EU Global Strategy in a changing world: Brussels’ approach to the emerging powers

Jolyon Howorth

To cite this article: Jolyon Howorth (2016) EU Global Strategy in a changing world: Brussels’ approach to the emerging powers, Contemporary Security Policy, 37:3, 389-401, DOI: 10.1080/13523260.2016.1238728

To link to this article: http://dx.doi.org/10.1080/13523260.2016.1238728

Published online: 10 Oct 2016.

Submit your article to this journal

Article views: 728

View related articles

View Crossmark data
EU Global Strategy in a changing world: Brussels’ approach to the emerging powers

Jolyon Howorth
Department of Political Science, Yale University, New Haven, CT, USA

ABSTRACT
The world is entering a period of power transition, at the outcome of which some new form of global order (or disorder) is likely to emerge. Critical to this process is the interaction between the established powers, the USA and the European Union (EU), and the emerging powers, particularly China, Brazil, India and Russia. Many analysts have classified the EU as a declining power, a perception that has been enhanced with the triple crises of sovereignty that have rocked the Union since the mid-2000s (money, borders and defence). In this context, the publication of the EU Global Strategy was an opportunity for the EU to state clearly the nature of its ongoing and future relations with the rest of the world. This article argues that, in reality, Europe as a bloc (as opposed to its member states severally) has very limited purchase with the other major powers, and an ambivalent or ill-defined grasp of how to engage with them. They, for their part, have difficulty in knowing how to understand the EU as an actor and prefer to deal bilaterally with its key member states.

KEYWORDS European Union; EU Global Strategy; emerging powers; China; BRICs

The European Union Global Strategy (EUGS) states that ‘as a Union of almost half a billion citizens, our potential is unparalleled’. It asserts that ‘[w]e are the first trading partner and the first foreign investor for almost every country in the globe’. And yet, the document recognizes that ‘we are not making full use of this potential’, and that ‘we need to collectively take responsibility for our role in the world’—a role the European Union’s (EU) partners, it is claimed, fully expect it to embrace. The problem is that, behind the rhetoric, the EU collectively continues to act sub-optimally in its relations with its global partners, and particularly with the emerging powers. Indeed, it is striking that the June 2016 document devotes less attention to the emerging powers than was the case in the 2015 draft on which it was based. In the EUGS, the focus became much more explicitly on the EU’s neighbourhood, almost certainly as a result of the feedback that emerged from intense and widespread consultation with experts and think-tanks. To this extent, the
very title of the document might even seem somewhat misleading, despite Federica Mogherini’s insistence in the Foreword that ‘global’ is not just intended ‘in a geographical sense’ but also refers to the ‘wide array of policies and instruments the Strategy promotes’. Unlike its 2003 predecessor, the European Security Strategy, which was bold, confident and even occasionally hubristic, the EUGS is realistic, modest and constructive.

By most metrics, Europe is a power in decline. The mini-continent that once ran most of the world seems increasingly to be living on borrowed time. For a brief moment in the early 21st century, the apparent successes of the Single Market, the launch of the Eurozone, the assertion of a common foreign policy, the emergence of a security and defence policy, and the blurring of borders within the Schengen zone led some analysts to predict that Europe was becoming a superpower. But the onset of the Eurozone crisis in 2010 brought Europeans across the board down to earth with a bump. The EU was obliged to spend over seven trillion dollars on bailouts. By 2014, it had become the recipient of 90 per cent of International Monetary Fund (IMF) commitments, and witnessed the leaders of its once proud nation states queuing up in Beijing for a loan—one of whose attractive features was that, unlike IMF hand-outs, they carried no conditionality. European growth, by 2015, had virtually ground to a halt as fiscal consolidation was demanded of all member states by a Germany still traumatized by the inflationary nightmares of the 1920s and a Brussels technocracy in hock to neo-liberal precepts. One major study concluded that, out of seven key policy areas, the EU as a ‘world power’ was declining in no fewer than six: environmental policy; trade policy; democracy promotion and human rights; promotion of regional cooperation; monetary policy; and security and defence policy. The UK’s June 2016 referendum to leave the EU added further uncertainty and gloom to the bloc’s collective prospects, one leading commentator arguing that ‘from now on, the dominant narrative will be one of disintegration, not integration’.

The picture is all the more telling when one examines the EU’s relations with the emerging powers. Although the BRICs (Brazil, Russia, India, China) are increasingly consolidating their institutional and (to a lesser extent political) cooperation, through annual summits, caucusing at meetings of the UN General Assembly, the G20 and even the World Economic Forum at Davos as well as ministerial and experts meetings, there remain significant differences among and between them. It is difficult to generalize across the emerging powers both in terms of their own strategic objectives and, especially, in terms of their relationship with the EU. The EU has established strategic partnerships with all four BRICs and consciously sees them as separate entities with which Brussels will forge distinctive policy approaches. But it is telling that the EUGS effectively reduces the relationship with these powers to one dominated by the quest for global governance.
China

EU–China relations have shifted markedly over the past ten years. The one constant has been trade and investment. China became the world’s largest exporter in 2009 and the world’s largest trading nation in 2013. Twenty years ago, the EU and China had virtually no commercial interaction. By 2015, the two entities had forged the second largest economic cooperation relationship in the world (after EU–USA). In 2013, EU exports to China rose to 148 billion euros and imports from China to 280 billion euros. The EU is extremely keen to further penetrate the Chinese market. Each year, 20 million Chinese households pass the income threshold of US$13,500, a figure at which major consumer goods and cars become attainable. But although the EU implicitly claims collective credit for these flows, almost all this trade is between single EU member states/companies and their Chinese partners. Although European export opportunities are growing, they are still hampered by a lack of transparency, discriminatory tariffs and business practices, a strong degree of government intervention in the economy and inadequate enforcement of intellectual property rights in China. EU hopes (it might be a stretch to term this ‘strategy’) lie in gradually increasing market access within China, particular in the field of services. One problem with this lightning growth in commercial interactions is that the European states, unlike the USA, have become very hesitant to criticize China in other policy areas. When, in 2015, China launched the Asian Infrastructure Investment Bank as the first overt challenge to the Bretton Woods system, the US tried hard to persuade its European allies to boycott the initiative. To no avail: 14 EU member states, including all its largest ones (Germany, France, UK, Italy and Spain) signed the articles of association of the new bank in overt defiance of Washington, DC.

It is in other policy areas that the shift in EU–China relations has been most perceptible. In the mid-2000s, China was impressed with European opposition to the US invasion of Iraq and watched with interest as the development of the Common Security and Defence Policy (CSDP) appeared to signal an EU prepared to take responsibility for crisis management operations in a framework that was autonomous from NATO. China’s EU-watchers were also impressed with the apparent forward march of European integration that led to the Lisbon Treaty. There were high hopes that China and the EU could engage in constructive cooperation in Africa, and partner on issues such as climate change and weapons proliferation. In short, there was confidence that they could, together, bring into being ‘effective multilateralism’. Less than a decade later, these hopes have evaporated. The Eurozone crisis, the de facto impasse of CSDP, and Europe’s continued dependence on US security guarantees, together with the surge of national commercial diplomacy, have combined to produce a situation in which the EU is perceived in Beijing,
and indeed in the entire Pacific area, as little more than a trade and investment partner.

EU–China relations are reduced to a short paragraph in the EUGS, focused on trade. Discussions of a Bilateral Investment Treaty between Beijing and Brussels appear to be in limbo. As Europe’s trade imbalances with China have accelerated, most EU member states have abandoned earlier policies of stressing human rights and the rule of law. The EU has been noticeable by its silence on the growing tensions in the South and East China Seas, tending to rely on the hope that the Association of South East Asian Nations (ASEAN) might be more instrumental in bolstering regional stability. The EU is ASEAN’s second largest trading partner and it is pursuing free-trade agreements with almost all ASEAN member states. But ASEAN is itself divided internally over its response to China and although the EU and ASEAN established in 2013 a high-level dialogue focusing on maritime security, neither party wishes to formulate any overt criticism of Chinese policy.15 Yet Brussels’s de facto neutrality on East Asian tensions appears to have generated no payback for the EU. Despite diplomatic pressure in the UN, the Europeans failed to shift China’s position of abstention on Middle Eastern issues (Syria in particular), failed to elicit Beijing’s support over the Ukraine crisis, or to prevent China from taking advantage of Russia’s sense of isolation by signing a US$400-billion gas deal with Moscow.

India

The EU–India relationship has also stagnated in recent years. In 1963, India was one of the first countries to establish diplomatic relations with the European Economic Community. The world’s two largest democracies negotiated a Strategic Partnership Agreement (2004) and even a Joint Action Plan (2005), but annual summits dedicated to imparting substance to these largely rhetorical agreements have generated more frustration and mutual recrimination than genuine cooperation. The EU is widely resented in India for its hectoring approach on human rights and its focus on discourse rather than on concrete projects. India remains deeply resentful of the fact that only half of the EU’s member states explicitly support its bid for a permanent seat on the United Nations Security Council, which is unequivocally backed by Washington, DC.16 India, as a traditional great power primarily sees Europe not as a regional regime, but as a series of sovereign nations, with whom it engages in multiple bilateralisms. Both the EU and India showcase their commitment to ‘effective multilateralism’ but what India understands by this is the use of international fora to pursue its national interest, whereas the EU believes it is creating a rules-based international order for the long term.17 India’s relations with the UK, the former colonial power, have remained close but shot through with mutual suspicion. France has
gradually emerged as India’s closest European partner. The relationship dates back to Gaullism, which resonated strongly both with India’s non-aligned stance and with her nuclear aspirations. But France is also valued in Delhi as a supplier of arms, a major actor in space, and a traditional power—particularly a naval power—with one million citizens living in the Indian Ocean.¹⁸

EU–India trade is only a fraction of the EU–China volume. Imports to the EU in 2014 stood at 37 billion euros, while exports to India amounted to 35.5 billion. When trade in services is added, these figures rise to 49.2 billion and 47 billion euros, respectively, revealing a trade imbalance in favour of India in both sectors. The figures also reveal the persistence of trade barriers in India that are noticeably more rigorous than in China, particularly in the defence sector. The EU has been painstakingly negotiating an overall Free-Trade Agreement with India since 2007, but progress is slow—in part because 90 per cent of EU trade involves just four EU countries (Germany, Belgium, France and the UK—in that order), all of which compete strongly with one another for South Asian markets. Indian trade with the Gulf Cooperation Council countries (150 billion euros excluding services and foreign direct investment) dwarfs that with the EU. Thus, despite its status as the largest single market in the world, and despite the shared democratic values, the EU appears as just one commercial partner of India among many. India’s trade with Singapore, Hong Kong, Indonesia, Iraq and even Switzerland exceeds that with its main EU partner, Germany.

One sector where Europe is fighting hard for market access is the defence sector. Between 2010 and 2014 India emerged as the biggest importer of weapons systems in the world. Although the Indian defence budget hovers below 2 per cent of GDP, it is predicted to outstrip that of both the UK and France by 2020. The emphasis is on strategic enablers (early warning systems, submarines, aircraft carriers and top of the range fighters) which appear to go beyond the requirements of a response to perceived threats.¹⁹ The 2001 tender for a new generation Medium Multi-Role Combat Aircraft (MRCA) to equip the Indian air force appeared as the ‘sale of the century’. France’s Rafale succeeded in beating out competition from the four EU-nation Eurofighter, the Swedish Gripen, two US fighters (the F-16 and the Super Hornet) and the Russian MiG-35.²⁰ From the EU perspective, the prospects of coordinated European approaches to the burgeoning Indian defence sector appear minimal.

India is diversifying its defence equipment supply base and consciously fostering intense competition both worldwide and inside Europe. Growing numbers of medium sized companies in India are looking for overseas partners, but they are not channelling this initiative through the European institutions. Despite the USA’s failure to win the MRCA contract, the USA is emerging as the massive winner in this competition, having now decisively replaced Russia as India’s main armaments supplier. The USA (unlike the
EU) is a single actor, has signed a Defence Technology Trade Initiative with India and is actively developing cooperation with India on strategic airlift, anti-submarine warfare and aircraft carriers.\(^{21}\) A further problem for the EU is that India remains unimpressed with the European record in crisis management (India’s record in peacekeeping activities under the UN is second to none in the world) and has become disillusioned with the CSDP project. A recent in-depth study concluded that, while the EU likes to persuade itself that India views it as a consequential security and defence actor, in reality: ‘the EU is seen as too weak and not unified enough to develop a coherent strategy […] and as primarily “just a follower” of US security policy’.\(^{22}\)

**Brazil**

EU relations with Brazil (and South America generally) reveal similar weaknesses. From the mid-1980s, the EU, having embraced Spain and Portugal as member states, began positioning itself as a rival to US policy in Latin America, offering a vision of dialogue, diplomacy and peaceful conflict resolution. Intensive negotiations ensued between the EU and the various regional regimes—Mercosur, the Andean Community, the Union of South American Nations (UNASUR)—leading to a marked improvement in trade and investment. Yet, despite the intensity of these efforts, and despite a relatively receptive atmosphere among South American governments, which initially perceived the EU as a potential model for their own regional integration, the EU’s overall impact as an actor in the southern continent has remained sub-optimal.\(^{23}\) From the early 2000s, the EU’s embrace of ten new member states from Central and Eastern Europe, as well as the launch of its Neighbourhood Policy, followed by the Eurozone crisis, resulted in a rapid decline in EU–South American relations.\(^{24}\) On the other hand, under President Obama, a diplomatic offensive has been under way to win back South America for Washington, DC.\(^{25}\) The EU appears to have let slip a golden opportunity.

Relations with Brazil, the only emerging giant in South America, can be seen as a template for the entire continent. In 2007, the EU signed a ‘Strategic Partnership’ with Brazil, which highlighted a shared commitment to worthy causes such as multilateralism, democracy, human rights and alternative energy.\(^{26}\) Subsequently, there have been seven EU–Brazil summit meetings at which the partners congratulate themselves on their shared interest in such key issues. The 2014 summit boldly stated that the parties had agreed ‘to promote international peace and security; the inclusive growth of our respective economies; to promote science, technology and innovation; and to overcome the challenges in the areas of sustainable development, climate change, environment, energy security and international cyber policy’. An *EU–Brazil Joint Action Plan 2015–2017* was foreseen to take these discussions
further. But beyond the strong discursive commitment to continuing to
discuss good causes, it is not clear what—precisely—either party aims to
achieve through this regular diplomatic smooching. The EUGS does not
mention Brazil at all. The foremost scholar on the EU’s ‘Strategic Partner-
ships’ concludes that they are ‘instruments empty of meaning and substance
with no clearly defined strategic direction’. Beyond promoting trade, the
main thrust of the EU’s diplomacy has been to urge the countries of the
southern continent to follow the EU’s own political-institutional model of
regional integration, based on a mix of inter-governmental and supranational
agencies. However, Brazil in particular has fought shy of any institutional
arrangements that involve any pooling—or loss—of sovereignty. Moreover,
the onset of the Eurozone crisis ‘has severely challenged the appeal of [the EU]
model in terms of its sustainability and utility as an instrument of regional
cooperation’.

During the 2000s, under the Lula da Silva governments, Brazil actively
sought to diversify its international partners. Lula was instrumental in launch-
ing UNASUR, which—simply because of its comparative size—Brazil has
successfully sought to lead, as well as reinvigorating Mercosur. Brazil’s inter-
regional trade with the rest of South America has soared (at the expense of
its trade with the EU). In the context of Brasilia’s explicit ‘South-South’
policy, under which it seeks to become the global champion of the developing
world, cooperation agreements have been signed with over 20 African
countries. In addition, Brazil has entered into close diplomatic relations
with Iran, Russia, Venezuela and South Africa. All this has happened since
the EU signed its Strategic Partnership, and much of it has been to the detri-
ment of Europe. EU trade with Brazil fell by almost 25 per cent in the single
year 2009 as the Eurozone crisis loomed. In 2014, the EU imported 31.2
billion euros and exported 37 billion euros of goods, almost exactly the same
as the US (72 billion dollars of overall trade), but way behind China, which,
in 2014 was nudging 90 billion dollars. The bottom line is that the EU,
China and the USA are in out-and-out competition for an ever bigger slice
of the Brazilian pie. The EU’s conception of a strategic partnership does not
appear to go much further than this.

Russia

The EU’s relations with Russia are currently frozen. The EU does not think in
terms of balance of power and hence has never related to Russia for what it
really is. Russia, for its part, has never understood what sort of actor the
EU is. EU member states continue to allow themselves to be seduced by
Russia into multiple bilateralisms which are seriously prejudicial to the de-
velopment of a unified strategic approach to Moscow. Russia has what it con-
siders to be a series of ‘special relationships’ with several EU member
states, especially Germany, but also France, Italy and, in a very different way, Poland. Naturally, given its size and weight, and its overwhelming preoccupation with national interests, Russia will make every effort to divide and rule among European member states. During the period of high expectations around the Lisbon Treaty, there were signs that Moscow was beginning to pay attention to the EU’s potential as an international actor, but that only lasted as long as the excitement about Lisbon within Europe. The Union’s inability to capitalize on the potential of Lisbon has thrown relations with Russia back to the bilateral ‘norm’.32

This situation was exacerbated by the re-election of Putin. There is a widespread belief in diplomatic circles on both sides of the Atlantic that this re-election put an end to the honeymoon. That European leaders made no secret of their preference to do business with President Medvedev, reveals a large measure of wishful thinking.33 Enlargement to the East has been another case of wishful thinking. Prior to the Georgian crisis of 2008, Moscow did not appear to be unduly alarmed at the prospect of EU enlargement. It was NATO enlargement that enraged the Russian policy elites—and at the same time gave them a strong commonality of purpose that might not otherwise have been present.34 Both NATO enlargement and the emergence of CSDP have been theorized as contributing to the promotion of a zero-sum relation with Russia and the intensification of Moscow’s security dilemma.35

But zero-sum was not just about military affairs and strategy. When the European Neighbourhood Policy was announced in 2004, there was no perceptible reaction from Moscow. It was only when the reality of the Eastern Partnership (EaP) began to emerge in the wake of the Georgian War in 2008 that Russia began to become alarmed. The EaP signalled that the EU was clearly wishing to challenge Moscow’s hold over six post-Soviet states: Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. Putin’s reaction was to launch, in 2010, his own project for a Eurasian Customs Union (ECU), which was presented as an alternative source of integration for most of those same countries. Indeed, Putin even proposed that former Russian ‘neighbours’ such as Finland, Bulgaria and even the Czech Republic and Hungary could become members of the Eurasian Union.36 This was a direct challenge to the EU, since membership of the Russian customs union would prove incompatible with membership of the Deep and Comprehensive Free Trade Agreement (DCFTA) the European Commission was pressing on the six EaP countries.

Instead of avoiding getting into a beauty contest with the Kremlin over the rival attractions of these two options, the EU took the view that the partnership countries would simply have to choose. This is where another flaw in the EaP kicked in. The EU’s approach to its Eastern neighbours revealed a deep Euro-centrism that never doubted which way the partners would turn, and
that arrogantly dismissed Russia as an almost irrelevant factor in the contest. The rest of the story is well known. Putin applied maximum pressure to the six post-Soviet states, succeeded in persuading Armenia to opt for the ECU and bribed Ukraine’s then President Viktor Yanukovych to renege on his commitment to join the DCFTA at a summit in Lithuania in November 2013. There followed the ‘Euro-Maidan’ protests in Kiev against Yanukovych and in favour of stronger ties with the EU, followed by the mediation attempts by the foreign ministers of France, Germany and Poland, the flight of President Yanukovych and the crisis of spring and summer 2014, leading to the annexation, by Russia, of Crimea, and civil-war in Ukraine.

To what extent should the EU’s enlargement process be held responsible for the disastrous state of affairs in Ukraine? Some argue that the principal responsibility must be assumed by Russia, which has simply reverted to stark zero-sum power politics. Yet for some analysts, the EU’s blithe mishandling of the complex relationship with the Eastern partners and with Russia is a major contributory factor to the Ukraine crisis. The UK House of Lords, in a comprehensive report, accused the EU of having sleep-walked into the crisis. Two British academics assert that the EaP was a classic example of the EU’s proclivity for responding to events by adding long term and rhetorically impressive, but resource-poor bolt-ons to existing policies. This criticism echoes much of the negative comment that animated the discussions among some American experts. For others, it was the lack of precise intentions vis-à-vis Ukraine on the part of the EU that produced such political and psychological confusion among the Ukrainian people. Alyona Getmanchuk, Director of the Institute of World Policy in Kiev, argued that the EU underestimated both the pro-EU sentiments of the Ukrainian people and Russia’s capacity to thwart EU plans, concluding that:

it is now crucial that the EU should finally determine where it wants to see Ukraine in the long-term: within the European Union or outside it? One of the main problems contributing to this crisis is that Russia knows exactly what it wants from Ukraine; while Ukraine clearly knows what it wants from the EU; but the EU has no clear policy goal.

The EU is currently engaged with Russia in a trial of strength over Ukraine. Both sides are deploying considerable resources (media, political funding, propaganda, discourse) in an attempt to ‘define’ Ukraine either as a liberal democracy or as part of Russian orthodox culture. The EUGS adopts a hawkish approach to Moscow, accusing the Putin administration of challenging the European security order ‘at its core’ and insisting that Brussels will not ‘accept the destabilisation of eastern Ukraine’. The explicit policy is to ‘enhance the resilience’ of Ukraine. But without a genuine perspective of accession, it is difficult to see how mere European blandishments can
suffice to turn Ukraine decisively away from the Russian orbit, if indeed that is the EU’s objective—which is far from clear.

**Conclusion**

EU relations with the emerging powers reveal a narrative of multiple asymmetries, complex and often contradictory triangulations, lack of clear strategic objective and much mutual misunderstanding. The emerging powers understand and respect the United States as a global superpower. They seem to have difficulty knowing how to relate to the EU per se. The EU is perceived overwhelmingly as a commercial power—and one whose member states are more active in Beijing, Delhi, Sao Paolo and Moscow than the bloc itself. With China, countless bilateral summits and visits by Brussels officials have not succeeded in making the bloc itself a player on the Asian chessboard. The EU has failed to grasp the enormous potential offered by pragmatic partnership with India and Brazil, while the US has rapidly become India’s foremost ally and the EU’s principal competitor in Brazil. As far as relations with Russia are concerned, the Georgia and Ukraine crises revealed once again that the EU is ill equipped to manage relations with its gigantic neighbour, which has only ever thought, and acted, in zero-sum terms. The EUGS’s recognition that the EU is not making best use of its potential as a collective entity is a serious case of understatement.

**Notes**

20. Racine, ‘India’s Foreign Policy toward France’ (note 18).


35. Glenn Diesen, *EU and NATO Relations with Russia after the Collapse of the Soviet Union* (Farnham: Ashgate, 2015).


Acknowledgements


Disclosure statement

No potential conflict of interest was reported by the author.

Notes on contributor

Jolyon Howorth has been a Visiting Professor of Political Science and International Affairs at Yale University since 2002. He is also Jean Monnet Professor ad personam and Emeritus Professor of European Studies at the University of Bath, UK. His recent books include Security and Defence Policy in the European Union (Basingstoke: Palgrave, 2007; 2nd edition: 2014); Defending Europe: the EU, NATO and the Quest for European Autonomy, (Basingstoke: Palgrave, 2003) (with John Keeler, eds) and European Integration and Defence: The Ultimate Challenge? (Paris: EU-ISS, 2000).