operational steps have been made on the security front in 2003 with the EU taking over peacekeeping operations in Macedonia, Bosnia and the Congo. These modest first steps need to be followed by the EU fulfilling its commitment to establish a 60,000 rapid reaction force (RRF) later this year to deal with peacekeeping and peace enforcement missions. The continuing capability gaps must be addressed.

The Convention

The structures of the common foreign and security policy (CFSP) of the Union were under discussion at the Convention on the future of Europe. A number of useful proposals were put forward to strengthen both the foreign and defence policy arrangements. Agreement on granting the EU legal personality is a step forward. The proposed new Foreign Minister could be a strong figure in EU external policy based partly on an EU diplomatic service. But structures alone are insufficient. The EU needs to develop and maintain the political will, as well as the institutions, to act together on the world stage. Such a move is even more imperative in light of the forthcoming enlargement of the Union

to 25 Member States. There is still too much emphasis, however, on intergovernmental decision-making.

Relations with the US

One of the key issues is how to respond to a US that has stated it will tolerate no challenge to its unique superpower status and has a security doctrine based partly on the concept of pre-emptive strikes. For the first time since the start of European integration, there are voices in the US questioning the wisdom of supporting the idea of a strong, united EU speaking with one voice. Developing a new partnership with the US will thus be a major challenge for the EU.

Some present and future Member States seem prepared to accept a unipolar world while others would prefer a multipolar one. These are false choices. The EU must support a multilateral framework of global governance based on the rule of law. This is not due to any alleged military weakness but is in the interests of all states, including the US.

Key Recommendations

- EU foreign policy must be based on shared values and principles. Make more use of conditionality to pursue EU values and interests
- Strengthen support for global governance and EU's voice in multilateral institutions.
- The IGC should agree more qualified majority voting (QMV) to improve CFSP/ESDP decision-making structures, essential in an enlarged Union of 25/27 Member States. Reinforced cooperation may be an important instrument to overcome blockages.

- Continue priority to immediate neighbourhood (Central and Eastern Europe, Russia, SE Europe, Mediterranean and wider Middle East). Continue enlargement process, put increased resources into neighbourhood policy, tackle unresolved issues in the Balkans, reinvigorate Barcelona process, continue pressure for implementation of Middle East Road Map.
- Establish an EU threat assessment mechanism. Discuss threat assessments with European Parliament and national parliaments. Agree criteria for use of force.
- Need for more intelligence sharing and cooperation. Increase conflict prevention efforts.
- Establish joint diplomatic missions, EU task forces.
- Ensure Rapid Reaction Force (RRF) is on target. Tackle capabilities gap. Encourage more sharing of defence assets. Change ministries of defence to departments of international security
- Increase development assistance to 0.7% GDP. More emphasis on good governance.
- Ensure balanced approach in tackling terrorism and proliferation. Need to strengthen existing inspection regimes.
- Develop EU/NATO relations to ensure coherent division of labour.
- Seek partnership with US based on shared values and interests (Balkans, Afghanistan, HIV/AIDS). But disagree when necessary (Kyoto, ICC).
- Ensure more consistent approach between all policy areas impinging on external security (trade, development, immigration, CFSP).

EU values and interests

The EU has an interest in promoting a world order akin to that between its Member States. In the past 50 years the EU has succeeded in developing a genuine security community in which it is unthinkable today that problems between members would be resolved by force or even the threat of force. This is a truly historic achievement when one considers the often bloody and terrible history of past centuries, particularly the first half of the 20th century. The conditions for this development have included tolerance, growing economic interdependence, an unprecedented pooling of national sovereignty and unique institutions representing states, citizens and the common European interest. Largely as a result of its history and the inspiration of its Founding Fathers, the EU has a firm interest in promoting its own values and model of society to the wider world. The Union has had most success in exporting its values and standards to the EU's immediate neighbourhood through a variety of contractual agreements, including the very important carrot of EU membership.

The Treaty on European Union (TEU) defines the objectives of the CFSP “*to strengthen the security of the Union in all ways to safeguard the common values, fundamental interests, independence and integrity of the Union. . .*” It adds that this goal should be pursued “*in conformity with the principles of the United Nations Charter*.” It also defines the objective “*to develop and consolidate democracy and the rule of law, and respect for human rights and fundamental freedoms.*” In addition, EU development policy “*shall foster sustainable economic and social development, promote the smooth and gradual integration of the*

developing countries into the world economy and tackle global poverty”.

These objectives enjoy widespread support by all Member States and citizens of the Union and represent a coherent set of values-based policy goals for the external relations of the Union. They should be given greater prominence in external policy through increased resources and greater use of conditionality

Globalisation and The Rule of Law

Most EU members have long recognised their impotence acting alone on the world stage. Nor is acceptable that the strong should impose their will on the weak. The only alternative, therefore, is a rules-based international system that protects the interests of all. Member States have accepted that EU law overrides national law and the readiness to accept shared sovereignty means that the EU is perhaps more willing than most to seek a strengthened system of global governance based on the UN system. The acceptance of the Charter of Fundamental Rights within EU law and EU support for the ICC are examples of this trend. The medium term goal for the EU should be a reform of the UN Security Council including a single EU seat.

The enormous expansion of cross-border trade in goods and services, and in foreign direct investment, as well as in international telecommunications and the services they facilitate has created a global economy in which all national economies are inextricably embedded. This increasing economic interdependence means that in most countries governments are largely powerless to impose their will on their economies if this implies acting contrary to international markets. Growing interdependence also means that

economic performance in one country impacts on the lives of citizens elsewhere. For example, both the growth of the US economy in the 1990s and the downturn of the US economy after 9/11 had a major impact on the EU. This is also true as regards the global environment. Greenhouse gas emissions in Europe or in North America can contribute to the magnitude of floods in Bangladesh or to the incidence of hurricanes in the Caribbean. In today's world, economic acts have become in practice instruments of foreign policy. Hence the necessity of a rules-based international system.

The Market Economy

The Union has an interest in shaping a global economy based on social market principles, the principles that have characterized the EU since its birth. It is on this basis that the Common Market was created, the competition policy implemented, and the Single Market created. Within the last decade, economic policies in Europe, as elsewhere in the world, have moved away from an interventionist model and towards a reliance on competition within open markets to generate economic growth and prosperity. At the same time the EU has developed a distinctive social and economic model with the emphasis on social solidarity, regional cohesion and environmental sustainability.

The EU pursues these principles through its support for trade liberalization under the WTO. The principle of solidarity also implies that the process of liberalisation of trade in particular and of globalisation in general are managed in such a way that they benefit all countries. Hence the emphasis on the need for Doha to lead to a result to the benefit of developing countries. The EU could have a

much more effective voice in the international financial institutions (e.g. IMF, World Bank), that often play a key role in world affairs, if the Member States were prepared to act together. This issue needs to be addressed both in the Convention and in relevant Councils. The Union also needs to take all decisions on trade policy by qualified majority vote (QMV). Article 133 of the treaty needs to be amended accordingly.

Democracy, Good Governance and Human Rights

Democracy and human rights are core Union values that the EU seeks to promote beyond its borders, using a mix of conditionality (Copenhagen criteria, trade and association agreements) and financial and technical support. More resources need to be devoted to the promotion of these core values with the priorities being the EU's immediate neighbourhood and the wider Middle East. Democracy involves much more than occasional elections. It requires a vibrant civil society, a free media and good governance. Corrupt, failed and dysfunctional states can swiftly become breeding grounds for new security threats. The EU must give increased priority to these issues. It must also agree guidelines for military intervention for humanitarian purposes and to protect human rights. At present only the UNSC or article 51 of the UN charter provide legitimate authority for the use of force. Given the changed nature of security it is time to revisit this issue.

Sustainability

The concept of sustainable development has been a major EU policy aim for many years and was incorporated into the TEU in 1997. The adoption by the European Council at

Gothenburg in June 2001 of a Strategy for Sustainable Development has begun to turn this into practical policy. On global climate change and all other issues related to international ecological interdependence, there is simply no viable alternative but to pursue accelerated multilateral action and the EU should certainly continue to take the lead in this as it did with regard to the Kyoto Protocol. If the EU is seen to be implementing policies designed to make its own development sustainable, its credibility on the international stage will grow correspondingly.

Preservation of National Identity and Cultural Diversity

Europe is a microcosm of the world community in that it is a mosaic of overlapping, distinct ethnic groups with clearly defined cultural differences and political borders inherited from the past, which only partially reflect these ethnic groups. The European experience of sharing sovereignty in order to more effectively pursue its interests, while respecting these cultural and ethnic differences, can provide lessons as to how the world community can deal with similar problems. Certainly the proliferation of regional bodies would seem to suggest that the EU model is widely admired.

The changing nature of security

During the Cold War, security policy was clear, a US-dominated NATO versus a Soviet-dominated Warsaw Pact. Security policy was largely confined to a few experts in nuclear deterrence. For the first 30 years of its existence there was no real attention to foreign and security policy at EU level. With the collapse of communism, the military division in Europe was overcome and the EU (and

NATO) prepared for enlargement. Within the EU there was no debate, let alone agreement, on what were the new security threats and priorities. The EU reacted to but was unable to prevent the conflict in the Balkans. It was US military force that brought Milosevic to the negotiating table at Dayton and ended ethnic cleansing in Kosovo. For the EU, lessons were learned as to the diverse nature of security threats as well as the need to improve military capabilities.

In the decade after the end of the Cold War, the US developed a military capability that dwarfed all other nations or regional groupings. But this awesome military power cannot tackle problems associated with globalisation such as financial instability, poverty, unequal development or deal with ethnic and religious disputes. It could also not prevent the worst terrorist incident in history on 11 September 2001. The terrorist attacks on the Twin Towers in New York and on the Pentagon ensured that international terrorism became the number one security threat for the US. The ability to inflict massive destruction was no longer confined to nation states. The new threat heralded a fundamental and ongoing change in the geopolitical landscape and a dramatic change in American attitudes toward security, culminating in the doctrine of pre-emptive strikes.

The European response to 9/11 was impressive and far-reaching but EU Member States did not agree on the role of military forces in dealing with so-called rogue states such as Iraq (or Iran or North Korea) or in combating terrorism. Significantly, most Europeans spoke of the *fight* against terrorism while the US spoke of a *war* against terrorism. Some analysts have pointed to the growing propensity of the US to seek 'military'

solutions to problems, largely as a result of its immense military power. But others have cautioned that power in today's world involves more than military muscle. Political, diplomatic, economic, financial and other tools - soft power - are essential in tackling most of today's security problems. For example, the reconstruction of 'failed states' is an enterprise that requires all the above tools, plus considerable civilian administration expertise, and patience.

While the EU is correct in giving increased attention to international terrorism, there is also a danger in exaggerating terrorism. The EU cannot ignore other security threats, some of which may be related to terrorist activities. In particular the EU must pay greater attention to both 'failed states' and dysfunctional states, of which there are many in its neighbourhood.

As regards territorial defence, there is no challenge in Europe to the dominant role of NATO. The EU was never responsible for territorial defence, a task for NATO and the Western European Union (WEU). But the impact of 9/11 led to discussion of the need for a solidarity clause, lest a Member State was subjected to a terrorist attack, and rekindled debate about a mutual defence clause being included in the Union. It would be inconceivable that if a Member State was threatened or attacked that all other Member States did not offer assistance. If members are serious about a political union then there should be no argument about the necessity of a mutual defence clause. Many members of the Convention posed the question as to whether it is now appropriate for the enlarged Union to take on responsibility for its own security. To put it another way, how long can Europeans expect Americans to take prime responsibility for their security?

Threat assessment

Although there is no direct threat to the Union's territory, the EU needs to discuss and establish a list of priority threats. Such a list cannot be static or exhaustive, but the Union must refrain from a lengthy shopping list of priorities that would undermine its seriousness. Any such list should include the stability of its neighbourhood, including the Mediterranean and Middle East, tackling global poverty, strengthening multilateral institutions and international law, terrorism and the proliferation of WMD. This list should be discussed with the US and the Union's other principal partners in the knowledge that there is and never will be absolute security.

At the same time the EU must examine what tools it has, at Union and Member State level, to meet these threats. Too often in the past there has been a mismatch between EU objectives and instruments. Some capabilities, such as support for economic transition and civil administrations, are well developed. Elsewhere there are serious gaps. For example, the Union must improve its military capabilities, not least to ensure that it can undertake the Petersberg Tasks (peacekeeping, peace enforcement, humanitarian support). In an era of tight budgets, these improvements are likely to come from sharing of facilities and joint procurement. The EU must also significantly improve its decision-making structures in the field of CFSP and defence policy. There were some encouraging proposals on the table at the Convention but regrettably no advancement in QMV for CFSP.

The EU's neighbourhood

Enlargement

Over the past decade, the Union's most successful foreign policy instrument has

undeniably been the promise of EU membership. The enlargement strategy, underpinned by massive financial and technical assistance packages (e.g. Phare, Sapard, Ispa), has borne fruit with ten new Member States ready to join the Union on 1 May 2004. Other countries, including Bulgaria, Romania, Turkey and Croatia, also have a perspective of membership, as do other countries in SE Europe. Ensuring the success of the current enlargement process and preparing other neighbours for future accession should be a major priority for the Union.

The EU's relations with South Eastern Europe

Following the bloody tragedy of the Balkan conflicts during the 1990s, when the European performance was less than glorious, the Union has now made substantial progress in ensuring stability in the region. It has negotiated Stabilisation and Association Agreements (SAA) with Bosnia and Herzegovina, Croatia, the Federal Republic of Yugoslavia (FRY), the Former Yugoslav Republic of Macedonia (FYROM) and Albania, which seek to underpin the reform process and prepare the countries for the ultimate goal of EU membership. Since 1991, the EU has provided more than €6 billion to the region through its various aid programmes and by 2006, that figure will have risen to some €10 billion. In addition, the countries of the region benefit from generous trade preferences with a majority of products enjoying duty-free and unlimited access to EU markets.

The Union must continue to view SE Europe as a priority because it is an area with a number of highly dysfunctional states where the potential for armed conflict and social

unrest remains. A failure to stabilise the region would lead to increased crime affecting the Union and also be a blow to the EU's credibility with the US and others. The final status of Kosovo (and Montenegro) must be tackled in the near future.

Neighbourhood Policy

The EU has signed Partnership and Cooperation Agreements (PCAs) with nearly all countries of Eastern Europe and central Asia, including Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Mongolia, Russia, Turkmenistan, Ukraine and Uzbekistan. PCAs are legal frameworks, based on the respect of democratic principles and human rights, that set out the political, economic and trade relationship between the EU and its partner countries. This legal framework is supported by a substantial technical assistance programme (Tácis.) Between 1991 and 1999 €4,226 million were committed through the Tácis programme, and an additional €3,138 million is foreseen for 2000-2006.

The EU's relations with Russia are of special note given its size, geography, history, natural resources and international role. In 1997 the EU agreed a common strategy towards Russia that was lengthy in words but short on content. The EU is correct to identify Russia as a strategic partner and must put more substance into the relationship. President Putin would appear to share the EU's views on the importance of multilateral institutions. This could be the basis for closer political cooperation to augment the growing trade and economic relationship. Continued EU support for Russia's WTO membership should be another EU priority.

Recently the EU has proposed a neighbourhood strategy, setting out a new framework for relations with Russia, Ukraine, Belarus and Moldova, and the Southern Mediterranean countries that do not have the perspective of membership. It suggests that, in return for concrete progress demonstrating shared values and effective implementation of political, economic and institutional reforms, all neighbouring countries, depending on their performance, should be offered the prospect of a stake in the EU's internal market. It will be important to devote adequate resources to this strategy if the EU is to succeed in its aim of helping to develop a ring of stable and increasingly prosperous friends in its neighbourhood.

The Mediterranean and Middle East

The Mediterranean and Middle East are areas of essential strategic importance to the EU.

The flagship policy of the EU in the Mediterranean is the Barcelona process, launched in 1995, and including Morocco, Algeria, Tunisia (Maghreb); Egypt, Israel, Jordan, the Palestinian Authority, Lebanon, Syria (Mashrek); Turkey, Cyprus and Malta; Libya currently has observer status at certain meetings. The main principles of the Barcelona Declaration are to establish a common Euro-Mediterranean area of peace and stability based on fundamental principles including respect for human rights and democracy to create an area of shared prosperity through the progressive establishment of a free-trade area between the EU and its partners and among the Mediterranean partners themselves.

The MEDA programme is the principal financial instrument of the European Union for the implementation of the Euro-Mediterranean Partnership. For 1995-1999 the programme

accounted for € 3.435 billion with € 5.35 billion foreseen for 2000-2006. Despite these optimistic aims and substantial resources it is doubtful that the Barcelona process can be described as a success. Both sides must assess the reasons for the failures to date and draw up both regional and bilateral programmes which are transparent and realistic. The EU should emphasise more the use of conditionality.

The publication of the Middle East Road Map means that the EU, with other members of the Quartet (US, UN, Russia), must give this the highest priority because without a resolution of the Palestine-Israel dispute there will be little chance of reviving the Barcelona Process or dealing successfully with other problems in the region. The EU must be ready to use its leverage, including trade preferences, on both parties to push the negotiations forward.

On Iraq, the EU must continue to give preference to the fullest UN involvement in its reconstruction. Whatever the merits of the decision to go to war on Iraq the EU, along with the US, has a vital interest in the stability of the country with the second largest oil reserves in the world. On Iran, the EU should continue its approach of critical engagement and conditionality especially on WMD. It needs to engage in a frank dialogue with the US on the merits of its approach.

The EU must also ensure greater prominence for its own values of democracy and human rights in its dealings with the Middle East. This should mean greater support for those bodies trying to promote a more pluralist society. Stabilisation, modernisation and democratisation is even more directly in the EU's interests than the US's.

In addition to the Barcelona process, the EU has negotiated bilateral association agreements with a number of countries including Tunisia, Israel, Morocco, Egypt, Algeria, Lebanon and the Palestinian Authority. The new neighbourhood policy of the EU envisages increased financial assistance and gradual involvement in parts of the Single Market for each state depending on it reaching certain reform benchmarks. This is a good model on which to proceed.

Tackling global poverty

Increased Development Assistance

Far too many citizens of the world live in abject poverty. There are too many states plagued by corruption and poor governance. While there are no magic solutions to the immense problems facing most inhabitants of the planet, the developed world, and particularly the EU and US, have a responsibility to devote more attention and resources to their plight. Civil wars rage in several parts of Africa with only minimal media coverage and involvement of Western leaders and institutions. More failed states provide new breeding grounds for terrorist and criminal gangs.

The EU's record is not bad but it needs to do more. The Union is the largest provider of development assistance in the world. It promotes close ties with developing countries through the Cotonou Agreement (formerly the Lome Convention), which ties 77 African, Caribbean and Pacific (ACP) countries into trade and investment agreements with the European Union. The EU is by far the biggest market for these ACP countries and around €16 billion in aid is foreseen over the next five years. Europe's overall official development

assistance accounts for about half of all international development assistance. The EU is also by far the largest provider of humanitarian assistance (55%, including Member State contributions). There needs to be improved coordination between the Union and Member States on both the development and humanitarian sides. Above all, the EU needs to meet its target of 0.7% of GDP as development assistance. This would be an act of enlightenment, and self-interest.

The EU has gradually deepened its economic and trade links with all continents. For example, in Latin America it has negotiated free trade agreements with Mexico (and is currently negotiating an accord with Chile) as well as supporting regional developments e.g. MERCOSUR, Andean Community, Central America. This has resulted in a doubling of trade and a tripling of FDI between 1990 and 2000. But the Union also needs to tackle the problem of agricultural access to its market.

Immigration

The EU has a major interest in stemming illegal and promoting legal immigration. A reduction in illegal immigration will only be possible by assisting the economic development of those regions producing migrant labour. At the same time the Union needs to encourage legal migration of skilled workers because of its ageing population and need to continue economic growth. An essential element here is increased synergy between the foreign trade and internal security policy areas of the Union. For example, the Union's external borders need to be managed in an efficient, secure and humane manner to meet the wider security interests of the Union. It is not too early to discuss the merits of a global agency for migration.

The EU and global governance

Strengthening Multilateral Institutions

The EU has a major interest in seeking to strengthen the institutions of global governance. Despite the Union's disarray over Iraq, there is a growing trend for Member States to coordinate and vote together in the UN. In 2002 the Member States voted together on more than 90% of UN resolutions. The Member States are the largest financial contributors to the UN system. They pay around 37% of the UN's regular budget, around 40% of UN peacekeeping operations and around 50% of all UN Member States' contributions to UN funds and programmes. The EU should continue to emphasize the centrality and authority of the UN in dealing with international security issues. They should seek the implementation of the Brahimi report on conflict prevention and peacekeeping and lead the debate on ways to strengthen and reform the UN, including the Security Council.

The EU also has an interest in strengthening other major global institutions, including the IMF, World Bank and WTO, and increasing its obligation to speak with one voice. It should ensure a preference for working through inclusive multilateral institutions rather than ad hoc bodies such as the G8. It should further strengthen the OSCE and Council of Europe which do invaluable work in conflict prevention and in promoting the Union's values.

Terrorism

Since 9/11 international terrorism has moved to the top of the security agenda. Member States such as Spain, Italy Germany and the UK, have lengthy experience of dealing with terrorism, preferring to use police and

intelligence cooperation rather than armed forces. But the scale of the 9/11 terrorist attacks were of a different magnitude and demonstrated the destructive and organisational abilities of the Al Qaeda network. There is no doubt that this network is also active in Europe and willing to undertake attacks against European targets. The Union responded rapidly to the terrorist attacks of 9/11 and the fight against terrorism has become a major policy objective. A comprehensive action plan has been agreed including increased diplomatic, intelligence, police and judicial cooperation, measures to stop the funding of terrorism and strengthening security for air travellers. There is a new Terrorism Task Force within Europol. The EU has agreed a common European arrest warrant and a common definition of terrorism and what is a terrorist act. While all these steps are worthy and justified, it is important that anti-terrorist measures do not impinge on democratic rights and civil liberties. There is increasing concern about the balance between security and civil liberties in the US. The EU needs to ensure that the fight against terrorism is kept in perspective. Indeed, according to the State Department, there has been a remarkable drop in the number of terrorist incidents since 1999.

Proliferation of WMD

The proliferation of WMD is confined to a relatively small number of countries. As regards a possible ballistic missile attack on the EU there is no evidence of such a threat. But as technologies develop and the range and accuracy of missiles are extended, the danger might grow. The EU has a global approach to WMD centred on the respect and effective implementation of multilateral treaties and conventions to ban or to minimize the

recourse to and development of WMD. The Member States are committed to the various non-proliferation regimes, which help to coordinate the consistency and effectiveness of non-proliferation export control measures (The Australia Group, the Zangger Committee, the Missile Technology Control Regime and the Wassenaar Arrangement). Furthermore, the Commission has implemented assistance programmes with Russia and North Korea (KEDO) to reinforce non-proliferation and support the realisation of disarmament projects.

The EU has also taken initiatives to reinforce multilateral instruments, improve information exchange practices, control outreach and transparency of export control regimes, improve preparation for international assistance in relation to the Chemical Weapons Convention (CWC) and the Biological and Toxin Weapons Convention (BTWC). All EU Member States are committed to controlling the export of dual-use technology. This twin approach of diplomacy including conditionality in agreements with third countries, and support for the strengthening of non-proliferation regimes should be continued. The EU should also press the US to sign up to these regimes, and be ready to work with the US, Russia and other parties to strengthen these agreements. There needs to be an accepted system of sanctions for non-compliance, including the use of force as a last resort. At the same time, present nuclear states need to live up to their international obligations.

Conflict prevention

Petersberg Tasks

Seeking to interest ministers in conflict prevention is like seeking to interest teenagers

in their pensions. Too often there is an imbalance between the electoral cycle and potential conflicts. The EU is thus in a better position than some actors to pay due attention to the importance of conflict prevention. In recent years EU Member States have been heavily engaged in often difficult, expensive and hazardous peacekeeping operations in the Balkans, Afghanistan and elsewhere. The EU began its first military mission on 1 April 2003 in Macedonia. In Kosovo, some 36,000 troops (80% of the total force) and 800 civilian police from EU Member States serve alongside other international partners. Furthermore, the EU plans the takeover of the NATO-led peacekeeping mission in Bosnia and Herzegovina in early 2004 (12,000 troops). In February 2003 Germany and the Netherlands assumed the command of the international security force (ISAF) in Afghanistan. In addition, EU Member States currently contribute military personnel to UN peacekeeping forces in Cyprus, Georgia, East Timor, Democratic Republic of Congo, Pakistan/India and Sierra Leone. Furthermore, the EU has created a civilian peacekeeping force to help manage crisis situations and control conflicts.

EU Member States are not inherently pacifist but recognise that war is an admission of failure. By stressing the importance of conflict prevention and peacekeeping they do not ignore the possibility of recourse to armed intervention. The Helsinki European Council in December 1999 agreed operational targets for the creation of a European Rapid Reaction Force (RRF). This included the military Headline Goals whereby "Member States must be able, by 2003, to deploy within 60 days and sustain for at least one year military forces of up to 60,000 troops capable of carrying out the

full range of Petersberg tasks". These tasks are humanitarian and rescue, peacekeeping, and tasks of combat forces in crisis management, including peacemaking.

These commitments need to be fulfilled if the EU is to maintain a minimum of credibility. Furthermore, as there is little prospect of substantially increased defence expenditure, there is a strong case for closer cooperation in the defence field. Proposals from the Convention allow enhanced cooperation and four countries (Germany, France, Belgium and Luxembourg) recently declared their readiness to go down this path. The EU should not try and emulate the US in military power projection but it does need to develop a greater military capacity to defend its own values and interests. This means more effective spending. The EU must question whether it can afford 25 separate defence establishments, usually with outdated structures and troops untrained for today's security tasks. Defence ministries might usefully be renamed departments of international security because that is their principal task in today's world.

EU-NATO Relations

For many years the EU and NATO did not talk to each other even though there was an overlap in membership, shared similar interests and they were located in the same city. More recently there has been a sea change in their relations with the EU and NATO agreeing arrangements whereby the EU can utilise NATO assets in times of crises. For the foreseeable future NATO will take the lead not only on territorial defence but on military missions at the top end of the spectrum. NATO and EU have worked well together in the Balkans and may do so again in other theatres such as

Afghanistan. This interface needs to be consolidated and further developed.

CFSP/ESDP structures

Institutional structures cannot compensate for the lack of political will but good structures can create a framework in which a common will can be more efficiently created. The Convention has produced several important recommendations regarding improvements to CFSP and European Security and Defence Policy (ESDP) structures. These include the creation of a EU Minister of Foreign Affairs, a streamlining of bureaucracies, a modest extension of qualified majority voting (QMV), a sharing of research capacities and provisions for enhanced cooperation. In seeking to strengthen these structures, governments should take into account the strong public support for CFSP and ESDP, the need to provide adequate financial resources to match ambitions and the need for democratic accountability of foreign and security policy. The prospect of an EU diplomatic service being developed, complementary to those of Member States, should further assist the establishment of common threat assessments and increase the EU's external profile.

EU-US relations

Constructive and cooperative relations between the EU and US are essential for global stability. Yet there is some evidence that the growing number and seriousness of disputes, including over Iraq, the Israel-Palestine conflict, dealing with 'rogue states' and terrorism, global warming and arms control, the importance of global institutions, may already be undermining the trust necessary to tackle global problems together. There is no agreement on how the EU should seek to

develop its relations with the US. Some Member States argue that the EU has no alternative than to accept a unipolar world while others would prefer the EU to develop its own identity as part of a multipolar world.

So far economic relations have been largely protected from the political disputes. The two blocs dominate world trade and provide by far the lion's share of economic, development and technical assistance. Daily trade amounts to more than 1.25 billion euros. Transatlantic trade comprises approximately 20 % of each side's overall foreign trade. European exports to the US totalled 260 billion euros in 2000 while imports from the US amounted to 195 billion euro. Mutual investments have contributed even more than actual trade to economic integration: more than 60 % of foreign investments in the US come from the EU and roughly 45 % of US foreign investments go to the EU. Furthermore, 7 million Americans owe their livelihoods to European investors; the corresponding European figure is 6 million. The US and EU account for over 70% of global expenditure on defence.

While the economic relationship remains solid, it is increasingly necessary to discuss the growing political problems in a frank manner. This presupposes, however, that the EU is able to speak with a common voice. This was manifestly not the case on Iraq and the EU paid a heavy price for its disarray. For the first time in US post-war history there are voices questioning the wisdom of supporting a strong, united EU. Many prefer the traditional strategy of divide and rule. The EU will therefore need to demonstrate a much more cohesive approach, and more credible defence forces if it is to exert influence in Washington. It will need to convince the US that many of today's global problems can only be addressed

through multilateral institutions which may imply some sharing of sovereignty. The US also needs to make a psychological adjustment to accept the EU as a global partner, the partner of choice in tackling international problems. The EU needs to become both a counterpart and a counterweight to the US. In a majority of cases the EU and US will probably agree on policy. But as George Bush noted at the G8 Evian summit, good friends and partners must also be able to disagree when necessary.

Conclusion

The EU is an increasingly influential actor on the world stage and must take on more responsibility for its own, regional and global security. It cannot hope to achieve common positions on all issues but is learning gradually and sometimes painfully that speaking with one voice pays far greater dividends than speaking with disparate voices. Efforts in the Convention/IGC to strengthen CFSP/ESDP structures should be supported. If the outcomes are insufficient then there may need

to be more recourse to enhanced cooperation. Half-way integration means half-way power.

Although the EU has global interests, priority in external relations should be given to the EU's immediate neighbourhood as the EU's security is most likely to be affected by adverse developments in these regions.

At the same time, the EU stands for a number of core values and principles that influence its internal and external development. It has a vital interest therefore in strengthening global governance and the rule of law. Although the Union prefers negotiation, dialogue and persuasion to military force, it cannot ignore that force may have to be used from time to time to defend its values and interests. This will require greater dialogue between Member States and between the Union and its principal partners to agree criteria for the use of force in the new security environment.

The Solana strategy paper was a good start in defining EU interests. The difficult part lies ahead when the Union has to decide on its priorities and agree the means to achieve its policy aims.