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TOWARDS A "EUROPEAN FOREIGN POLICY"?

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Towards a "European Foreign Policy" ?

Presently, there is no European "foreign policy" in the traditional sense of the expression. According to commonly agreed definitions (cf. J. Rosenau, inter alia), foreign policy is a national effort to control the outside environment. The European Community, and more generally the European framework, is hardly comparable to a "nation-state", nor will it probably be the European Union at a later stage. It is useful to remember that the European Community has no flag nor an army as nations do.

Still, the European Community or the "Ten" - if we use this short expression to define instances where the ten Member States signatories of the EC Treaties act collectively but outside the Treaties' framework - are more and more present on the international scene, in the international economic relations as well as in the purely political relations: East-West trade, Lebanon, Namibia, EC-US dispute on steel exports, ...

Books, studies, articles on the European foreign policy are countless. Nevertheless, most of the academic work stumbles on the concept of the nation-state and questions whether the E.C. or the "Ten" actions can be analysed against one of the agreed concepts. "Economic giant and political dwarf", "strange animal", "mirage or reality": the E.C. has been granted many labels which all reflect the perplexity of the outside observers, perplexity even aggravated by the ever-changing outside

appearance of the "animal". A few years ago, a well-documented academic paper observed that "analysts ... remain cautious as to the exact nature of the beast under examination" (David Allen, 1978).

In order to better apprehend its nature, this article will take a highly pragmatic look at the present status of the European foreign policy:

- recognizing that it is made of bits and pieces, the European foreign policy will be described component by component.
- the article will then look at the various instruments used in expressing the European foreign policy.
- some concluding remarks will try to answer but a few of the many questions that remain.

1. The components of the European foreign policy

One should distinguish between three broad categories of components: those having the E.C. Treaties and policies as their legal basis, those stemming from a pragmatic process of harmonization of the foreign economic policies of the Member States, and finally those related to the European Political Cooperation process.

1.1. The E.C. Treaties and Policies and their "foreign policy" implications

1.1.1. The Trade Policy

Both the 1951 Paris Treaty instituting the European Coal and Steel Community (ECSC) and the 1957 Rome Treaty instituting the European Economic Community (EEC) have as their central objective the establishment of a "common market" where goods, services and workers would circulate freely.

In particular, the EEC, as a customs union, has instituted a common external tariff but also a common commercial policy and provisions about negotiations with third countries in these two fields.

Another important element in the EEC Treaty is the obligation for the Member States to act in common when matters pertaining to the "common market" arise in internal organizations.

From the onset, the EEC was able to negotiate with the outside world on the basis of the common external tariff, even though this tariff was to be built gradually over 12 years. Hence, concessions on the "future" custom duties were interesting enough to elicit important offers from the largest trading nation in the world, the United States. This was the basis of the Kennedy Round of trade negotiations from 1963 to 1967, where the Community emerged as an actor of its own replacing the Member States in the largest international trade talks ever conducted.

Subsequently, in 1967, the executive bodies of the three European Communities (ECSC, EEC and the European Atomic Energy Community also called EURATOM) were merged: a single Commission of the European Communities and a single Council of Ministers were instituted. This merger, together with its successful participation in the Kennedy Round, gave the EEC a strong position in some international forums, especially the GATT.

But the EC also had to live up to the responsibilities associated with its new role and had to respond to the demands by developing countries for tariff preferences: In 1970, the EC became the first major trading entity of the free world to implement the guidelines on a Generalized System of Preferences adopted in 1968 within UNCTAD.

Yet, some important element of the Member States commercial policies are still outside the common policy: strategic supplies and buffer stocks, part of the export promotion policy, investment protection policy.

1.1.2. The Development Policy

Another central component of the European Foreign Policy is its comprehensive policy vis-à-vis developing countries. Historically, this policy stemmed from the fact that, when the Rome Treaty was signed in 1957, three of the six Member States (France, Belgium and Italy) had colonies. Hence, Part IV of the Treaty of Rome "associated" these colonies to the EEC, giving them preferential trade access and financial aid. When these colonies became independent - between 1960 and 1964 for most of them - this policy was perpetuated.

Later on, when the United Kingdom entered the Community in 1972, the development policy was further extended by granting equivalent trade and aid privileges to some Commonwealth developing countries (those in Africa, the Caribbean and the Pacific) and by starting another set of programs to other developing countries in Asia and Latin America.

Another important factor is the creation of a food aid program from the EC to developing countries as an indirect consequence of the agricultural negotiations in the Kennedy Round.

Today, the development policy of the EC represents aid flows of $2 bn per year, or about 13% of the Member States total aid efforts. On the trade side, the EC is widely open to the products of developing countries through its GSP and a large number of trade agreements. Moreover, the two successive Lomé Conventions, covering the period 1979-1985 and encompassing trade, aid and investment provisions, represent the most comprehensive relationship between half the nations of the world (the Ten EC Members and 63 states in Africa, the Caribbean and the Pacific).

Nevertheless, unlike the common commercial policy, the EC development policy is not meant to replace the Member States' policies. It co-exists with their own bilateral policies and their own contributions to multilateral institutions such as the World Bank/IDA or the UNDP. Yet, the EC development policy is more of a bilateral than of a multilateral nature in that it expresses a set of "weighted" geographical priorities and policy choices.

1.1.3. Foreign policy implications of other EC policies

One should not forget that, under the EEC Treaty, new common policies can be created by the EC institutions: agricultural policy, economic and monetary policy, research and science, industry, etc..

The Common Agricultural Policy (CAP) indeed proved to have an important impact of its own on the commercial position of Europe in the world, as its rules are not only related to internal production but also to external trade. In order to protect the EEC farmers revenues through a stable price policy - one of CAP's main objectives - imported and exported products are submitted to variable levies or refunds which depend on the relation between internal and world prices. But the CAP has to be compatible with the GATT rules and incorporates some provisions to that effect: refunds, when applied have to compensate no more than the difference between world and internal prices; furthermore, when production exceeds demand, farmers prices are not protected since a system of co-responsibility and guarantee threshold has been established.

The European Monetary System has the immediate, limited objective to create a zone of monetary stability in Europe through a closer monetary cooperation between Member States which use the European Currency Unit (ECU) for that purpose. But the ECU is already more than a mere unit of account used by central banks: it is used by Community institutions for their borrowing and lending operations, for their aid transfers to developing countries, and increasingly, by the private sector. Potentially, the ECU can play a larger role in the international monetary system: as its use as a reserve currency develops, the ECU market will broaden, deepen and could absorb some of the strain which is now concentrating at times on the German Mark. The ECU, along with the dollar and the yen, could thus become one of the main poles of the international monetary system.

In some scientific sectors such as thermonuclear fusion, the Member States and the EC as such speak with one voice to third countries and organizations.

Other examples can be found in sectors like the industrial policy, energy, environment, fisheries.

1.2. Harmonizing the foreign economic policies of the Member States

Aside from the legal framework of the Treaties, sometimes partly linked to it, sometimes not, a pragmatic process of harmonization of the economic aspects of the Member States foreign policies is taking place.

In the field of raw materials negotiations, within UNCTAD or in specific commodities organizations, Member States have the obligation under Art. 116 of the EEC Treaty to act together because of the likely implications of these negotiations for the common commercial policy. During the negotiations for the Integrated Program for Commodities and the related "Common Fund", which took place within UNCTAD, the Member States also had a political obligation to act together vis-à-vis the developing countries. They subsequently went further and devised an internal procedural arrangement that determines how exactly they will tackle together future talks and negotiations in the field of raw materials.

In the field of North-South negotiations or talks, which take place at the U.N., at the UNCTAD or in special conferences like the Conference on International Economic Cooperation (CIEC, Paris, 1975-77), the Community has been increasingly involved as a partner to the discussion even though the subjects involved go far beyond trade matters. The CIEC, or North-South Conference, was a specific case as it involved limited participation from the North (8 developed countries) and from the South (19 developing countries). One of the 9 developed "countries" was in fact the EC, represented by a twin-headed delegation made of the country assuming the presidency of the EC and of the EC Commission, the other Member States sitting as observers. Before and throughout the Conference, the Member States reached a common position on all subjects raised in the debates (energy, raw materials, development, finance) whether they were recognized "Community matters" or not.

Subsequently, discussions within the U.N. on future North-South global negotiations were dealt with at Community level in the same manner (except on the procedural aspects). The European Council of Heads of State and Governments even adopted in June 1981 a broad policy document called "The Community's policy in the North-South Dialogue".

All this does not mean that Member States have yet succeeded in harmonizing their views and policies on all the aspects of international economic relations. For example, their attitudes in the Bretton-Woods institutions (IMF and World Bank) are not formally coordinated as they are in other forums.

1.3. The European Political Cooperation

1.3.1. Brief history

After a failed attempt in 1961, it was only in 1969 that the European Political Cooperation process (EPC) got off the ground. In December 1969, a summit meeting of Heads of State and Governments took several important steps: opening of negotiations with Denmark, Ireland, Norway and the United Kingdom, adoption of the principles for an economic and monetary union, decision to "study the best way of achieving progress in the matter of political unification, within the context of enlargement".

A year later, the "Davignon Report" adopted by the Foreign Ministers stated that harmonization of foreign policy was an essential step towards political union. It thus proposed to launch a process of cooperation between the diplomatic services of the then six members of the Community. The goals of EPC were cautiously defined as a) hormonization of views, b) coordination of positions, c) common actions where possible and desirable.

Subsequently, in 1973, the nine Foreign Ministers of the enlarged Community adopted a new report which helped clarify the objectives and deepen the procedures of the EPC. In 1974, the summit of EC Heads of State and Governments became the European Council with the task of dealing at the highest level with Community matters and political cooperation alike.

In 1981 in London, a new report by the Foreign Ministers went further: it qualified EPC as "a central element in the foreign policy of all Member States", it also clarified and reinforced EPC with the objective of making it an operational tool.

Finally, the Solemn Declaration on European Union, adopted by the Community's Heads of State and Government in Stuttgart in June 1983, underlines the importance of EPC and the need to reinforce it even more.

1.3.2. Main features of EPC

The EPC is not based on any of the three Community Treaties, nor has it any legally-binding agreement as its basis. Rather, it constitutes a political commitment towards a greater degree of convergence of their foreign policy. From reports to meetings, the EPC has been consistently reinforced over its 13 years of existence, always on an intergovernmental, voluntary basis, to the point where the 1981 London Report can be seen as a kind of formal Code for the EPC.

One of the distinctive features of the EPC is that it has no permanent body or secretariat of its own, unlike the EC Council of Ministers which has its own Secretariat in Brussels. The task of running the EPC falls on the country which holds the presidency of the Community (according to the same six month's rotation used in EC affairs). To ease this burden, especially heavy for the smaller countries, a small team of officials from preceding and succeeding presidencies provides operational support for the presidency.

European Political Cooperation proved to be an effective tool in collective diplomacy. Throughout the European Conference on Security and Cooperation, in Helsinki, Belgrade and Madrid, the Community maintained a united front. Similarly, the Community reacted with one voice in the Afghan and Polish crises. On questions like the Middle East, Zimbabwe, Namibia, Central America, the Community could put forward its views and proposals. The same applies to the Member States positions within the U.N.

Still, the EPC process is subject to various criticisms. Foreign policy analysts often find it more "reactive" in nature than active, more prone to a "statement diplomacy" than to diplomatic action. On the other hand, changes in political regimes in a Community country or accession of a new Community member can affect the speed and efficiency of the EPC which - it should be recalled - works on a consensus basis. This was apparent in the Community's reaction to the Korean airliner crisis, where its statement had to be watered down because of Greece's specific position, which was more neutral than those of the nine other Member States.

2. The tools of the European Foreign Policy

One should distinguish the Community's decision-making processes, the diplomatic networks of the Member States and the Commission, and the international meetings.

2.1. The Community's decision-making processes

Formally, European Community matters - i.e. those linked to the Treaties - and the European Political Cooperation are totally distinct.

The decision-making process of the E.C. has been in place for 26 years now, with virtually no change. It is well known and we shall only describe it very generally. It rests on three main institutions: a) the Commission of the E.C. which has both initiating and executive powers, b) the Council of Ministers which has decision powers and c) the European Parliament, directly elected which has legislative powers over the E.C. Budget and consultative powers for other matters. Since 1974, the Heads of State and Governments, who had been meeting previously at "European summits", formed the European Council, supreme instance of the E.C. decision-making process, which assembles three times a year.

Decisions taken by the Foreign Affairs Ministers, who meet once a month, form one of the essential decision-making instruments of what is called here the European Foreign Policy. But decisions by other Ministers who meet less frequently - such as the Development, Agriculture, Finance, ... Ministers - also have important effects on third countries. Their work, as well as the preparatory / implementation work of the Commission, is assisted by the Member States "Permanent Representatives" assigned to Brussels and meeting weekly in a Committee. There are also 97 diplomatic missions from third countries accredited to the E.C. in Brussels.

The other essential decision-making instrument relates to the European Political Cooperation. The procedural aspects of EPC

are simple and pragmatic. At working level, the EPC senior officials in each foreign affairs ministry (the Correspondents' Group) are in permanent contact, in particular through a special telex network. They prepare the meetings of the Political Committee, composed of the political directors of the Foreign Ministries. This Committee meets once a month and is assisted by expert groups on specific problems. At ministerial level, Foreign Ministers meet at least once every three months on political cooperation issues. At Heads of State and Governments level, the European Council meets thrice yearly. The EC Commission is present at all stages.

As it can be seen, the E.C. and the EPC decision-making processes, although totally distinct in principle, have two common forums of discussion/decision: the Foreign Affairs Ministers' Council and the European Council. The Foreign Ministers can for example meet in separate sessions for E.C. matters and for EPC matters, or they can discuss them successively in the same session as the Heads of State and Governments do.

Furthermore, the complexities of foreign policy issues nowadays have made it increasingly difficult to draw a clear line between EC matters and EPC matters. In the Afghan crisis for example, condemning the Soviet Union was an EPC matter while providing emergency aid and relief to Afghan refugees in Pakistan was an EC matter (Development Policy). Similarly, with the Polish crisis. The Central American example in 1981/82 is even more complex as there were several interactions between the EC and EPC decision-making processes: the EC, trying to decide on a Commission's proposal for an increase in Community's development aid to the region,needed political guidance from the EPC, while, at a subsequent stage, the European Council,discussing the problem in its political context, invited the Foreign Ministers to work out a solution for increased levels of aid.

2.2. The diplomatic networks

The number of diplomatic missions of the Member States varies from well over a hundred for the bigger countries to just a few for the smaller ones. The Commission itself has Delegations in 74 countries and to three organizations (the U.N. in New York and Geneva, the OECD in Paris and the International Atomic Energy Agency in Vienna).

In every foreign capital, those Member States embassies present and the Commission's Delegation(when there is one)coordinate their work on EC and EPC matters as well. The Ambassadors of the Ten and the Commission's Head of Delegation meet usually once a month, their collaborators more often. The results of the work of the EC Foreign Affairs Council or of the EPC meetings form a daily common input to their work. As occasions arise they are asked to make joint diplomatic "demarches" to their host government, those being generally carried out by the Ambassador of the Presidency country and the Commission's Head of Delegation. Similarly, the information they share and the joint reports they draft form a common input to their respective capitals, (for example, the yearly report by the economic and commercial counsellors of the embassies is a single document).

Within the United Nations framework, the Ten also coordinate their positions, efforts are made to ensure they vote the same way and give common explanations of vote.

These daily contacts and almost automatic process of consultation have developed a kind of collective diplomacy and a "European Community reflex" among the diplomatic services of the Ten.

2.3. The international meetings

The Ten are increasingly acting together vis-à-vis third governments and organizations such as the U.N. But more and more international discussions are held,and results achieved, outside the traditional framework of government to government relations and outside the international institutions. Specific meetings like the Western Countries' Economic Summits (Canada, France, Germany, Italy, Japan, United Kingdom, United States and the EC Commission) or the Quadrilateral meetings on trade (Canada, EC, Japan, United States) tend to play a larger role. The Community, because of its role in international economic relations, is a major participant in these meetings, though under various forms: the President of the Commission fully participates in the Western Summit, as in Williamsburg, and represents the economic and commercial interests of the EC as a whole; he sits along with four of the Ten. In Quadrilateral meetings on trade, the Commission alone represents the Member States.

Sometimes, an economic relationship between the EC and third countries has political side effects: the EC-ASEAN yearly Ministerial meeting was created in the framework of the EC-ASEAN economic agreement, but has become a major forum for political concertation between the Ten and the five countries of South-East Asia.

Recently, during the General Assembly of the U.N. in New York, the Community had political concertation meetings with Japan and with the countries of the "Contadora Group" involved in helping to solve the Central American crisis. In such instances, the "troïka formula" is used, meaning that three Foreign Ministers of the Ten represent them: the Minister from the country holding the Community's Presidency, his immediate predecessor and successor. The Commission's President was also present.

3. Many questions, few answers

Analyses of the emerging European foreign policy have raised many questions and induced countless academic works. Yet, very few clear answers have been provided so far.

For example, a frequent contention about the embryonic European foreign policy is that the policy of the EC and the "Ten" towards the outside world would be reactive in nature while national foreign policies would be of an active nature. What is true is that the European Political Cooperation process works on the purely political side of foreign policy and, thus, uses the traditional tools of foreign policy: statements, protests, demarches, etc.. But the distinctive feature of the European foreign policy is that actions can almost always be taken in the economic field through the EC framework. As mentioned earlier, the Afghan and Polish crises are cases in point: the immediate reaction of the Ten was a political statement, then followed by a positive action of the EC (food aid to the Polish people, aid to Afghan refugees). Rather than diminishing the potential for action, the combination of the EC and EPC frameworks gives to the Ten more far-reaching means of action.

Another frequent opinion is that "high politics", i.e. "real diplomacy", would be the jealously-guarded realm of national governments, while "low politics", i.e. "economic diplomacy", would be increasingly dealt with at European level. First of all, this is not what the record of the combined EC and EPC activities in recent years suggests. Secondly, distinguishing between economic and political subjects in the conduct of foreign affairs can be difficult at times, like in the case of the Siberian gas pipeline to Europe, where the US at some stage unilaterally imposed a ban on European firms manufacturing parts under American licences for the pipeline being built by European companies in USSR. Thirdly, the relative weight of the economic versus political matters very much depends on the specific

parties involved. It is obvious that for developing countries, especially the low-income ones, economic matters are of overwhelming importance in foreign relations. What is true however is that the politico-military and strategic aspects of foreign policy are not discussed at European level. However, the 1981 London Report on EPC confirmed the possibility to discuss "certain important foreign policy questions bearing on the political aspects of security".

In the end, an obvious difficulty is to categorize this emerging European foreign policy. It is partly an extension and development, in a European framework, of national foreign policies of the Ten. Partly, it is a direct or indirect result of the EC Treaties. And more often than not, it is the outcome of a complex process involving political and economic matters, intergovernmental and Community dealings and, increasingly, interactions between them. Altogether, Europe taken collectively can hardly be defined as just another actor on the international scene but rather as a new form of actor.

Perhaps, to fully understand the nature of what we have called the European foreign policy, it is necessary to recall that, in forming the European Community in reapproaching their foreign policies within EPC, it was never intended that the Member States would give up their sovereignty but rather protect and reinforce it by affirming Europe's identity in an interdependent world.