EDITORIAL

By Antonio Missiroli

One year on – and moving on

The first anniversary of the entry into force of the Lisbon Treaty occurs at a difficult time for the EU. The new institutional arrangements inaugurated one year ago are still being tested and implemented (BEPA has just published a dedicated analysis on that). Meanwhile Europe’s agenda is completely hijacked by the side effects of the financial and economic crisis on some euro zone countries, which risk undermining the EMU and casting doubts over the entire integration process.

Ironically, also one year after the Copenhagen Conference and at the start of the Cancun summit, the Lisbon Treaty has been hit by “climate change”. What has changed is not only the political mood across the Union – at least as compared to the general climate in which the core elements of the new treaty were negotiated and agreed in 2003/04 – but also the set of priorities that now dominate EU policy-making (and may even impose, in turn, further treaty revisions).

Let us be clear: the ratification of Lisbon has already contributed to making the Union more cohesive and effective, and some new provisions have already proved their worth. Let us just try and imagine what impact the debt crises of 2010 would have had if the Treaty had not been in place yet! And it is a fact that a number of deliberations on enhanced financial and fiscal supervision by EU bodies would probably never have been agreed without the turmoil created by those crises.

But it is also a fact that the decisions taken recently as well as those that are about to be taken on EU economic governance – to which BEPA, in cooperation with DG ECFIN, will devote an international conference in January – usher in a brand new stage of the integration process: they represent a completion of Maastricht’s “unfinished business” rather than an implementation of Lisbon’s ongoing job.

Besides, this first anniversary marks also the launch of one of the key innovations of the new Treaty, namely the European External Action Service (EEAS). Its creation has required additional negotiations both among and between the Member States and EU institutions,
culminating with the “quadrilogue” agreement of last June, the Council Decision of late July and the subsequent co-decision procedure on budgetary and staff regulations finalised this autumn. The first nucleus of the new service is starting its activity in the forthcoming weeks, with a view to reaching its full operational capacity gradually. The EEAS (likely to become HRVP Catherine Ashton’s fourth “hat”, if one considers chairing the Foreign Affairs Committee is the third one) is indeed bound to be a work in progress, not unlike the other institutional innovations enshrined in the new Treaty - to which BEPA, in cooperation with the Commission’s Legal Service, will devote another international Conference in February.

If the past year has been full of unexpected developments, the past month has offered also opportunities to review partnerships and policies that are much less driven by short-term considerations. It was the case with the EU-US summit held in Lisbon and, above all, the Commission’s usual reports on the candidates for EU accession. This issue of BEPA Monthly addresses these from a strategic perspective and offers some additional food for thought on how to develop them further even in the current (changing) climate.
President Barack Obama made a telling remark at the conclusion of our EU-US summit in Lisbon. With the long list of summits he had just attended in Lisbon (and before that in Asia) in mind, the US President told reporters: “This summit was not as exciting as other summits, because we basically agree on everything.” The US, he said, “has no closer partner than Europe.”

The President was right. This was by no means a headline grabbing summit. We saw no fundamental clash of values. No lines drawn in the sand. Any political posturing was left at the door and instead we saw leaders with a “get-down-to-business” attitude willing to engage on everything from counter-terrorism to economic recovery, development aid, and a number of foreign policy issues. It was a meeting of best friends. Having attended many such gatherings in recent years, I can personally testify to its intimate, informal, and friendly nature.

The EU-US relationship is not dramatic for a very simple reason: it works. It is not a zero-sum or transactional relationship but a complementary one, based on shared goals and values. I would not say that we agree on every single issue, nor would I deny that we sometimes diverge in both the analysis and the remedies. But we agree to discuss areas of concern and to find common ground, because we know that acting together is inherently valuable to both sides.

To start with, we agree on the need to ensure strong, balanced and sustainable economic growth to create jobs on both sides of the Atlantic. We agree about the importance of jointly addressing global challenges such as climate change and international development. And we agree that we must work closely together to strengthen our mutual security. All of these elements were discussed during the summit, the first of its kind since the entry into force of the Lisbon Treaty. And all of these are areas of broad cooperation in our day-to-day work, and represent cornerstones in our common agenda.

As we have seen during the global financial crisis, no country is immune from the forces of international economics, and it is vital that the European Union and the United States work together to address the causes of this turbulence. During the summit, leaders focused on ways to fully tap the potential of transatlantic commerce to boost growth and generate jobs on both sides of the Atlantic, a common strategic approach to correcting the imbalances in our economies, and creating convergence on financial reform agendas.

The summit was also an opportunity for the leaders of Europe and the United States to reiterate their mutual commitments to free trade, and they acknowledged that protectionism would only lead to a further economic downturn. They agreed to ensure that the transatlantic economies and markets remain open to the powerful forces of innovation; that the free flow of transatlantic ideas, products and services continues; and that our companies have the most extensive access possible to each other’s markets. This agenda will be to the benefit of all our citizens and businesses.

The EU-US relationship is also about the deepening of our partnership on a wide range of security issues that affect citizens on both sides of the Atlantic. Our leaders agreed during the summit that respect for fundamental rights and freedoms and joint efforts to strengthen security cooperation, in particular in the face of terrorism, are mutually reinforcing.

New developments in our bilateral relations and on the global stage have created an impetus for new institutions for cooperation, such as the Transatlantic Economic Council (TEC), the EU-US Energy Council, and the EU-US Development Dialogue. Each of these institutions, in their own way, will allow us to work even closer on ambitious and highly

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complex goals, such as harmonizing regulatory regimes; opening transatlantic markets; cooperating on stable, reliable, and transparent global energy markets; and ensuring synergy between the aid delivered by the United States and the European Union, which combined amounts to 80 per cent of the world’s official development assistance annually.

While high-level summits like the one in Lisbon are important opportunities to highlight the relationship, the most important aspect is that they provide the political impulse for day-to-day work across the full range of policy issues. The underlying reality is illustrated by the following:

- Despite the recession, the United States and Europe remain each other’s most important foreign commercial markets. No other commercial relationship is as integrated as the transatlantic economy, and estimates show that it generates over $4 trillion in total commercial sales every year and employs up to 14 million workers on both sides of the Atlantic;

- Trade between the European Union and the United States amounts to roughly $1 billion every day, and only a very small percentage of transatlantic trade deals lead to disagreements or disputes;

- We increasingly cooperate on fighting terrorism and transnational crime, combating piracy, corruption, and intellectual property violations. We share strategic objectives on the most important foreign policy issues and cooperate closely to search for diplomatic solutions.

In short, the relationship does not need special attention, but it does need constant commitment.

The Lisbon EU-US Summit re-affirmed that commitment. It was an important showcase for the comprehensive relationship between the European Union and the United States, which is in the process of adapting to changing global realities.

The Lisbon Treaty is an important step in this development. The Treaty itself is still in the implementation phase, and both Europe and the US expect a lot from it – and rightfully so. It will strengthen both the internal and external mechanisms and capabilities of the EU. And, most importantly, it will enable the European Union and the United States to work even more closely together on a results-oriented agenda to address the critical challenges of the 21st century.

After the Lisbon Summit, we are even better equipped to do so in the coming years.
2 EU enlargement: what next?
By Graham Avery*

A few weeks ago the Commission published its autumn enlargement “package” – i.e. its regular reports on the applicant countries and its strategy paper. It is fair to say that, although this year’s reports registered modest progress in some cases, neither they nor the strategy paper included big surprises or launched important initiatives. This comment is not a criticism: to observe that “business as usual” is now the case for enlargement policy is simply a recognition that it has become more like an “ordinary” EU policy, during a period when the priority is to deal with problems and crises in other areas.

I must declare a personal interest: I worked for 33 years in the Commission in various fields including enlargement, and in fact I first became involved in enlargement more than 40 years ago when I was a junior member of the British negotiating team for accession to the European Communities. Personally I find it difficult to consider enlargement policy as a “normal” policy. It is surely one of the most fascinating areas of the EU’s activity – not only foreign policy, but more than foreign policy – and, more than a policy, it is a process: the extraordinary process by which new members join the Union, and the “external” becomes “internal”.

One of the enduring characteristics of the EU’s enlargement policy is that it is reactive rather than proactive. Expansion takes place because neighbouring countries knock on the EU’s door, not because the institutions send out missionaries to find new members. On the contrary, it commonly sends to non-members the message “do not apply for membership – at least, not yet”. The fact that so many countries want to join – at present we have 9 prospective members officially in the queue and we say to them “yes, you can join the EU but only when you fulfil the criteria for membership”. But of course there are significant differences compared with the past, and the most important in my view are the following.

First, the realisation that recent enlargements were not sufficiently well prepared (and particularly the 2007 enlargement) has led the EU to apply the membership criteria more rigorously. This approach is prudent and necessary, but it needs to be handled with care, and with a kind of “reciprocal rigour”. If the coherence and credibility of the EU’s enlargement policy requires it to insist on respect of the accession criteria, it must also respond positively to progress made by prospective members.

Another problem with the rigorous approach is a temptation to apply the same rules and procedures uniformly to all applicant countries without taking account of their material situation: a “one-size-fits-all” approach which ignores the principle of differentiation. I encountered this problem recently during a visit to Iceland where they have the impression that some actors in the EU want Iceland to set up the administrative structures for applying all EU rules not at the time of accession but as a pre-condition of concluding accession

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negotiations. While this may be desirable for countries with a weak administrative capacity, it cannot be necessary in the case of a long-standing member of the European Economic Area.

Second, in the case of the Western Balkans, geography and history have induced a more proactive role on the part of the EU and a sense of shared responsibility among European leaders. The international community says “how can the EU expect to be credible as a global actor unless it can solve these problems in its own back-yard?”

This syndrome means that the mix between foreign policy (what pertains to the period before accession) and enlargement policy (what pertains to the period after enlargement, and the need to ensure well-prepared accessions) is particularly difficult to manage. After the accession of Croatia, perhaps in 2013, the EU politics of the Western Balkans will become even more complex as the other countries in the region become nervous about their accession. Some are already arguing for a “simplified” approach under which all the remaining Balkan countries would join the EU at the same time. But such an approach, which would undermine the conditionality of the accession process and weaken the leverage for good preparation, would be a recipe for failure.

Turkey – another discourse

Thirdly, in the case of Turkey, the EU’s discourse is not “yes, you can join the EU but only when you fulfil the conditions for membership”. It is “yes, we want you to fulfil the conditions, but we are not sure about your membership”.

Turkey is by far the most difficult challenge that the EU has ever faced in the field of enlargement, and this is partly because it is the biggest country that has ever applied for membership. Although its population is smaller today than that of Germany, it is expected to increase and to stabilise somewhere around 90 million: so, if and when it joins, it will be the biggest member. Opposition to Turkey’s membership exists in many member states. In public opinion this opposition is related to the idea that Turkey is not geographically part of Europe, to the fact that the majority of its population is Muslim, and to the fear of immigration from Turkey. In mentioning these motives I am not justifying them: they are in some ways irrational, but nevertheless they are widely felt. At the political level, hostility to Turkish membership is voiced not only by extremists but by mainstream parties in several member states – including France and Germany.

These are very serious obstacles to Turkish membership. Although it is true that political parties can modify their position on Turkey (as France’s Socialists have done), it is not evident that the “irrational” attitudes of the public can be changed, even in the long term. Even if accession negotiations are concluded with Turkey and a treaty is signed, there is a strong probability that France and other member states would subject its ratification to referendums, and the result would be “No”. In reality, the hypothesis of an accession treaty is very distant, since a number of member states will not allow the negotiations to conclude: France, for example, refuses to agree the opening of a number of chapters because they concern policies that are central to EU membership.

Personally, I regret that the EU decided to open negotiations with Turkey in a situation where several member states expressed their opposition to its membership. Accession negotiations are not about bilateral relations between the EU and Turkey – between “them” and “us” – but about the organisation of a “future us” which includes Turkey. One should not engage in such negotiations if they are based on a false premise.

Since they have been opened, however, the problem for the EU now is how to pursue them. Some commentators argue that “the journey is more important than the destination” and that the accession process is valuable if it serves to “Europeanise” Turkey. This may well be true, but for how long can such negotiations continue, particularly when there are no more chapters to be opened? Neither side wishes at present to break the negotiations but as the risks grow of an impasse, or of a crisis in EU/Turkey relations – the prospect cannot be ignored. In that case will the EU be able to devise a strategy for its future relations with Turkey, or will it – in the well-established reactive mode of enlargement policy – leave it to Turkey to decide?
The annual reports on the countries of the Western Balkans just released by the European Commission reveal a familiar blend of encouraging signs of progress and a long “to-do” list: a glass half-full and half-empty.

In normal circumstances, this might pass as the prosaic routine of the pre-accession process. But these are not quite “normal circumstances” in the EU. The crisis of the euro and the doubts about internal cohesion and leadership raise concerns as to whether the Union can keep at the same time an eye also on the enlargement ball. They also reinforce latent doubts in the Balkans over the plausibility or the finalité of the enlargement agenda. These doubts can only be dispelled by strong positive signals coming from Brussels now.

A favourable environment
There are two ways of assessing the situation in the region. One is taking the EU Commission progress reports to establish, in true “regatta” spirit, a ranking of the march onwards and upwards to EU membership.

Croatia, closest to that goal, is likely to complete negotiations next year. At the bottom of the list lie Bosnia-Herzegovina (BH) and Kosovo, where divided polities and a dysfunctional institutional framework account, at least in part, for the inability to fight corruption and organised crime. As a senior EU representative recently commented on BH, this year’s could have been called the “non-progress report”.

The middle group is made of Macedonia/FYROM, Montenegro and Serbia, with shared concerns for the rule of law and good governance, but also with progress being made in terms of democratisation, economic reform and regional cooperation. The EU’s belated visa liberalisation was certainly the most positive signal sent to the people of the region (how could you believe in a European future as long as you were not allowed to travel there?) although it excluded Kosovo.

The candidate status now granted to Macedonia/FYROM and Montenegro was refused to Albania: not obvious to invite a country where last year’s election results have still not been recognised by the opposition! But it should now be given to Serbia because it is from Belgrade that, unexpectedly, come the most encouraging changes.

The other way to assess the situation in the region – well beyond progress reports – is to consider precisely the huge pro-EU policy shift that has occurred in Serbia. In a clear departure from the tone and substance of the Kostunica government, the Tadic leadership moved in the past year from routine pro-European rhetoric to actual pro-European policy. After a decade of war followed by a decade of stalemate, we have now seen a series of concrete steps towards the recognition of committed crimes and a U-turn on dealing with Kosovo. The speeches given by President Tadic during his visits to BH and, more recently, Vukovar (Croatia) were explicitly meant as part of a reconciliation process with Serbia’s neighbours.

Probably the main persistent obstacle to change in Bosnia-Herzegovina is Dodik’s Republika Srpska behaving as a state within a state. The difference, however, is that Belgrade no longer supports its implicit separatism (the same goes for Zagreb’s attitude towards the Croats in Herzegovina). And a Serbo-Croatian commission has been created to deal with the most difficult bilateral problems – also a welcome precedent for Serbia’s relations with Kosovo.

Kosovo is indeed where the most significant and least expected change has occurred. Belgrade’s endorsement of a joint resolution with the EU at the UN General Assembly last September heralded a fundamental change in dealing with Pristina. In the past Kosovo Albanians considered the question of status as paramount

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while Serbs preferred dealing with technical issues. After Kosovo’s declaration of independence in February 2008 there was a reversal of roles: Belgrade considered status talks as a precondition for solving practical problems while Pristina preferred to focus on specifics.

In September, Belgrade accepted unconditional direct talks with Pristina that would primarily address the relations of Kosovo Serbs with Serbia, but also a series of concrete bilateral issues, ranging from customs to energy supply. The Serbian shift follows the International Court of Justice ruling of 22 July which declared that Kosovo’s declaration of independence was not in breach of international law. This was a major blow to the Serbian position which considered that it had a strong legal argument even if political realities on the ground were moving in a different direction.

What has happened since could be described as a success for the Kosovo institutions but, above all, a triumph of pro-EU realism in Serbian politics. If the direct talks can start promptly and, no less importantly, if the EU provides commensurate support and incentives, we may be on the verge of overcoming the most difficult issue in the Balkans.

This favourable scenario has been reinforced by other factors. Over the last decade US priorities have gradually shifted outside Europe, and the Balkans now near the bottom of Washington’s international list (something not always fully appreciated in the region). There is now a strong convergence of EU and US policies – as opposed to the underlying tensions of the 1990s – although there still are occasional differences concerning e.g. the assessment of stability in the region (particularly Bosnia-Herzegovina) or the commitment to prosecute war criminals through the ICTY. The EU should now encourage a continuing US engagement since it remains important particularly for the Bosniaks, Kosovo Albanians and Albanians proper, while the prime goal of US policy is now precisely to assist in the region’s EU accession.

For its part, Russia had in recent years acquired a significant nuisance capability and staged a sort of comeback to the region through the Kosovo question and energy supply. The consistency of the EU position on Kosovo and the “frozen conflicts” in the Caucasus has – predictably – been questioned by Russia. Initially, Belgrade’s approach was to make a deal by giving Moscow a stake in its energy sector while relying on Russian backing over Kosovo in the UN. After the ICJ ruling and Belgrade’s new pragmatism, Russia understands it cannot be “more Serbian than the Serbs”: obstruction in the Balkans seems thus less likely, merely a reminder that the Kosovo precedent has implications for pro-Russian secessionist enclaves in the Caucasus.

In short, there is little in today’s policies of the key external players that could seriously weaken the EU’s position as the “only game in town”.

Unfinished states...

Provided, of course, that the enlargement “game” for the Western Balkans is actually on. There are a number of reasons why the upbeat case made above should be nuanced. Some have to do with developments in the region, others with the lack of political momentum within the EU for a sustained enlargement commitment.

The specific challenge of the EU in the Balkans lies in that the European integration prospect is vital to the peaceful completion of the process of post-Yugoslav nation/state-building. “Unfinished states” – as Veton Surroi, Chairman of the Foreign Policy Club in Pristina, has called them – include Bosnia-Herzegovina (contested polity), Kosovo (contested legitimacy), Serbia (uncertain borders) and Macedonia/FYROM (contested name and identity). The shared European roof is meant to help defuse contentious territorial and institutional issues. To be sure, nobody’s accession should be held hostage to the intransigence of one’s neighbour. But it seems prudent to make sure that “unfinished statehood” issues are settled simultaneously during the accession process, when EU leverage is strongest. This, in a nutshell, is the case for a regional approach to enlargement in the Western Balkans.

Croatia, to start with the frontrunner for EU accession, has pending border issues with most of its neighbours. The easiest one to solve was
Slovenia’s access to international waters, although the referendum in Ljubljana was a high-risk gamble that could have damaged the entire process.

Then there is Macedonia/FYROM’s quest for a post-FYROM identity acceptable to its Greek neighbour. Greece vetoed the country’s accession to NATO in 2008 and there is still little indication to date that it intends to be more flexible on EU entry. After the experience made with Cyprus, however, there should be no new EU enlargement without prior resolution of pending bilateral conflicts.

But there is more. The inclusion of Croatia in the EU would certainly contribute to the stabilisation of its democracy and the rule of law. However, its impact on neighbouring Bosnia-Herzegovina remains debatable as local Croats owning Croatian passports en masse (Croatia is indeed the only European country with more voters than citizens!) are losing interest in the future of multi-ethnic BH.

Similarly, the passports delivered by Romania to an estimated 800 000 Moldovans – or by Bulgaria (albeit on a much smaller scale) to citizens of Macedonia/FYROM – raise questions about the nature of citizenship and the destabilising effects of EU enlargement on some neighbouring countries.

Finally, Bulgaria and Romania have a direct stake in the region’s stability and accession prospects. But their rule of law after accession is hardly an advertisement for further expansion to the Balkans.

... and unfinished business

Two conclusions can be drawn from all this:

1. The pre-accession agenda must focus on tackling the question of corruption, clientelism (the use of public sector employment for political patronage and state capture) and reform of the judiciary and public administration;

2. Moderate nationalists can be made “EU-compatible”: a few years ago Croatia under Sanader paved the way for a process now at work in Serbia under Tadic. This emerging pragmatism will be essential to resolving bilateral disputes and pushing through reforms.

But both aspects require strong and credible movement in the region’s EU accession process. And that is precisely what is lacking in an EU trying to cope with the effects of the economic and financial crisis. The EU’s Agenda 2020 does not even mention enlargement. When budget cuts are the order of the day and politics is often reduced to accountancy, there is little room for the boldness, generosity and strategic vision that such opening requires.

No wonder “Europeanisation” looks different when seen from Brussels or from the countries at the receiving end. This is also where “enlargement fatigue” within the EU meets “accession fatigue” in the Balkans: we pretend we want you, and you pretend you are getting ready.

No less important is the erosion of popular support for EU accession: strongest where it is least advanced (Albania), weakest where it is most advanced (Croatia). According to Gallup Balkan Monitor a majority of citizens in all candidates believe their country is “heading in the wrong direction”. According to the latest poll in Croatia, the majority (43% vs. 25%) thinks that their country “would not benefit from membership”.

Hence the importance of tackling such premature doubts about a process which still has a long way to go and cannot succeed without the support of the societies concerned. This underlines the need for tangible measures that citizens can directly identify with “Europe”. Visa liberalisation has obviously been the most important one, both symbolically and politically.

Given the Union’s involvement in nation/state-building in the Balkans, its approach cannot simply be a replica of the pattern successfully implemented in Central Europe, only a decade later. The EU should strengthen the regional approach by giving all countries of the region the candidate status now plus a date to open negotiations. The pace and completion of the process will then depend on the capacity to deliver by the political elites of each country, thus making their respective responsibilities clear and the political costs of failure more evident.
Arrivées et départs
Isabelle Ioannides a rejoint le BEPA en tant que membre de l’équipe Outreach – Dialogue européen en novembre 2010. Elle apporte une longue expérience dans le monde universitaire et les laboratoires d’idées.

Nous souhaitons à Antonio Gravili, qui a quitté le BEPA pour rejoindre le SPP de la DG COMM; et à Elsa Collomp, qui part travailler au Secrétariat Général, une bonne continuation et les remercions pour leur travail au cours de ces années.

Evénements
Le 15 novembre, le BEPA a organisé un séminaire de discussion avec l’Association Européenne de la Pensée Libre (AEPL) afin de débattre d’initiatives portant sur le thème de la lutte contre la pauvreté et de l’exclusion sociale. Ce thème de portée éthique a donné l’occasion de rencontrer des représentants d’organisations philosophiques et non-confessionnelles. En effet, le traité de Lisbonne stipule le maintien d’un dialogue ouvert, transparent et régulier avec ces églises et organisations (Jean-Claude Thébault et le Commissaire Andor ont représenté la Commission).

Le 22 novembre, Ivan Krastev et Jana Kobzova du laboratoire paneuropéen d’idées European Council for Foreign Relations (ECFR) ont présenté leur rapport intitulé The Spectre of a Multipolar Europe à des membres du BEPA, du Cabinet du Commissaire Füle et du Cabinet de Mme Ashton, ainsi qu’à des collègues du Secrétariat Général et de la DG RELEX. La réunion renforce et reflète l’engagement du BEPA de constituer la passerelle nécessaire pour un dialogue constant entre la Commission et les acteurs externes qui peuvent contribuer utilement à l’élaboration des politiques européennes.

Le 24 novembre, Margaritis Schinas et Antonio Missiroli du BEPA ont rencontré une délégation d’officiels polonais dans le contexte d’une visite d’étude organisée à Bruxelles afin de les aider à accéder à la meilleure expertise et analyse externes. L’objectif de la visite était de discuter des ambitions et priorités de la présidence polonaise de l’UE en 2011. Lors de la réunion, le rôle et les activités du BEPA ont été présentés et divers points de vue sur les questions clés qui pourraient figurer sur l’agenda politique de la présidence polonaise ont été échangés.

Activités à venir
Un déjeuner de travail aura lieu le 6 décembre rassemblant des membres du BEPA, des directeurs généraux de la Commission européenne ainsi que des rabbins, des imams et autres chefs musulmans importants des Etats membres et des États-Unis. Cette rencontre vise à lancer le débat en faveur de la promotion de l’harmonie entre les communautés juives et musulmanes et se déroulera autour d’un seul menu, symbole du rapprochement entre les communautés confessionnelles.