

Europe's Alternatives

Responsibilities and Perspectives of the Enlarged European Union

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Disappointment has settled over Europe. The collapse of the Brussels summit brought high-flying hopes for a new Constitution back down to the ground. Great political effort has achieved no tangible result. Euroskeptics see their existing doubts confirmed, as do citizens and observers who base their judgements on the developments of the day and pay little attention to historical context.

Tense moments, however, call for cooler heads to prevail. Seen in historical terms, the present situation offers great opportunities. The history of European integration shows that moments of political failure have often signalled movement toward a new era:

- The failure of the European Political Community (EPC) and the European Defence Community (EDC) in 1954 resulted in the Treaties of Rome establishing the EEC and Euratom.
- After the Fouchet plans to establish a Political Union of Europe collapsed in 1962, the Franco-German Treaty of Friendship and the fusion of the community bodies were agreed upon.
- The European Parliament defined itself as a constitutional assembly following the first direct elections in 1979. In the years that followed, the Parliament worked out a detailed European Constitution, under the leadership of Altiero Spinelli. While the text died in parliamentary debates at the national level, it set the stage for the Single European Act, the framework for the historic achievement of the Single Market.

The failed summit in Brussels might attain similar historical relevance. Europe must always consider alternatives. Today, there are two strategic options to ensure the enlarged European Union's capacity to deal with future challenges:

- First, European politicians could sensitively sound out the chances of adopting the draft Constitution as presented by the Convention. After all, this goal was only just missed in Brussels. In the next few months, who will keep the Europeans from crossing this threshold? If they leap this qualitative hurdle, the new basic order will probably increase differentiation and open co-ordination. It is far too early to say farewell to the European constitutional project.
- If, however, the path toward a common Constitution remains blocked, a strategy of differentiation must be attempted, either within the Nice Treaty provisions on enhanced co-operation or outside the current legal framework. In key areas, in which the EU performs tasks similar to a nation-state's, member states that

are willing and able to make more progress would join together in smaller groups.

After the failure of the Intergovernmental Conference, the time has now come to think about the shaping of the continent in wider terms. European policy needs to answer three key questions:

1. Will European leaders manage to overcome the present constitutional deadlock? Which flexible options for further development do they have to push forward consolidation of the enlarged EU's political order? The approach to differentiation is the litmus test for this task.
2. Will European leaders develop a coherent strategy to shape the next stage of enlargement? Combining openness to accession with a productive neighbourhood policy will be decisive for the success of this task.
3. Can European foreign and security policy balance the challenges of crisis management and risk limitation against deeper development of open markets and global integration? How can Europe be both open-minded and safe at the same time?

I. Europe at a Constitutional Hurdle

With the constitutional project European leaders aimed to achieve more than just correcting past shortcomings and mistakes. The existing treaties do not offer a complete and balanced constitutional system. Nice has become the symbol of an integration process mired in miniscule compromises.

For these reasons, the European Convention thoroughly examined the state of integration and aimed to improve the Union's transparency, legitimacy and capacity to act. Important principles of joint action and division of labour were systematically anchored in the draft prepared by the Convention: The majority principle was supposed to improve Europe's ability to govern. The system of parliamentary co-decision was designed to strengthen the democratic principle. Delineating responsibilities systematically was meant to enhance the subsidiarity principle that divides tasks between the European and nation-state level. The following core elements were intended to shape the face of a Europe constituted along the lines of the draft of the Convention:

- *Profiling*: The constitutional draft provides a single legal personality, creates a comprehensible order of competencies, and anchors the Charter of Fundamental Rights as a legally binding catalogue of values. The rights and duties of the Union's citizens, and the limitations of EU and member state actions would thus be comprehensibly codified.
- *Personalisation*: In the future, the President of the European Council, together with the President of the Commission, and supported by the new EU Foreign Minister, should be responsible for the definition and implementation of the Union's policies. This new management structure would strengthen the continuity, visibility and coherence of European politics.
- *Parliamentarisation*: Strengthened co-decision rights for the European Parliament under the ordinary legislative procedure together with its comprehensive budget authority would effectively create a bicameral system for the EU. This would correspond with the basic pattern of many European constitutions.
- *Politicisation*: In the European Parliament, the role of political parties upon electing the President of the Commission would be strengthened. This could in turn strengthen the competition between majority and opposition parties, driving more forceful debate and increasing media interest. Moreover, by enlarging the scope of decisions taken by majority vote in the Council of Ministers, the struggle for reasonable policies that command a majority would gain importance.
- *Positioning*: The regulations on security and defence policy in the Convention's draft emphasise the EU's mandate for an active international role. Structures of deeper integration for a number of states would open the door within the Union to join Europeans' resources and ambitions and push forward the Union's foreign-policy positioning.

Europe ought to hold on to the idea of bringing the developments of fifty years of economic, political and social integration together in one basic document. This document does not replace the constitutional orders of European states, but brings them closer to current conditions. The Constitution would strengthen the internal balance of the enlarged Union and reinforce its capacity to act both internally and externally. All member states agree on the numerous advantages this Constitution has over today's proliferation of treaties. The constitutional project must not fail on the disagreement over one issue, however essential. The top priority

must, therefore, remain settling the question of the future voting procedures in the Council of Ministers, so as to enable the rapid adoption of Europe's new fundamental document.

Only then will the greatest idea Europe has ever had since inventing the nation-state take real shape. For the first time, the political order of the European Union would be analogous to the orders of its members. If this progress can be made binding for the enlarged European Union, and be dynamically developed, Europe will enter a new era of its self-understanding and its possibilities.

II. Europe's Flexible, Constructive Power

As in former crises, the process of integration can also draw productive power for reorientation from the failure of the Intergovernmental Conference. Delaying the Constitution will accelerate a development that the enlarged Union will go through anyway: strategic reorientation of the unification process by purposefully employing the instruments of differentiated integration.

Given the diverging interests and demands among the EU member states, parallel enlargement and deepening have, to date, been impossible to realise without a higher degree of differentiation. Variable forms of deeper integration have long track records within the evolution of the Union. In monetary and social policy as well as in home affairs they have already helped to break blockades and make progress with integration as a whole. At the same time, however, variable forms of opting out of integration projects have been established. Such a Europe *à la carte* weakens the EU's capacity to act externally even though it became internally necessary in order to maintain consensus among the member states. All in all, differentiation has not led to dividing Europe, but contributed to improving its performance and to managing problems constructively in the interest of all member states.

In light of the Brussels summit, the option of differentiated integration has gained considerable strategic importance. Groups of states will make progress with different speeds. In economic and monetary policy, in foreign and security policy, in justice and home affairs—in all these policy areas the European Union will be expected to perform tasks similar to a state's functions, which the 25 or more member states cannot all perform at the same time and with the same intensity.

The forms of enhanced co-operation determined in the Treaties of Amsterdam and Nice will not always be sufficient. Now as before, they are subject to strict legal restrictions, many of which would have been eliminated by the Convention's draft constitution. Yet without the new Constitution, the possibilities for differentiation offered by the current treaty law can, at best, selectively overcome specific blockades in individual policy fields. As a fundamental instrument for deepening a growing Union, enhanced co-operation will only be of limited use. In the Nice version, it is neither very useful in current fields of European policies, nor does it help to develop new ones.

Moreover, fundamental dissonance among the member states will contribute to an extremely restrictive interpretation of current flexibility clauses. In a climate of distrust, there will hardly be readiness to give a group of member states willing to co-operate enough leeway to stride ahead. As a result, deepened co-operation could only be implemented outside the framework of the treaties. The result would be a Europe of different speeds, without norms determined by treaties, and without attachment to the institutional framework of the EU.

In particular, this affects security and defence policy. The regulations of the Nice Treaty explicitly exclude closer co-operation among specific member states in this policy field upon the basis of enhanced co-operation. The draft of the European Convention, however, provided innovative and progressive forms of differentiated integration in security and defence. Just before the Brussels summit, all member states had agreed on a treaty formula for structured military co-operation. As long as the Constitution is not adopted, this co-operation, like earlier stages of integration, will take place outside the treaty framework.

Individual initiatives outside the EU framework, without treaty rules and without the participation of the European institutions, certainly bear risks. To counteract them, and while making full use of the potential that differentiation offers to further develop Europe strategically, it must be clear from the start that differentiation

- is understood as a strategy that enables the EU at large to meet the requirements of the future as rapidly, actively and effectively as possible;
- is not conceived as a threat vis-à-vis unwilling member states, or as an avant-garde's detachment, but as an opportunity benefiting the entire Union's dynamics and ability to solve problems;

- does not establish competing cores, which may well enhance the reform of particular policies but which, ultimately, bear the seeds of an internal division of Europe;
- is an open approach so that additional states can catch up. The level of demand for deeper integration could, however, result in a multi-speed Europe for a long time, because the openness requirement must not cancel out the improved performance brought by differentiation.

If differentiation is conceived in these terms, Europe will remain governable even with 30 or more member states. Those member states willing and able to co-operate can deepen their co-operation in fields such as economic, social, home or defence policy and thus smooth the way for further integration. The aim of Political Union will not be lost from sight, but rather steered toward on the current of differentiated integration.

Should the options of differentiated integration be ruled out as a means to shape the enlarged Union, settling the upcoming problems efficiently will become impossible? The ensuing weaknesses of EU policy making will rather lead to a standstill and internal erosion. The idea of Europe's political unity will lose its motivating power. The European Union will deteriorate into a free-trade zone deluxe.

III. Beyond 25 – Candidates, Partners and Neighbours

The enlarged EU is not restricted to 25 member states. Clearly, its trajectory of enlargement points toward a grand Europe whose contours are becoming increasingly clear. Important and fundamental decisions in this direction have already been made:

- Negotiations with Bulgaria and Romania will presumably be finished in 2004, so that the two countries can accede as soon as 2007, unless transformation policies there collapse.
- Accession candidate Turkey has, for decades, had close treaty ties with the EU. Over the last few years, the country has made amazing progress on its way toward fulfilling the conditions for membership. If this programme is consistently pursued, negotiations for an accession agreement can begin on the basis of a European Commission report after 2004. Considerable domestic controversies on this topic are to be expected in almost all EU member states.

- EFTA states Iceland, Liechtenstein, Norway and Switzerland have extremely close connections with the European Economic Area. If the peoples of these states change their minds in favour of EU membership, accession agreements can be negotiated rapidly.
- For the Western Balkans, EU integration has already been laid out with the Stabilisation and Association Process. Croatia applied for membership in 2003 and is striving for accession in 2007. The other states—Albania, Bosnia and Herzegovina, the Former Yugoslav Republic of Macedonia, and Serbia and Montenegro—can follow according to their state of development.
- The European Union intends for closer connections with the states in its direct neighbourhood from Eastern Europe to North Africa. The concept of “Wider Europe” provides for measures in economic policy that may include free movement of goods, services, capital and persons. Ukraine and the Republic of Moldova have already oriented their foreign policy toward EU association.

Thus, a European Union of 30 and more member is in sight. For today’s applicant states, the members of EFTA, and the states of the Western Balkans, membership is certain if they muster the political will for integration and fulfil the legal and economic requirements. For a long time to come, defining the ultimate space of integrated Europe will not be possible because Ukraine and the Republic of Moldova also have strong ambitions for accession. Furthermore, Belarus, after a transition to democracy and market economy, might strive to join the Union. In a drastically different framework, even Israel might push for membership. Partnerships and treaty relations with these and other future neighbouring states already exist.

In this pan-European architecture the European Union has become the central point of reference. Yet its very attractiveness could overburden both the European Union and the potential accession candidates in its vicinity. On one hand, if the dynamism of enlargement is not sufficiently structured, the European Union is threatened by internal overstretch. On the other hand, the countries in the direct neighbourhood, which at present have no specific prospects for accession, could be politically frustrated if their hopes for rapid membership seem to have no chance of success.

Consequently, a neighbourhood policy that is both realistic for the EU and attractive for the neighbouring states is in the interest of both parties. It should be guided by the following principles:

- The list of potential accession candidates should not be definitively determined. Rather, the borders of Europe will be where people unambiguously, and without material, cultural or religious reservations decide in favour of an integrated Europe. Being willing to fit in constructively and being able to contribute to the future of the EU are the decisive factors for the geographical range of the Union.
- Co-operation should not necessarily be based on an application for accession at the beginning, and EU membership at the end for all neighbouring states. The neighbouring states should not exclusively understand their relations with the European Union in the light of potential accession, but as important catalyst for their own transformation.
- Developing co-operation further within the framework of the EU neighbourhood policy should take the specific characteristics of the region into account, be worked out jointly with the partner states, and have adequate financial support.

Based on these principles, co-operation that is advantageous and intensive for both sides can develop. The EU and its future neighbours should convert functionally defined co-operation into a central mechanism of their relations. Business, energy, transport, infrastructure development, telecommunications and education are particularly suitable fields for functional co-operation. Even without prospects for immediate membership, a close network of co-operation could thus be knitted, which might become a pan-European free-trade zone.

Particular attention should be paid to avoiding problems that could result directly from eastern enlargement. Some of the accession states have developed close partnerships with their eastern neighbours. Both sides consider the introduction of the Schengen visa a new dividing line. A visa policy, therefore, is required that contributes to dismantling negative perceptions of a “Fortress Europe” or a “new Iron Curtain.” This cannot be unilaterally demanded from the EU, but must include the neighbours, too, in establishing the necessary preconditions.

Based on functional forms of collaboration, institutional co-operation could even be deepened into options for partial membership in individual fields of European integration. Along this path of external differentiation, the European Union might become an actor with a pan-European perspective, but without losing its internal efficiency. Without strategies for differentiation, the broader European Union would risk repeating the classic fate of

attempts to create vast states, which failed to master internal consolidation and external challenges simultaneously.

IV. The New Global Order

Against the expectations of many Europeans, and in contrast to their intuition that the end of heavily armed superpower confrontation would free them from insecurity, world affairs are experiencing an epoch of disorder, risks, crises and danger. The European Union is confronted with numerous risks to its security and stability in both its near and more distant vicinity, stemming from the Caucasus, the Middle East, or North Africa. The global agenda is shaped by conflicts that run the gamut from increasingly professional international terrorism and asymmetric warfare through proliferation to regional crises and the consequences of failing states. New forms of order in world politics must counteract these developments and offer clear orientation and definite expectations. Europe cannot stand aloof, for Europeans themselves are fundamentally affected.

For decades, Europe's development through the integration of its western part took place under the strategic protection of the United States. Europe was an embedded power, relevant in security policy as a regional actor at best. Even in their direct environment, however, Europeans long depended on the support of the U.S. This basic pattern needs to be redefined: The threat against the freedom and integrity of Europe is no longer one of the greatest risks to American security. Europe could cover the classic dimension of its security on its own. With a view to the new challenges to security, the old structures of dependence are also less important. At the historically unprecedented height of its power, America itself is threatened and requires support and strategic partnership—and from Europe, in particular, which is among the few actors capable of providing stability and order.

However, no European nation can adequately contribute on its own. Europeans must, therefore, jointly establish a viable foreign, security and defence policy. Part of the course has already been set:

- In 1999, the Heads of State and Government decided to establish a European Rapid Reaction Force. The capabilities for military and civilian crisis management are continually being developed.

- In December 2003, the EU adopted a common security strategy, which for the first time formulated the security environment, the strategic goals and the political consequences for Europe.
- The Constitutional Draft would open opportunities for flexible co-operation in the Common Security and Defence Policy. Even without a constitutional basis, these instruments should be applied and refined.

These measures would keep open the possibility of establishing a European Defence Union. Given the considerable pressure of the problems, Europe must see itself as a global actor more clearly than at present. To use existing synergy effects of joint action, the enlarged Union has to consider itself as a strategic community, further develop its operational military capabilities, and redefine its relations with the strategic actors in world politics. Waiting until all EU states shared this assessment of the situation would take too much time. Important capacities would be lost, national decisions would not achieve their ends, and relations with partners would suffer.

The span of fundamental decisions in security and defence policy is not measured in years but in decades. It is, therefore, high time for Europeans who are willing to act to press forward resolutely. This idea does not weaken the process of Common Foreign and Defence Policy, but strengthens its impact. It does not diminish NATO as a transatlantic bond, but makes the alliance of democracies more efficient. The structured co-operation of a group of Europeans requires the general framework of the EU, because only the EU can provide a mandate to act on behalf of Europe. It also requires the framework of NATO, because no other institution permits closer co-ordination of Western security policy. As a result, all participants in a Defence Union should be full members of the EU and NATO. It would be in the best interest of Europeans and Americans alike to neither undermine nor hinder this development.

To act effectively in the global arena, Europeans who are willing to act would first have to further reduce their shortcomings in strategic thinking. Only if Europe manages to develop its own culture of thinking in terms of world politics, will it gain clear-cut relevance. The security strategy reflects the Europeans' will to establish the EU as a credible power in terms of creating order in an arena larger than the Union itself. Yet the doctrine does not sufficiently answer the question of how, and above all, by what means, Europe ultimately wants to meet its common challenges. The European Union will be taken seriously only when it has the necessary civilian and military capacities at its disposal, and is

ready to decide on the form and moment of its commitment. Europe will only possess effective civil power when Europeans no longer define themselves exclusively as a civil power. The following objectives should guide the framework for this decision:

- The EU should further develop and consistently use its existing civil power resources to settle regional and global conflicts. It already contributes the most to development aid and civil conflict management. This commitment ought to be linked more closely to specific conditions and co-ordinated with the fundamental aims of the Union.
- In addition, the foreseeable risks in security policy immediately challenge the EU to enlarge its military capabilities for conflict management. As a consequence of the analysis in the EU's security strategy, the corresponding financial and material resources have to be supplied. To avoid unnecessary duplication and to use the specific strengths of individual member states, national armament projects should be harmonised and deliberately tied in with European armament programmes.
- Europe itself is increasingly responsible for both its territorial defence and crisis management within Europe as well as in its direct neighbourhood. Moreover, European interests will have to be increasingly defended on the global level. Europe cannot meet these demands by ad hoc co-operation. A common European army would be the consequence of successful co-operation in defence policy.
- A Europe that is building common defence structures will have far-reaching consequences for transatlantic security structures. To be able to follow common aims on the basis of common values, in transatlantic relations Europe will be most valuable as equal partner on the same level. Those states willing to establish a common Defence Union will have to represent their viewpoint with one voice within the transatlantic alliance. Ultimately, the member states of the Defence Union might concentrate their NATO membership in one seat.

Ties with America remain the core of a new global order for Europe. The new Europe must, however, reorient its relations with other partners and regions toward a geostrategic perspective. The emergence of an international order is already foreseeable, which, in terms of security and economic policy, will also be shaped by states such as China, India, Japan, Russia and economic blocs such as ASEAN and Mercosur. Europe's policy for global order requires sensitivity about the future constellations of actors and problems

beyond the European continent. In creating these additional partnerships the different fields of relations—economy and trade, development and co-operation, as well as foreign policy and security provisions—need to be co-ordinated.

The experience of European history has taught the Europeans that strength translates into power, if it does not stand alone.