



IS THERE HOPE FOR EU FOREIGN POLICY?

Stefan Lehne



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About the Author

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Lehne's work on issues of European foreign and security policy has been widely published in a number of academic journals, including *Integration*, the *Austrian Journal of Political Science*, and *Europa Archiv*. In addition, he has authored a number of monographs on the Conference on Security and Cooperation in Europe.

Summary

While the foreign policy reforms in the Lisbon Treaty have improved the European Union's foreign policy machine, the EU's overall international position has weakened in the ten years since the treaty's signing. Insufficient leadership and dysfunctional institutional arrangements, the tendency of bigger countries to prioritize their national foreign policies, and the habit of some smaller ones to get free rides have all impeded effective collective action. The EU's current consolidation, however, offers an opportunity for remedial action.

A Tough Environment for an Underdeveloped Policy

- With its emphasis on soft power, its preference for legal solutions, and its enthusiasm for multilateral diplomacy, the EU has had trouble adjusting to a multipolar world increasingly ruled by power politics.
- In the face of growing turmoil in its neighborhood, the EU has downscaled its ambition to transform its neighbors in its own image and switched to a defensive mode, focusing on stability and resilience.
- As a crisis manager, the EU has had some wins but displayed many weaknesses, including in Libya, Syria, and Ukraine. It is now finally beginning to build up its military capabilities, but these efforts will take years to bear fruit.

No Institutional Fixes, but Step-by-Step Consolidation

Seize the second chance for foreign policy. A stronger economy, a reactivated German-French axis, and broad public support for better international action create a promising environment after years of crisis, but EU leaders need to put foreign policy firmly on the agenda.

Accept that deep structural reform remains unrealistic. Few member states are ready to give up their national foreign policy or to subordinate it to EU policy by accepting majority voting. Solidarity among member states needs to be built incrementally through the shared experience of common action.

Do more together to build diplomatic muscle. Stepping up the level of diplomatic and operational engagement seems the most promising approach to record achievements and gain the confidence for more ambitious action.

Strengthen the buy-in of member states. Tasking individual or groups of member states with diplomatic and operational action on behalf of the union could promote a sense of ownership and enhance capacity.

Build alliances to preserve global governance. No international actor is better positioned than the EU to lead the struggle for a rules-based international order. This will require strong investment in the partnerships with other stakeholders.

Mobilize expertise. The EU delegations, the civil and military operations, and the EU headquarters in Brussels possess vast amounts of geographic and topical know-how that is currently dispersed and underutilized. Better reporting systems and a stronger capability for strategic analysis could improve the EU's situational awareness and support more proactive policies.

Introduction

The European Union's (EU's) foreign policy remains weak and underdeveloped compared to its other projects. While the reforms of the Lisbon Treaty have, to some extent, strengthened the capacities of the union, its overall international position has weakened in the ten years since the treaty's signing. With its emphasis on soft power, preference for legal solutions, and enthusiasm for multilateral diplomacy, the EU has had trouble adjusting to a multipolar world increasingly ruled by power politics. However, there are also deeper structural reasons for the EU's inability to respond adequately to a deteriorating security environment.

The basic rules of decisionmaking processes are the most serious constraint. The member states decide on common foreign and security policy by unanimity and run their own national policy in parallel. These limitations compound the inherent problems of collective action by a large group of states, such as the diversity of interests, insufficient solidarity, free riding, and fragmented and weak leadership.

There is no silver bullet to address these structural impediments to EU foreign policy. But both the European economy's current recovery and a political constellation more favorable to reforms improve the chances for incremental steps toward a stronger foreign policy. Increasing the overall level of activity, bringing the member states more fully on board, building alliances to defend global governance, and mobilizing the expertise present in the institutions can help build the confidence and ambition necessary for effective international engagement.

The EU has had trouble adjusting to a multipolar world increasingly ruled by power politics.

Great Expectations

At the beginning of the twenty-first century, shortly after the introduction of the euro and just before the EU's big enlargement to Central Europe, the union had reached the peak of its self-confidence. This sense of achievement and optimism also framed its view of its place in the world.

The EU considered itself the vanguard of an emerging liberal international order, in which multilateral diplomacy would create elaborate rules-based regimes regulating all dimensions of globalized exchanges and cooperation. As a system of transnational cooperation with a strong legal foundation, the EU saw itself as a model for the future organization of international relations and was convinced that other parts of the world would soon follow suit. This was the spirit that permeated then EU high representative for foreign affairs Javier

Solana's first EU security strategy in 2003 as well as the European Neighborhood Policy launched in 2004.¹

Against this background, the Constitutional Treaty was expected to bring about far-reaching structural reforms of the EU's foreign policy. The treaty was rejected by referendums in France and the Netherlands, but its foreign policy provisions reappeared—largely unchanged—in the Lisbon Treaty, which was signed in December 2007.

The Lisbon reforms did not amount to a revolution. The most serious constraints on EU foreign policy, the unanimity principle and the parallelism between the member states' national foreign policy and that of the EU, were left untouched. But the treaty locked the EU's various policies and instruments into a tighter institutional framework designed to deliver better coherence, more continuity, and thus greater effectiveness.

The high representative was meant to be the lynchpin of the new system. Chairing the foreign ministers' council and acting as the vice president of the European Commission, the position would ensure closer coordination between the member states and help bridge the gap between foreign and security policy—where the council is in the lead—and the commission's work on trade, development, enlargement, and the neighborhood. The new European External Action Service (EEAS) would include diplomats from the member states and officials from the institutions and serve as a coordination platform and a source of expertise and strategic advice.

The implementation of these reforms began in 2009 in a quite different political environment. Because of the acute stress of the financial crisis and the resulting blow that the EU's self-confidence suffered, the union approached the creation of the new structures in a cautious manner. The foreign policy establishments of the member states were reluctant to give the EEAS the mandate and the resources needed to become the EU's foreign ministry, and the commission jealously defended its own powers.² Thus, the EEAS turned into a kind of secretariat, interposed between the council and the commission with a weak institutional culture and limited buy-in from either side.

In retrospect, it was probably also suboptimal to locate the institutional center of EU foreign policy on the level of foreign ministers. Over previous decades, foreign ministers have lost ground in Europe just like in other parts of the world. The real players in this area are today the prime ministers and

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presidents. Effective EU foreign policy requires their direct involvement. The high representative is simply not quite high enough to engage with U.S. President Donald Trump, Chinese President Xi Jinping, or Russian President Vladimir Putin. Therefore, the entire EU foreign policy apparatus remains somewhat detached from the real decisionmaking level.

Still, over the years, some functional advantages of the new setup have emerged. Thanks to the continuity in key functions, the EU's foreign policy machine works more smoothly than the old system of a six-month rotating presidency. The gulf between classical foreign policy and commission-led trade and aid policies has been reduced. In crisis management, but also when policy papers are worked out in the EU institutions, officials responsible for security and diplomacy are now joined by those responsible for trade, development, and humanitarian affairs. This allows various policy instruments to be more coordinated. EU delegations in third countries now deal with political matters alongside trade and aid. Again, this enhanced policy coherence has given the EU a more visible presence in many parts of the world.

All these advances cannot, however, hide the fact that throughout the implementation of the Lisbon Treaty, the EU's international position has become a good deal weaker.

The Paradigm Shift

The EU's halting steps toward an enhanced collective foreign and security policy capability were outpaced by the rapid deterioration of the security environment.

In the East, an assertive Russia drew the EU into a geopolitical competition for the first time. A low-level conflict continues in Ukraine, and the EU members bordering Russia feel exposed to pressure from Moscow. Under an increasingly authoritarian President Recep Tayyip Erdoğan, Turkey, a crucial strategic partner, is drifting away from its European orientation. Turmoil in the Middle East and North Africa has thrown up a number of critical challenges, such as mass migration and terrorism, and there appear to be few prospects of the region returning to stability.

All these changes do not just represent temporary setbacks, they reflect a shift in paradigm. The trends in international relations have not conformed to the EU's optimistic expectations. A multipolar world has emerged where authoritarian regimes rule in many countries and power politics have made a comeback.

These changes have profound effects on the EU's self-perception as an international actor. Rather than being the vanguard of a new liberal order, the EU now appears to be a besieged, "postmodern" island in a world ruled by realpolitik.³ Rather than shaping its environment in its own image, the EU is

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worrying that the disorder in neighboring regions will spill over and disrupt the achievements of six decades of European integration.

The Paradox: Greater Challenges, Lower Ambitions

One might have expected that the deteriorating overall security situation would have prompted EU actors to pull together and mobilize resources for determined collective action. However, very little along these lines has happened.

The darkening security environment has necessitated a review of the overly optimistic transformational goals of earlier policies, and a focus on threats and interests.

While the neighborhood deteriorated, the EU's foreign policy remained strangely passive. In a business-as-usual mode, it continued to conduct political dialogues with third countries and churn out declarations. Diplomatic initiatives to resolve the various regional crises remained rare and internal divisions have deepened rather than diminished. When the high representative advocated a more active approach, she often ran into opposition from member states. Chastened by this experience, both then high representative Catherine Ashton and her successor, Federica Mogherini, tended to avoid controversial policy debates in the monthly foreign ministers' meetings, which therefore lost relevance.

Paradoxically, the EU's most visible response to increasing challenges was a lowering of foreign policy ambitions. The original idea of the European Neighborhood Policy—that the EU would transform its neighbors into democratic market economies committed to the rule of law and eventually allow them to share in the benefits of European integration—has never been underpinned by sufficient commitment. Now, this objective has been quietly reduced to a few already advanced countries such as Georgia, Ukraine, and Tunisia.⁴

This adjustment was certainly justified. The darkening security environment has necessitated a review of the overly optimistic transformational goals of earlier policies, and a focus on threats and interests. The revised neighborhood policy of 2015 therefore names stability as the greatest overarching objective. However, with the exception of migration management, which has recently turned into the top priority of the EU's policies particularly in the Southern neighborhood, the overall level of concrete engagement in terms of money, manpower, and high-level attention has not increased, so that even this more modest goal of rebuilding stability is likely to remain elusive.

A Mixed Record in Neighboring Regions

The record of the EU's concrete diplomatic and security initiatives in neighboring regions is uneven. The dialogue between Kosovo and Serbia, EU involvement in the negotiations on the Iranian nuclear program, the fight against piracy around the Horn of Africa, and the efforts to shore up governance in Mali and neighboring states have contributed to enhancing stability in the

neighborhood. The EU-Turkey deal on refugees—while much criticized at the time by humanitarian NGOs—also showed the ability to manage a complex and urgent challenge.⁵ Unfortunately, the list of disappointments is quite long and illustrates the various structural weaknesses of the EU's current foreign policy arrangements.

Concerning Russia, the EU managed to maintain unity in its sanctions policy—a considerable achievement given the diverse attitude of member states toward Moscow. But the price of this unity was diplomatic paralysis. Just two EU member states, Germany and France, participated in the Normandy format negotiations on the Ukrainian conflict, but they were unable to overcome the stalemate. The EU institutions were practically locked out of this area, as illustrated by the fact that Federica Mogherini visited Moscow for the first time one-and-a-half years after she assumed office.

Regarding Syria, the greatest tragedy of recent years with vast consequences for Europe, the EU from the beginning failed to match the objectives of its policy with appropriate instruments. It demanded at an early stage that Syrian President Bashar al-Assad be ousted from power, but the regime proved more resilient than anticipated and EU sanctions have been frustrated by Assad's regional allies. Thus, the EU's role was reduced to providing humanitarian assistance, while the diplomatic process was taken over by Iran, Russia, and Turkey.

Libya is a further stain on the EU's record. While EU actors, particularly France and the UK, were pushing for the intervention that would bring down Libyan leader Muammar Qaddafi, the EU proved ineffective in tackling the postrevolutionary chaos. Instead, stopping the migrants who crossed from Libya to Italy soon became the primary objective. Italy is taking the lead on the ground and working closely with various Libyan security actors. But French President Emmanuel Macron's sudden initiative to broker an agreement between the internationally recognized government and the strongman in the east, General Khalifa Haftar, was heavily criticized by Rome and revealed the lack of coordination among the main EU players.⁶

Shifting Global Scales

The picture is not much more encouraging on the global level. The EU certainly continues to be one of the most important players in multilateral diplomacy, with its contribution to the Paris Agreement on climate change amounting to the biggest success in recent years. But as the other powers and regions are gaining strength, the EU's coherence is diminishing due to internal divisions and its overall position is eroding.

The UK's decision to leave the bloc dealt a further severe blow to the EU's global image. After decades of increasing international weight through

Concerning Russia, the EU managed to maintain unity in its sanctions policy—a considerable achievement given the diverse attitude of member states toward Moscow.

successive enlargements, the EU will now lose 16 percent of its economy and one of its strongest foreign policy players.⁷

The EU's weight in international economic and financial negotiations will remain considerable, but its clout is being reduced by the fact that its presence in the groups of the seven largest and twenty largest economies (the G7 and G20) and in international financial institutions remains divided between EU institutions and the bigger member states. As the discussions about trade

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agreements with the United States (the Transatlantic Trade and Investment Partnership) and with Canada (the Comprehensive Economic and Trade Agreement) have shown, trade policy, long one of the union's greatest strengths, has become controversial as the losers from globalization have begun to mobilize against it.

The EU has also failed to develop a coherent response to the rise of China. Competing interests of member states have allowed Beijing to play various parts of the EU off each other, as illustrated by the annual 16+1 summits of Central and Eastern European countries plus China.

The EU has long been accustomed to operating as a junior partner to the United States in efforts to preserve the international order, but Donald Trump's election has put an end to this tandem.⁸ Too weak to assume the leadership role abandoned by Washington and in many respects still dependent on partnership with the United States, EU actors are just struggling to limit the damage and hoping for the self-correcting capacities of the U.S. political system.

A Silver Lining?

Those who believe that this short summary of the EU's record is overly gloomy are likely to point to two recent, promising developments in the EU's international action: the EU Global Strategy (EGS) that Mogherini submitted in June 2016, and the recent decisions to enhance the EU's security and defense capabilities. However, neither can yet be considered a game changer. In both instances, whether or not the EU's foreign and security policy capacities will be genuinely enhanced depends on determined follow-up action.

Mogherini's strategy is certainly a significant achievement. Thirteen years after Solana's strategy, a new conceptual orientation for the EU's foreign policy was long overdue. The EGS proceeds from an honest assessment of the EU's global and regional environment, acknowledging the major challenges and the limitations in the EU's influence. It identifies common interests and principles for the EU's international action as well as a set of plausible priorities. By putting a strong emphasis on enhancing the "resilience" of states and societies—the concept appears more than forty times in the text—and by focusing on threats and interests, Mogherini signals a certain *realpolitik* shift in the EU's approach without turning away from its commitment to values.

The strategy, however, also has shortcomings. While the text has been coordinated with national officials, member state buy-in has remained rather limited. It is doubtful whether the leaders of the bigger member states—the real decisionmakers on EU foreign policy today—will derive much guidance from the document. The priorities of their national foreign policies are likely to prevail. Because of its timing, the document also could not take into account two crucial events for EU foreign policy: Brexit and the election of Donald Trump. Arguably, the most acute strategic challenge for the EU will be adjusting to these developments. While the document is quite new, parts of it already look somewhat dated.

In the area of security and defense policy, the Lisbon Treaty had brought only limited innovations, and these areas have stagnated following its introduction. However, Russian hostility and rearmament, instability in the South, and the loss of confidence in U.S. protection eventually reignited interest in EU defense policy. Following these trends, Mogherini's EGS placed major emphasis on strengthening military capabilities, enhancing cooperation among member states, and improving the EU's responsiveness to crises. Of all the strategy's elements, these chapters have seen by far the most significant follow-up work.

Recent initiatives regarding coordinated defense planning and enhanced defense cooperation, joint financing of EU military operations, and allowing groups of the more capable member states to cooperate on more ambitious defense projects seem to indicate an understanding that the EU needs to upgrade its security and defense capacity.⁹ After a long phase of decline, defense budgets are now rising again in most member states. Together with the new readiness of the commission to provide funding for common efforts on capacity development, this could create a promising environment for significant progress.

However, in view of past experience, rich with false starts and unfulfilled promises, it appears prudent to remain cautious. The key question will be to what extent member states will back up the various declaratory commitments with concrete implementing steps. Many of them still seem torn between the objective need for cooperation and the desire to maintain maximum autonomy. Political divisions over migration and eurozone management diminish the mutual confidence necessary for effective defense cooperation. Contrasting priorities regarding threats from the East and South and diverging views regarding the division of roles between the EU and the North Atlantic Treaty Organization (NATO) are further constraints.

And then there is the major problem of managing the gap in expectations. Even under favorable circumstances, the current initiatives for building up military capacities will take several years, in some cases decades, to bear fruit.¹⁰ And during that time, the neighborhood will not wait until the EU is ready. Military

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technology is spreading rapidly to state and nonstate actors, and a number of powers in neighboring regions are building up their military strength.

Against the background of a tougher and competitive environment, it is far from clear whether the EU's capacity to respond effectively to security challenges will increase or decrease over the coming years.

Why EU Foreign Policy Falls Short of Expectations

Compared to other important EU projects, the overall development of the EU's foreign policy remains underwhelming. The EU began work on its foreign policy in the early 1970s. The Common Foreign and Security Policy was created in the early 1990s, but it remains half-finished and fragile to this date.

Other important initiatives of European integration, such as the internal market, monetary union, and Schengen area, have moved forward with greater speed and have advanced much further.

Acting in isolation, EU countries risk being marginalized in the international arena over the coming decades.

This relative lack of dynamism in foreign policy cannot be explained by the absence of public support. Polls indicate that the public has broadly positive feelings about a stronger and more coherent foreign and security policy.

According to Eurobarometer polling, almost three-quarters of Europeans support a common security and defense policy, and roughly two-thirds favor a common foreign policy. Levels of support are similar in the East and West, the North and South, and in the bigger and smaller member states.¹¹

There is also little controversy about the fundamental rationale for moving toward a stronger common policy. Given the inevitable long-term redistribution of economic and political weight away from Europe, individual member states, including the larger ones, will find it increasingly difficult to protect their interests on their own.¹² No EU country will be in the G7 by 2050.¹³ Acting in isolation, EU countries risk being marginalized in the international arena over the coming decades. Only by joining forces, sharing assets, and engaging in effective collective action can Europe hope to influence the regional and global decisions that will determine the future of the continent.

This argument has been around for a long time and endlessly repeated. The deterioration of Europe's security environment in recent years should have increased its urgency. But while the facts are acknowledged, this understanding has yet to translate into effective action.

The EU's Collective Action Problem

This failure can at least in part be explained by the EU's collective action problem. Mancur Olson first developed the concept of the collective action problem in the mid-1960s.¹⁴ The theory deals with the question of why members

of a group do not provide as much of an agreed common good as would be in the collective interest and therefore end up achieving suboptimal results. Even though Olson wrote long before the EU's Common Foreign and Security Policy was initiated, it presents a perfect textbook example for the difficulties he described.

One important constraint is that group members might share a common goal, but also have divergent interests that get in the way, such as special relationships with outside powers, particular regional interests, competition for economic gains, or internal political constraints. One good example is the Western Balkans. All member states support these countries' eventual accession to the EU, but some of the immediate regional neighbors—including Greece, Romania, and Croatia, which stand to benefit most from this policy's success—insist that their bilateral disputes in the Western Balkans need to be resolved before these countries can join the EU. The narrow national interest trumps the collective objective.

Another case in point is the Middle East peace process. The EU is by far the largest donor to the Palestinians, and all member states support a viable two-state solution.¹⁵ However, the EU has difficulty converting this investment on the ground into political influence because of divergent attitudes among member states toward Israel and the fragmentation of external competencies between the European Commission and the EEAS.

Another limiting factor can be the expectation by group members that the desired collective action will happen anyway, even without their particular contribution. In this case, these participants will have a strong tendency to do nothing and leave it to others to deliver the common good.

This, too, is a familiar feature of EU foreign policy. Free riding is not limited to small member states, but they are particularly susceptible to it. Many of them have never had more than a regional foreign policy. Their political elites appreciate participating in EU discussions on important international developments. But when it comes to assuming responsibility for concrete action, the societies they represent are often unprepared to face the costs and risks of operational engagement.

An example is the reluctance to establish a common financial base for EU operations. Many member states seem to assume that when there are urgent security challenges, for instance in North Africa, some of the bigger countries with strong ties to the region will feel compelled to do what is necessary, giving the rest of the EU a free ride. That means there is no compelling reason to set up an effective EU funding mechanism.

The fragmented perception of international events is another big constraint. There is no European public space. Most people get their news exclusively from national media. Crises in other continents are therefore viewed from

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the standpoint of a country with 2 million or 20 million or—in the case of Germany—over 80 million inhabitants. Consequently, hardly any foreign policy actor approaches an international challenge bearing in mind the full consequences for the EU, with its 500 million people and its enormous collective capacity. Hence, the entire system is inherently risk averse. Ministerial discussions in Brussels frequently suffer from a collective small-state syndrome: the sum of national viewpoints and the willingness to take responsibility falls far short of the total potential of the union as an international actor.

Olson also points out that as the size and heterogeneity of a group increases, the chances for a successful pursuit of common goods will diminish.¹⁶ Again, the experience of the enlarged EU bears this out. Solidarity and a shared sense of purpose are more difficult to sustain in the larger and diverse union of today. Up until a number of years ago, a shared preference for achieving agreement in the EU prompted dissenters to join the consensus on common positions. This commitment to EU unity has now become weaker. Some political outliers, such as Cyprus, Greece, Hungary, and Poland, barely hesitate to block any decision that they don't like. Often, the blocked decisions concern human rights, democracy, and the rule of law. It is becoming increasingly difficult to criticize powerful third countries for their human rights records.

There is also a tendency of member states to outsource negative messaging on human rights violations or rule of law deficiencies to the EU, thus shielding their own bilateral relations from difficult issues. This hurts not only the EU's collective relationship with the respective third country, it also undercuts the values agenda. Third countries quickly learn not to take the messages coming from Brussels seriously when they don't hear the same messages from the member states.

Olson has also underlined that the institutional design of the group is crucial for its productivity. This is where EU foreign and security policy diverges significantly from the economic areas of European integration. The vast body of binding legislation, the commission's roles as the initiator of legislation and as guardian of the EU treaty, and the European Court of Justice's function in enforcing this law are key elements that ensure greater discipline among member states and make free riding more difficult.

All these checks on free riding and obstruction do not feature in EU foreign and security policy. In that area, almost any progress still depends on the good will of every single member state. Of course, the collective action problem also plagues other dimensions of the EU's work, but hardly anywhere else does it appear in such an unmitigated form.

Deficit in Leadership

Leadership is a crucial factor in countering the inertia and free riding that impede collective action. Under the Lisbon foreign policy system, the formal leadership role belongs not only to the institutions, the high representative, and

the EEAS but also to the presidents of the European Council and the European Commission.

The high representative and the EEAS run the day-to-day operations of EU foreign policy but will rarely launch a major initiative without the backing of the bigger capitals. When they have this support, they can play a prominent and creative role. This happened in the cases of Iran's nuclear program and the EGS. But frequently, this backup from the key capitals is not forthcoming.

The commission's role in foreign policy is weaker than in the other areas of integration, but as it controls many of the union's most potent external action instruments, it has real influence. This is particularly relevant in the relations with third countries that have strong structural relationships with the EU, such as candidates for enlargement or partners in the neighborhood policy. In the Balkans, for instance, the commission frequently uses the leverage from the accession process to engage in political crisis management.¹⁷ In Eastern Europe, the commission's push for the conclusion of association agreements was one of the factors that resulted in the clash with Russia.¹⁸

Potentially, the president of the European Council, as the head of the EU's most powerful body, could also play a significant leadership role on foreign policy. Yet, the first two holders of this position, Herman Van Rompuy and Donald Tusk, adopted a low profile, mostly limiting themselves to bilateral and multilateral high-level meetings.

In shaping the substance of EU foreign policy, the informal leadership from the bigger member states plays a much greater role than the formal leadership from the institutions. Together, those member states possess the greater part of the EU's overall diplomatic, military, and intelligence resources; maintain extensive networks around the world; and are present in the exclusive global clubs.¹⁹

While EU foreign policy is theoretically based on the sovereign equality of all twenty-eight members, size matters in the real world. The lead role of bigger countries is therefore usually tolerated by the rest of the group, as long as it is exercised with some degree of tact. Smaller countries can take a lead role when they have strong interests and expertise on an issue, but that does not happen very often.

The trouble is that the contribution of bigger member states is often inconsistent and weak, because they assign primacy to their national foreign policy. Playing a prominent role on the international stage is part of the national identities of countries like France, Germany, and the UK, and partly also Italy and Spain. Their international action is thus not just about promoting interests or values, but equally about ensuring their rank in the world. This is why the UK and France consider their permanent membership in the UN Security Council to be a crown jewel of their foreign policy and fiercely defend their freedom of action in this forum. These countries are essentially satisfied with the current state of affairs regarding EU foreign diplomacy. It was interesting,

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for instance, that, in a September 2017 speech, Macron set out an ambitious vision for the future of the EU with proposals for just about every aspect of European integration, but he had nothing to say about making European diplomacy more effective.²⁰

The big member states engage when they can be seen to lead or when national interest necessitates the involvement of the EU as an influence multiplier, such as in decisions about sanctions. But often, they look at the EU as just another of the multilateral forums where they pursue their national foreign policy goals. Sometimes they prefer to act individually, or in coalitions outside the EU framework, or to take an issue to another body. At other times, they remain passive or fail to reach agreement on a course of action, which paralyzes the EU as a whole.

A further weakening of U.S. engagement in the regions around the union is unlikely to encourage autonomous EU action; rather, it may further reduce the EU's willingness and ability to tackle tough external challenges.

Over the past ten years, a good part of this informal leadership in EU foreign policy was, in fact, outsourced to the United States. Usually through confidential consultations in which Washington and a few European capitals participate, the United States exerted enormous influence on the conduct of EU foreign policy.²¹ In some cases, this might have blocked worthy European initiatives but, more often than not, U.S. influence was beneficial to the EU's efforts. It contributed to bridging internal divisions, and by giving EU members the reassurance of working with the world's strongest actor, it helped overcome the system's aversion to risk. A further weakening of U.S. engagement in the regions around the union is unlikely to encourage autonomous EU action; rather, it may further reduce the EU's willingness and ability to tackle tough external challenges.

Such a fragmented leadership constellation is unlikely to result in a determined and consistent foreign policy. The various institutional and national leaders often operate at cross-purposes. Sometimes, no one steps up to the task. Decisionmaking is slow and negotiations tend to get bogged down. When member states fail to achieve unanimity, the EU simply vanishes as a relevant actor. Even when initiatives are launched, they often lack sufficient follow-up. Declarations frequently take the place of action. And all of this exacerbates the EU's collective action problem. In fact, no other factor explains more of the chronic underperformance of EU foreign policy than inadequate leadership.

Conclusion

The Lisbon reforms have resulted in a better functioning foreign policy machine that, under fair weather conditions, services relations with third countries with reasonable efficiency. However, when the going gets tough and important policy choices need to be made, the dysfunctionality of the current decisionmaking

arrangements combined with the intrinsic constraints of collective action hamper the EU's effectiveness as an international actor.

Over the past five years, the EU has responded to a deteriorating security environment by shifting toward *realpolitik*. The over-optimistic transformative commitments of the past have been corrected. The new emphasis in policy documents is on stability and resilience, and the efforts to strengthen military capabilities have gained momentum. But so far, EU foreign policy has not risen to the increasing challenges. It has been badly lacking in energy, coherence, and ambition.

However, as the overall outlook for European integration has improved in 2017, a window for significantly strengthening EU foreign policy might be opening. Foreign policy has never been a driving force of integration but a complementary activity that depended to a large extent on developments in the core areas. Not only are many of the key instruments, such as trade or development assistance, intrinsically linked to foreign policy, but also the EU's ambition as an external actor as well as its influence are functions of the economic and political dynamism of the union.

The prospects for the EU's future have recently begun to brighten. A sustained economic recovery appears to be under way. This by itself will help to rebuild the EU's international influence and soft power. The long list of countries eager to conclude trade agreements with the EU shows this clearly.²²

There is also a greater chance for serious efforts to address the EU's weaknesses and vulnerabilities. The victories of Emmanuel Macron in France and Angela Merkel in Germany have reenergized the French-German axis. Once a new German government is formed, Berlin and Paris will begin work on a common road map for EU reforms. Both sides also agree on the need to move forward more rapidly on security and defense. And progress on the "hardware" of defense needs to go hand in hand with upgrading the "software" of diplomacy. In fact, Angela Merkel recently called forging a coherent foreign policy the biggest challenge facing the EU.²³

If this is the ambition, then the following four courses of action should be considered.

Try and Try Again

It is unlikely that EU foreign policy can be saved through institutional fixes. In September 2017, European Commission President Jean-Claude Juncker proposed qualified majority voting for foreign policy decisions.²⁴ This would certainly remove a big obstacle to the EU's effectiveness and could be done even under the existing treaty. However, it is very unlikely to happen. By accepting majority voting, member states would effectively subordinate their own national foreign policy to that of the EU, and only very few of them seem ready to do that.

Unlike a common currency, a common foreign policy cannot be introduced through timelines and objective criteria. Institutional arrangements matter, but the real key to overcoming the EU's collective action problem lies in strengthening mutual confidence and solidarity through a process of shared practical experience.

The EU foreign policy muscle will only get stronger if it gets more exercise. Stepping up the level of activity through increased diplomatic initiatives and operational engagement is therefore the best way to become more effective. Whether this concerns converting the EU's capacity for reconstructing Syria

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into a political role, launching a major diplomatic initiative to stabilize Libya, or replacing the deadlocked Minsk talks with a new diplomatic process on Ukraine, there are plenty of opportunities for additional EU engagement.

Not every effort will succeed and there will be setbacks. Foreign policy is inherently complex and messy. But only by ramping up its engagement can the EU overcome its current inertia and risk averseness and, over time, build a record of achievement that will in turn strengthen its confidence for further action.

Reengage the Member States

As long as EU foreign policy runs parallel to national foreign policy, it will not enjoy the necessary buy-in from member states. National leaders will only behave as real stakeholders if there is a real and visible role for them at the EU level. The EU Council should therefore task individual member states or groups of them with specific crisis management jobs or with taking the lead on particular regional policies or even thematic issues. Such burden-sharing between the institutions and the member states has been discussed before, but in practice it has been hampered by lack of trust and fear of loss of control.

Mobilizing the vast diplomatic and operational assets of member states for common objectives could significantly strengthen the EU's foreign policy. And giving member states direct responsibility in a way that can be appreciated by domestic audiences would also make the EU's collective action problem more manageable.

Undeniably, there are risks that the national interests of a country tasked with a particular mission will get mixed up with its action on behalf of the EU, but these can be mitigated through safeguards, such as the involvement of the EU institutions in such initiatives.

Build Alliances in Support of Global Governance

The EU's emphasis on soft power, its preference for legal solutions, and its enthusiasm for multilateral diplomacy are far more suited for building a liberal world order than for dealing with the vicissitudes of a world governed by power

politics. For good reasons, the EU therefore remains strongly committed to safeguarding and developing rules-based cooperative structures in areas ranging from trade to climate change to nonproliferation to migration management. The fact that this has become an uphill struggle in the era of Putin and Trump just means that the EU needs to try even harder. In a “nation first” world, the EU has no future and its member states will pay a heavy price.²⁵

Fortunately, there are many other stakeholders in a functioning multilateral order, such as Australia, Canada, Japan, and many developing countries. These countries—including China and India on certain issues—see the EU as a crucial ally because, despite its recent setbacks, no other international player is better positioned to build alliances for preserving and strengthening global governance. Developing the relevant networks and partnerships and investing in the institutional architecture of global governance could well be the EU’s most urgent priority for the coming years. This would also require a continuing dialogue with the United States in order to minimize the damage and ensure early and constructive reengagement.

Upgrade Lisbon

The Lisbon arrangements have serious design flaws but will remain the EU’s operating system for the foreseeable future. Their potential, however, could be much better used. The EU delegations, the military and civilian missions, and the relevant departments of the EEAS and the commission collectively possess greater expertise than many of the bigger member states. But this resource is at present dispersed among different institutions and not used in a cohesive way. Mobilizing this reservoir of know-how through better reporting systems, more information sharing, and greater capabilities for strategic analysis would greatly enhance the situational awareness of the EU and its member states. An improved understanding of international developments would also enhance the authority of the EU institutions and the credibility of their initiatives and thereby facilitate a much more proactive approach to policymaking.

Action along these lines will not produce miracles. Under the best of circumstances, EU foreign and security policy will remain a work in progress for some time. However, after a long period of stagnation, there is now a real opportunity to strengthen EU foreign policy. In light of the serious challenges in the neighborhood and on the global level, this opportunity must not be missed.

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