

GLOBAL EUROPE

Implementing the European Security Strategy

By Mark Leonard and Richard Gowan

**In association with
The British Council Brussels**

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FOREWORD

The EU's horizons are expanding, with political and intellectual debate trying to keep pace. In 2004, a new European Parliament and Commission embracing new member-states will have to grapple with questions left over from 2003: the constitution, transatlantic relations and, at the most fundamental level, what the Union is for. These questions can only be answered with reference to issues of security and strategy. The enlarged EU will share borders with regions recently affected by war, and some of its nearest neighbours will be countries still suffering from internal conflict and repression.

Over the last year, many branches of the EU have attempted to define responses to this situation - the single most significant contribution being Javier Solana's *A Secure Europe in a Better World*. But, hampered by differences over Iraq, most actors are yet to start building on these foundations and thinking in a genuinely far-reaching way about the implications of a coherent European strategy.

British Council Brussels is committed to posing questions about Europe that extend beyond short-term wrangling, whether in the fields of migration and democracy in Europe, or in defining the EU's role in the world. Over the next year we will be developing programmes to examine security in its broadest sense: from questions of security of identity, to national security in a globalised context. We enjoy the institutional autonomy to promote difficult and open-ended arguments rather than opt for easy answers. Our work in partnership with The Foreign Policy Centre is one element of our creative programme aimed at putting such arguments on the European agenda.

In developing *Global Europe*, we have been delighted to bring together thinkers from across the current and future EU to share their opinions on what security now means. We look forward to continuing this through 2004.

One significant feature of the project to date has been the participants' refusal to confine their arguments to our links to, and

differences with, the United States. They want to illustrate a positive vision of Europe based on its own strengths, rather than a reactionary vision scoped out purely in response to the US. They have emphasised the EU's own capabilities, and this pamphlet is a first response to this focus, highlighting Europe's opportunities for influence and the need to use that influence correctly. In this sense, our debates may be catching up with our potential. We hope that Global Europe will speed this process.

Ray Thomas, Director, British Council Brussels

GLOBAL EUROPE: IMPLEMENTING THE EUROPEAN SECURITY STRATEGY

1) The Solana paper: why political will matters more than spending on defence or agreements to use force

Out of the stalemate of December's Brussels Summit a chance for a new Europe has emerged – not, perhaps, the constitution of Valéry Giscard d'Estaing's dreams, but something even more important: a strategy for reshaping global politics. Obscured by the rows about voting weights was the fact that Europe was for the first time finding answers to a very serious question: can it be a serious player on the world stage?

The truly significant business in Brussels came before attention turned to the draft constitution, as the European Council agreed to establish a military planning capability and approved Javier Solana's European Security Strategy.¹ While the proposed constitution included a mutual defence clause that is now in limbo, the more concrete decisions remain valid in their own right. Since the summit there has been progress towards a new European Defence Agency, while France, Britain and Germany are considering the development of joint "battle groups" for peace-keeping operations. Although much of what has been achieved looks like classic gesture politics – the planning cell will be a small shadow of NATO's - the contrast between the splits on the EU's internal structure and relatively easy agreement on its external strategy is telling.

It seems probable that, in future, EU members will perceive that most of their crucial interests lie – and must be defended - within the Union rather than beyond it. The Polish position in Brussels was not based on a Thatcherite desire to stand aside from the EU, but on a determination to direct its course. After enlargement, intra-European arguments are likely to be more and more about how to make

¹ Solana, J., *A Secure Europe in a Better World*, (Brussels, 12/12/03). An earlier version of the document was presented at Thessaloniki on 20/6/03. Both versions are available at <http://ue.eu.int/solana/list.asp?BID=111>.

decision-making inside the Union viable and fair, and less about external policy issues such as Iraq. Ironically, Europe's common strategic and diplomatic positions may become grounds for consensus while internal issues such as agriculture become even more contentious.

A year ago, this prediction would have seemed ludicrously optimistic. However the short-term breakdown over Iraq seems to have created a momentum for a consensus on the EU's long-term security goals. Bolstered by their initial success in negotiating with Iran, the "Big Three" of Britain, France and Germany have recently come together in an unprecedented fashion, demonstrating a solidarity that Tony Blair tried – but failed – to engender in the late 1990s. Looking forward, the agreement of the Security Strategy is a real departure. Although it has been diluted from earlier drafts, with mentions of "pre-emptive engagement" replaced with the less threatening "preventive action", the document remains almost Rumsfeldian in its warnings about terrorism and rogue states.

Most importantly, it sets out two over-arching goals for the EU in the world. First, transforming authoritarian and failing states - particularly in the Middle East and former Soviet bloc - into democratic and well-governed ones. Second, ensuring that multilateral institutions such as the United Nations, World Trade Organisation or International Criminal Court are (in the presidential phrase) "relevant" enough to avoid being side-lined by great powers such as the US, China and Russia. The significance of the document is that it moves on from praise for multilateralist institutions for their own sake to a determination to achieve results: "we should be ready to act when their rules are broken."

Such phrases are easier to agree than to achieve. The key challenge must now lie in the strategy's implementation, which needs to be focused around much tighter and more explicit goals. The EU has already signed up to ambitious global targets on development and poverty reduction through the Kyoto treaty and the Millennium Development Goals. It must supplement them with some more political targets. This paper aims to crystallise these under two clear headings:

- **Preventive engagement:** how to stop crises happening by marshalling our resources to shape the behaviour of problem countries.
- **Effective multilateralism:** using a rule-based world order to underpin our security.

Even if these themes are bold, they are not necessarily unrealistic. They build on Europe's record of post-Cold War successes. On engagement, our poor record of the early 1990s in the Balkans should not obscure our strong performance elsewhere in Eastern Europe. Having converted most of the Warsaw Pact into a set of well-functioning democracies, the EU now faces the challenge of trying to transform its new "near abroad" of the Middle East and North Africa without being able to hold out the prospect of membership.

On effective multilateralism, Europe has recently shown how it can achieve results by flexing its collective muscles. President Bush capitulated over steel tariffs – after a WTO judgment – when the EU stood firm and threatened to act against US imports. Equally, Iran's apparent willingness to sign the IAEA protocol had more to do with the determination of Europe's big three than a Pauline conversion - if that is not an inappropriate phrase - in the mullahs' attitude to nuclear weapons.

These successes demonstrate what can be achieved without resorting to military might. It is true that the key lesson of the 1990s is that in exceptional circumstances (such as we experienced in Bosnia and Kosovo) Europe must not retreat from using military intervention. The new planning cell is a sensible response to this. However, it is difficult to think of any imminent examples where Europe is constrained from achieving its political or security objectives by a lack of military power. None of the problems on the immediate horizon – proliferation of weapons of mass destruction in North Korea, Iran, Syria, Pakistan and the former Soviet Union; the dangers of autocracy and instability in Central Asia and the Middle East – demand military solutions.

Where military capacity is to be required, it will probably be for long-term peace-keeping activities rather than “shock and awe”. The EU is set to become an increasingly significant peacekeeper, as demonstrated by recent German plans to reorganise the *Bundeswehr* and the prospect that the Union will largely supplant NATO in Bosnia by early 2005. We will have to consider how best to contribute to promoting security in other parts of the world. But, as the EU has learnt in Bosnia, the UN is demonstrating in Liberia and the US is discovering in Iraq, the military aspects of peace-building typically prove futile without processes of civilian engagement and multilateral co-operation. Force cannot be the centre of our strategic planning.

The EU’s ability (or lack of it) to project power depends far more on political will than military hardware. That will has often been absent. In the run-up to the March 2002 presidential elections in Zimbabwe, the EU failed to make co-ordinated use of threats to reduce aid, the deployment of election monitors, and either targeted or full economic sanctions. More recently Russia, a huge beneficiary of European aid, has refused to sign the Kyoto protocol. The EU did not openly threaten any economic consequences - or even promise significant new incentives - to change this position. Europe could become a multilateralist superpower tomorrow if it were more strategic in playing the non-military cards it already holds - from access to an \$8 trillion market to a combined aid budget that dwarfs that of the US.

Economic power can, however, be a blunt and ultimately ineffective tool if it is not tied to a specific vision of how to convert prosperity into good governance and international stability. The key must be to tie our economic strategy to our commitment to the expansion of the rule of law (be it domestic or international). Phillip Bobbitt has attacked the Bush administration for separating law and strategy in defiance of emerging international realities:

We have entered a period in which strategy and law are coming together for the State, an entity that previously had been defined by keeping them separate. Strategy was external; law was internal. Now, owing to an international system of communications, a

*superseding system of international human rights, a global system of trade and finance that trumps national markets, transnational threats such as global warming, Aids and Sars, terrorism itself, and, above all, the threat of nuclear proliferation, strategy and law are becoming inseparable. In such an era, there can be no successful international security policy that does not have an active and engaged role for law.*²

The European Union's obsession with legality is usually taken as a terminal sign of weakness – a pathetic contrast to the lack of restrictions felt by US Neo-conservatives. In fact, it could form part of a powerful political strategy of “passive aggression” if Europe heeds Bobbitt's advice and backs it with tougher political action. The 80,000 pages of laws the EU has developed since the common market was formed in 1957, influencing everything from genetic labelling to human rights, have allowed Europe to “syndicate” its legislation and values across the world – from Russia to Rwanda. It does this by making access to its market conditional on compliance with its mores. Even US companies have been forced to follow European regulations in at least three spheres: mergers and acquisitions, GM foods, and data privacy.

What these things show is not that Europe is weak – but that it has developed a new type of power that starts not with geopolitics but domestic politics. When the US talks to other countries, it is about the war on terror, Iraq or the ICC. Europeans start from the other end of the spectrum: what values underpin the state? What are its constitutional and regulatory frameworks?

Europe's obsession with the law has allowed it to transform other countries. For example, Turkey renounced the death penalty to further its chance of admission into the EU just before it said no to the US on Iraq. The EU has come a long way as a force in international affairs. Yet it must now aim to go further – and the challenges it faces are tougher than those of the 1990s. Engagement with the Middle East and North Africa will prove harder than the reform of a relatively pliable Eastern Europe. Expanding

² Bobbitt, P., “Playing by the Rules”, *The Observer*, 16/11/03.

the EU's global – as opposed to regional – efficacy may be more complex still. It is for this reason that we need to conceptualise “preventive engagement” and “effective multilateralism” in new and more concrete terms.

2) Making “preventive engagement” work: Spreading good government and democracy by 2025

It has been rightly said that democracy and human rights are too important to be left to Neo-conservatives. All European countries agree – from their own experience - that the only guarantee for order in the long-term is democracy coupled with a respect for international law (ideally we like to see it expressed through the pooling of sovereignty in regional fora). This means that the overarching goal of our foreign policy should be to undermine authoritarianism and encourage law-abiding states that share our values. One dramatic way of underlining this would be for member states to collectively set themselves the goal of spreading good and accountable government to our near abroad by 2025.³

The Solana paper recognises the need for a long-range perspective on external policy:

We need to be able to act before countries around us deteriorate, when signs of proliferation are detected, and before humanitarian emergencies arise. Preventive engagement can avoid more serious problems in the future.

However the EU should not confine itself to “preventive engagement” alone. It should develop an approach to foreign policy that promotes political reform as a good in itself, rather than as one means to international stability. This would be a distinctly European contribution to global security: it would stand in sharp contrast to the American policy of isolating difficult states, which is often an obstacle to, rather than stimulus for, reform.

³ Former US diplomat Mark Palmer has recently proposed that the US and other democracies should aim for the end of all dictatorships by 2025. While Palmer sets out a powerful array of tactics to achieve this goal, he does not fully consider the problems associated with building and maintaining good governance in post-authoritarian societies. Our use of the target is intended to reflect the EU’s capacity to engineer long-term change. See Palmer, M., *Breaking the Real Axis of Evil: How to oust the world’s last dictators by 2025* (Rowman & Littlefield, 2003).

The danger is that engagement is treated as a soft option – an “anything but aggression” foreign policy. However, as the American foreign policy analyst Richard Haass argued before his two year stint in the Bush Administration, “engagement as a policy is not merely the antithesis of isolation. Rather, it involves the use of economic, political, or cultural incentives to influence problem countries to alter their behaviour in one or more realms.”⁴

The European Council has decided that its strategy - accepted on paper in Brussels – should first be trialled on the ground in the Middle East.⁵ In the immediate term, European leaders should focus on the cases of Iran and Syria. This reflects not only the genuine challenges those states present, but also the fact that success would seriously enhance the credibility of European engagement strategies in the wider world.

The implementation plan for preventive engagement should be guided by three precepts:

- Creating clear frameworks for engagement that define a new and far-reaching concept of conditionality;
- Enhancing the means by which we can monitor the efficacy of engagement;
- Using public diplomacy to clarify the power and purpose of engagement.

⁴ Haass, R.N., and O’Sullivan, M.L., “Terms of Engagement: Alternatives to punitive policies”, *Survival* 42/2, 2000.

⁵ In considering engagement with the Middle East, we are influenced by Richard Youngs (*The European Union and Democracy in the Arab-Muslim World* (CEPS, 2002) and *European Policies for Middle East Reform: A Ten Point Action Plan* (The Foreign Policy Centre, 2004) and Steven Everts (*Shaping a Credible EU Foreign Policy* (Centre for European Reform, 2002) & *The EU and the Middle East: A call for action* (Centre for European Reform, 2003).

2/i) Frameworks for engagement – the need for contracts and peer review

Europe's engagement with other states must be based on a mutual understanding of its intended outcomes – along with a schedule for their realisation. Without these, engagement becomes a means without an end, attractive to the leaders of problem countries that wish to avoid reform, but to no-one else.

The simplest framework for planning outcomes in the EU's engagement with a problem country would be a timed roadmap (if that phrase has not now been compromised) which sets out precise conditions that must be fulfilled by both sides - and the benefits both can reap as the relationship advances. The European Commission has made progress in systematising its international links through its country strategy papers and association agreements. However, these have less potential leverage than roadmaps, where both sides make detailed commitments to timed benchmarks in their relationship, establishing clearer linkages between the quality of that relationship and processes of reform.

There are, of course, difficult questions around the creation of such roadmaps. First, what sort of linkages should be offered? Must the EU set out a hierarchy of targets, by which, for example, human rights should trump economic liberalisation? Such rigidity would appear to be impractical, but the alternative might well be a pragmatism that would rule out the promotion of genuine reform.

Second, who should design a roadmap – if the Commission attempts to do so, can it presume the support of EU member-states? Chris Patten has estimated that only 20% of aid from EU members goes through the Commission – it has no clear right to decide on the dispersal of the remaining 80%. Yet if roadmaps are designed solely through a process of compromise between individual states, they will be fudged.

Linkages work best when there is a single issue that is so important that it can cancel out the whole bi-lateral relationship, or where there is a prize so great that neither side is willing to sacrifice it. As an

example of single-issue negotiations, Haass identifies the 1994 stand-off between President Clinton and North Korea, during which America was willing to abandon the entire relationship – even risking war - if there was no satisfactory progress on nuclear questions (although this success was to be compromised by the American failure fully to monitor or enforce the resulting agreement).

By contrast, the accession process exemplifies the power of a major prize. The economic benefits of accession caused candidate countries to overlook particular national interests. At the same time, existing EU members are sufficiently committed to the legal norms of the EU that they are ready to enforce the Copenhagen criteria.

Difficulties emerge in relationships where we have multiple goals (precluding single-issue negotiations) and the prizes are smaller (meaning that our partners are less likely to compromise on their interests). The European Union's links with Russia and China are the most obvious examples of circumstances where both European governments and the respective authorities know that the relationship is too important to the EU for it to be sacrificed over the single issue of human rights. Similarly, the EU's ability to push reform in the Gulf states and many of the former Soviet republics is hampered by their wealth in natural resources. This both insulates the governing classes from sanctions and aid flows, and creates a degree of European dependence.

It is, however, possible to develop roadmaps when we face a multiplicity of issues. In Iran, for example, the EU's agenda has four dimensions: weapons of mass destruction, support for terrorism, the Middle East peace process, and human rights. In Syria – the next *bête noir* of the Neo-conservatives – the EU is concerned about weapons of mass destruction, terrorism, and human rights and good government as well as (desperately needed) economic reform. Complex agendas such as these can be addressed by creating multiple roadmaps where particular benefits are linked to particular acts of reform. For example, trade concessions can be linked to economic reform and governance assistance to human rights.

This fragmented approach allows for flexibility, but clearly raises the danger that individual roadmaps are pursued completely in isolation from each other – with objectives in one policy area undercutting those in others. In the case of Iran, the desire to show results on WMD has led us to work with the conservative pragmatists who are able to deliver – but in the long-term this could obstruct progress on human rights and democracy. Some have argued that last year’s deal on nuclear verification had the effect of further undercutting Iranian reformers (who had little choice but to back it) and emboldening the more hard-line elements in the regime.

In the case of Syria, the European Commission has emphasised aid for economic reform while admitting that its approach to rights and democratisation is, at best, tangential. As Human Rights Watch concluded in 2003, “the EU and its member states did not undertake vigorous public advocacy on behalf of beleaguered Syrian advocates of human rights and political reform, despite substantial leverage.”⁶ While there is now a risk that the proposed EU-Syrian association agreement will founder on the issue of WMD, few would imagine that Syria’s domestic political actions could gain similar prominence.

The biggest obstacle to any consolidation of European approaches to many problem countries is when individual member-states maintain differing – and sometimes mutually contradictory – policies. One reason that the EU has recently made progress in dealing with Tehran is that London, Paris and Berlin were able to adopt a common position on WMD, having previously cohered on human rights. This contrasts sharply with the Syrian situation, where British efforts to engage with Damascus have floundered while France maintains good if opaque links with the Baathist regime. Even where, as in Iran, the “Big Three” find common ground, it may be detrimental to the rest of the EU: when Fischer, Straw and de Villepin visited Tehran, they left Javier Solana behind.

This lack of co-ordination causes more than high political embarrassments – it can severely hamper European efforts to gain full leverage in problem areas. In the case of the Middle East, the

⁶ Human Rights Watch, *World Report 2003* (<http://www.hrw.org/wr2k3/>).

member states have failed to co-ordinate their own projects towards the region. Germany's Task Force for Dialogue with the Islamic World, France's governance work in the Middle Eastern states of the *zone du solidarite prioritaire* and the UK's Global Opportunities Fund for Engaging with the Islamic World exist in near-total isolation from one another. This risks duplication, confuses the message that the EU as a whole conveys to its Middle Eastern partners and excludes opportunities for sharing knowledge and experiences between different donors.

In trying to establish clearer frameworks for engagement, therefore, the EU must achieve two goals. Firstly, it must find a way of joining up multiple targets for reform so as to prevent human rights and democratisation being marginalised in the search for economic liberalisation or reductions in WMD. Secondly, it must find a way of constructing agreement on reform among the multiple actors within Europe itself. These goals demand new linkages, both between strands of reform and between EU members and agencies.

In linking varieties of reform, we must find ways of tying political targets (such as democratisation and the rule of law) to economic progress. The EU should emphasise that prosperity is typically tied to increased legality and freedom of choice. This is a matter of defining policy - Richard Youngs argues convincingly that it should be possible to create a virtuous circle where multiple roadmaps can be linked to create overall movement in the right direction:

The large amounts of aid for economic restructuring at present go almost entirely through ministries; requirements could be imposed that in return these ministries allow private sector organisations more autonomy in managing such initiatives. Projects in the sphere of education should be linked to the provision of more open, critical political debate over national curricula. Particularly in the Gulf, defence deals should be linked to the incorporation of human rights elements into security cooperation programmes. Especially in states such as Iraq, an insistence that groups receiving funds be open to

*cross-ethnic representation might help mitigate the risks of destabilising fragmentation.*⁷

Rather than create hierarchies of priorities for engagement, therefore, we should develop webs of linkages between our activities and targets. Yet if we do not codify these linkages in some way, they will be vulnerable to distortion – complex webs of priorities lack the clarity a single roadmap would provide. The EU should continue to search for a method by which it can encapsulate complicated approaches to a problem country in a single programme. Julian Braithwaite has proposed that, rather than think in terms of single or multiple roadmaps, the EU should deal with states through all-encompassing contracts:

The EU could pool everything that the EU does have to offer, and give it a political identity and focus. Instead of leaving the EU agencies and member-states to act in an uncoordinated way, the EU should pool the assistance, and the influence we offer individually and collectively. That includes assistance through the European Commission, bilateral embassies, and through European representation in institutions such as the UN, IMF and similar bodies. This could be done in the form of a specific contract drawn up between the country that we were focusing on and the European Union, agreed by the Council of Ministers, the Commission, perhaps even the European Central Bank aimed at helping the country stabilise its monetary affairs (for example by linking their currency to the Euro). This contract would include carrots linked to specific benchmarks, things like visa-free travel linked to rule of law reform, even peacekeeping forces under ESDP if necessary. It might even contain agreed potential penalties depending on the situation. Where the EU was directly assisting in the rebuilding of a failed state, such a contract could legitimise the sort of intervention we have seen used to effect in Bosnia and Herzegovina : an EU visa ban, asset freeze, the power to impose legislation, sack officials, and impose fines, again all depending on clearly-defined benchmarks.

⁷ Youngs, R., *European Policies for Middle East Reform: A ten point action plan* (The Foreign Policy Centre, 2004).

Such an approach would work best in situations where the EU has decided to take lead responsibility for assisting in the stabilisation and transformation of a country that does not qualify for the EU's normal stabilisation and association processes. The EU would have to care enough to invest the necessary resources, while being comfortable with delegating the final authority to interpret and implement the contract to a local representative, possibly a new form of EU Special Representative. Such an approach might be applied to failed or failing states on the EU's periphery.⁸

Even where EU members and agencies were not prepared to invest such power in a single representative, it should be possible to draw up contracts imposing a coherent identity on the EU's activities. Such contracts would not necessarily prevent individual countries and agencies emphasising specific priorities. However, they would prevent those priorities coming into conflict – or at least induce EU members to avoid such conflicts by highlighting actors that fail to align themselves to the contract's goals and mechanisms.

The Commission could not force EU members to sign up to any given contract, but the political pressure on governments to do so should be high, especially from concerned NGOs. Once bound by a contract, individual European governments should become subject to a process of peer review in their policies towards a problem country. If Europe is to be tough on others, it must be seen to be tough on itself, and EU governments signing a particular contract should demand openness from one another on its implementation. To guarantee this openness, annual audits of signatories' activities should be conducted by contracting parties, intended to name and shame those hampering EU activities – be they problem countries or EU members.

⁸ Edited version of comments to the *Global Europe* conference, The Centre, Brussels, 8/10/04. We are grateful to Mr Braithwaite for expanding on his proposal for this paper.

2/ii) Better Monitoring - ensuring the credibility of conditionality

If we are to be serious about conditionality and peer review, we must rethink and reinforce the mechanisms through which we relate with problem countries. This means developing a strong basis in monitoring and analysis. To be robust, our policies must be insulated from pressures from third parties in the international arena.

Without objective monitoring methods, contractual relations with problem countries will falter. The EU has recognised the need for reliable monitoring in shaping its internal policies, employing benchmarking to measure progress on the Lisbon agenda. Without accurate information, this would be worthless. If the EU is to agree potential benchmarks with states beyond its borders, there is a similar need for accuracy – we must ask what sort of institutions can guarantee it.

In certain areas, it is fairly easy to define objective monitoring: the deal struck between the EU and Iran on nuclear affairs relies on the conclusions of the IAEA, which enjoys a high degree of trust in Europe. Objectivity is much harder to define and achieve on political questions such as rights and democracy. European institutions hardly suffer from a shortage of information about these issues, but their sources are often compromised by political considerations.

The European Commission has, for example, invested political capital in building formal relations with the Organisation for Security and Cooperation in Europe, which plays a key role in both guiding and monitoring political reform in the Balkans and Central Asia. Two-thirds of the OSCE's funding comes from EU members. Yet its activities are based on highly political mandates negotiated with individual countries. These are approved by its permanent council, on which authoritarian states such as Uzbekistan and Belarus are represented.

The OSCE often appears unable to take a strong line against such states' wishes. When, in 2002, Belarus objected to the work of the OSCE Advisory and Monitoring Mission on its territory, the organisation replaced it with a much reduced presence in Minsk. In

the same year, Russia refused to renew the mandate of OSCE monitors in Chechnya. Even where the organisation is able to maintain a presence, it is sometimes criticised for one-sided reporting apparently intended to maintain positive relations with local authorities.

Under these circumstances, the OSCE's output is inevitably variable in quality. It *does* produce much useful material, and there are cases – as in dealing with a sizeable power such as Russia – where monitoring must inevitably remain partial and subjective. Some observation is usually better than none. However, if the EU is in a position to develop a strong and binding contract with a problem country, it should use its leverage to demand a higher standard of monitoring to give that agreement teeth.

If the OSCE cannot always achieve such a standard, the same is true of the Council of Europe and (outside the European arena) many UN agencies, inevitably constrained by their own institutional concerns. While NGOs such as Amnesty, ICG and Human Rights Watch also offer excellent reporting from troubled regions, they too have political agendas.

The European Commission has experimented with monitoring activities of its own, both through its long-standing mission in the former Yugoslavia and through observing elections in more than 20 non-European countries since 2000. However, if the Commission were to arrange contracts with other states and attempt to monitor them itself, it would soon be charged with a conflict of interests. Efforts to penalise recalcitrant partners would be portrayed (correctly or incorrectly) as arbitrary.

There is space, therefore, for a new European Monitoring Agency, supported by the European Commission but institutionally autonomous from its policy-making branches. All contracts with problem countries should include a clause permitting this agency to observe the contracts' implementation and to report on the performance of all parties in fulfilling the obligation. To bar monitors would be to break the contract. The new agency could have the right to demand the suspension or enactment of aid agreements

made under the contract, thus adding to their predictability and credibility.

In addition to observing events on the ground (as specified in the relevant contract), the agency would review EU members' behaviour towards individual states, providing the basis for peer review. Its decisions on the distribution of aid would thus be a two-way process, increasing the accountability of EU members. The agency's findings would be in the public domain, intentionally stimulating debates in civil society over European policies.

The natural position for this Agency within EU's institutional architecture would be under the oversight of the Court of Auditors. The Court already makes detailed comments on the implementation of the Commission's country strategy papers. It would be a leap from this to full-scale monitoring of rights, shifting the Court's attention away from its usual financial remit. Yet this is not entirely unsuitable: the EU's contracts with problem countries would, in a sense, be financial instruments, tying aid to targets and placing rights and democratisation in the context of efficiency and value-for-money (with value defined as reform). The Auditors' non-political form of oversight would reflect this non-political attitude to objectivity.

In reforming their external policies, EU members should declare their intention to review where monitoring should continue through bodies such as the OSCE and where the new Agency would be a better tool. They should offer guarantees that its work will complement that of other international organisations, and that the Agency will only operate where the EU is prepared to take primary responsibility for reform.

To demonstrate its credibility, the EU should employ a new force of monitors to observe human rights in sensitive areas of Turkey and (negotiations allowing) Cyprus as part of the enlargement process. Their presence should not only protect rights on the ground, but also put pressure on states within the EU to treat Turkey according to set criteria rather than racial or religious prejudices.

The credibility of the EU's approach to problem states will not, however, be decided by its internal consistency alone. If our restructured conditionality is to be effective, we must ensure that it is not undercut by other powers. American sanctions have often failed because they were unilateral, allowing other countries to move in to take advantage of the resulting market opportunities. If the EU is going to convince countries to change the behaviour of problem states through conditional engagement, it must build dialogues with third party governments to insulate that conditionality.

This does not mean that the EU must demand that others adopt the same policies as we do – simply that approaches are co-ordinated. The EU's success in Iran owed much to a good cop/bad cop dynamic created by the benefits of an EU-Iran trade deal accentuated by the ultimate threat of more coercive policies emanating from the US (with the UK pulling the European countries towards a tougher position, whilst persuading the Americans of the benefits of engagement). However, such co-ordination cannot always emerge by chance – dialogues can be more structured.

The advantage of structuring relationships was demonstrated in 2003 by the development of EU-Russian relations over Moldova. When it was suggested that an EU military-civilian mission should be sent to the divided country, Moscow objected: its formal relations with the EU remain weak, and it feared a loss of influence. By contrast, Russia was more positive about the possibility of a NATO presence in Moldova, as this might be moderated through the NATO-Russia Council. If the EU were to build more structured links over problem countries – as it has contributed to the Quartet over Israel/Palestine, it might reduce such tensions.

While structured relationships may protect conditionality, however, we should not be overly defensive. Clarifying our goals must involve not only objectivity and openness, but also assertive public diplomacy.

2/iii) More Effective Public Diplomacy

One of the cheapest and most effective ways of projecting power is to set the agenda through effective public diplomacy. Though widely criticised for his lack of tact, Donald Rumsfeld has proved extremely effective at setting a political agenda through his public announcements, which others (whether in the state department or Europe) have then had to respond to.

Unfortunately, Europe is extremely bad at setting the global political agenda. While some statesman such as Joschka Fischer have tried to map out strategic goals for the EU's own development through their speeches, this has not been met by a strategy of setting a global agenda or even articulating what the EU stands for in the world. The European Security Strategy is an important start to this, but the EU will find it hard to achieve anything if it is not more explicit in making clear what it wants and then setting a news agenda to back up its goals.

This is particularly true of the agenda of spreading democracy and good governance. Engagement demands a difficult balancing act in this context. If we sever relations with authoritarian regimes, we may lose our capacity to achieve reform. If we engage with them without clarifying our commitment to good governance and democracy, we may isolate those reformers who offer the best hope of lasting change.

To achieve a balance between these extremes, we will need to develop a mix of top-down and bottom-up methods for showing that, while the EU does not work through regime change, its goal is to spread political reform. European leaders should reaffirm their intent to promote democracy through a new and clear statement of principles on external affairs, derived from the Solana document. The EU should also declare that, in acting in international organisations, it will act to block authoritarian states from positions of responsibility (averting such anomalies as Libya's chairing of the UN's Human Rights Committee). Through these moves, it can indicate that engagement on domestic reform does not represent a legitimisation of a regime's existing practices.

In attempting bottom-up public diplomacy, Europeans should open dialogues with reformers in these countries and (in so far as it is encouraged by them and doesn't compromise them) meet with them and organise symbolic events to support them (in the way that Europeans have continued to meet with Palestinians in spite of Israeli resistance). The purpose of these meetings should be to show that, while we may accept authoritarian governments as contractual partners for reform, no contract can bind us to ignore voices of dissent.

Lastly and most radically, the EU should bring together elements of its good governance work (including the European Initiative on Human Rights and Democracy) into a single framework which could be called the European Foundation for Good Governance. This should aim to be the equivalent of the American National Endowment for Democracy: an autonomous entity funded by public money but directed by an independent board of directors. The activities of the Foundation would be separate from those of the Commission and member states, leaving it outside the contractual framework for engagement. It could thus promote bottom-up reform at a remove from the Commission's plans for change.

The Foundation should have budget lines not only for traditional civil society work but also explicit work on opening up societies through the promotion of independent television and radio. Its activities could be brought together in an annual report on Good Governance promotion – which could list the extent of future challenges, and be publicised widely in key languages. The Foundation would thus comment on democratisation from an activist perspective, just as the Monitoring Agency would provide non-partisan reporting. While the Commission would take the lead in engagement, therefore, its policies would be buttressed by both independent organisations, and Europe's variety of approaches to reform would be expanded and enhanced.

3) Positive Multilateralism: promoting multilateralism around the world and pursuing effective and legitimate strategies towards failed states and the spread of WMD

Europe has gone further than any other part of the world in defining a multilateral legal order; pooling sovereignty to solve common problems; and redefining security to entrench peace, free markets and democracy in a doctrine of mutual interference in each others' internal affairs. However, as the European Security Strategy argues, the multilateral project is today under threat.

This is not just because it has been confronted with a US administration determined to act unilaterally where possible, multilaterally only where necessary. Since the end of the Cold War, our multilateral institutions have appeared increasingly inflexible and inadequate in the face of destabilising humanitarian crises and the spread of WMD.

What is more, innovations to the international system have tended to come from organisations and ad hoc coalitions outside the UN System. The Balkans could not have been stabilised without the EU, NATO and OSCE, while UN efforts in West Africa have been underpinned by those of ECOMOG. Ironically, the US-led Proliferation Security Initiative represents the most effective multilateralist response to new WMD threats yet devised.

Europe thus faces a conundrum. The European Council, when it accepted the Security Strategy, called for concrete proposals on how to develop "effective multilateralism" under the auspices of the UN (described by the Strategy as the "fundamental framework for international relations"). Yet if the effectiveness of multilateral solutions frequently rests on their detachment from the UN framework, this could seem like a contradiction in terms.

To resolve this tension the EU must adopt a two-pronged approach. On the one hand, in clarifying and publicising the security strategy, it must make clear that it supports a flexible and effective form of multilateralism. On the other, it should set out policies to link the activities of the UN to those of regional organisations and single-

issue coalitions so that they can be endowed with permanence and legitimacy. In this paper, we set out six strategies to further these goals:

- Setting out a doctrine of “positive multilateralism” which marries effectiveness with legitimacy;
- Promoting doctrines within the United Nations to provide Chapter VII support for “the responsibility to protect” and stemming the flow of fissile materials;
- Prioritising relations with regional organisations over pure bilateralism;
- Tying aid to attempts to build the capacity of regional organisations;
- Developing a programme of security assistance for regional organisations;
- Calling for the formation of a Council Of Regional Entities (CORE) within the UN system to build capacity for the DPKO and UNDP.

3/i) Setting out a doctrine of “positive multilateralism”

In crystallising its understanding of multilateralism, the EU must differentiate itself from Russia and China, which see multilateralism primarily as a way to constrain America and protect their sovereign activities in, for example, Tibet and Chechnya. This could be called negative multilateralism, providing a legal defence for all-too-often authoritarian politics. Europe’s policies should be understood in terms of a “positive multilateralism” that derives its legitimacy from its efficacy in resolving crises as well as confirming international legal norms.

The legal bases for “positive multilateralism” are already becoming clear. They balance the importance of sovereignty with a recognition that intervention can be justifiable. Rather than rest on the “norm” of pre-emption associated with Iraq, however, they assume that intervention may become a matter of necessity where true norms – the association of sovereignty with the protection of citizens, rejection of proliferation, the acceptance by sovereign governments of engagement over rights and duties – break down irrevocably. Best summarised by Gareth Evans’ concept of a “responsibility to protect”, this approach to law could be used to justify the Kosovo intervention – but not a discretionary war such as Iraq.

A focus on protection and engagement rather than pre-emption has two strong implications for the future of the UN. Firstly, it gives the organisation renewed importance as the primary forum for identifying when crucial norms have been broken. Secondly, it puts pressure on the UN to fulfil its role as such a forum, for its legitimacy is linked to its willingness to grapple with crises.

Equally, the “responsibility to protect” also has implications for how we judge organisations outside the UN. They cannot be evaluated on their efficacy alone: their capacity for action must eventually be tied to a contribution to the revitalisation of the UN system. This should involve a top-down element – attempting to formalise *ad hoc* arrangements such as the PSI according to the UN Charter – and a bottom-up approach, pressuring the organisation to reorient itself to handle present dangers.

The EU's goal should thus be to develop a new symbiosis between the elements of the international order. In so doing it should think not only in terms of resolving direct threats, but of promoting its values – democracy, mutual interference and human rights – in both the UN itself and emergent regional organisations. George Soros has argued that international organisations can be reformed from below by the creation of caucuses of democratic states within them. Democracies do not always act according to principles alone, however: South Africa has shown regional as well as ideological preferences since the fall of apartheid. In the short term, it may be necessary to expand democracy through shaping regional caucuses and guiding them towards reform. The EU should both act as such a caucus and attempt to induce other entities to do so.

In the immediate term, a European caucus should exert pressure on the Security Council and UN agencies to accept and formalise new initiatives on peace-building and anti-proliferation. For example, the EU should call for Chapter VII approval for the Proliferation Security Initiative. This would both legitimise the initiative and push the UN towards a more proactive line on WMD. Crucially, the EU should base its position on the informal power it holds in New York as (in total) the leading provider of funds and expertise to UN operations. Rather than attempt formal unity in UN structures, member-states should agree on common positions to be pursued through all diplomatic channels to achieve clear goals.

Similar policies should also be pursued outside UN structures. For example, the EU should provide both funds and legal support for states and NGOs aiming to make use of the International Criminal Court in spite of US non-cooperation. The EU should consider sanctions on those states it believes to be holding back from ratifying the ICC to protect specific war criminals, and invite the ICC to play an integral role in all new EU-led peace operations.

3/ii) Promoting relations with other regional organisations over bi-lateral relations

To promote action, it may be necessary to move beyond top-down approaches to UN reform and focus on the bottom-up alternative based on regional organisations. This can be advocated on three grounds: it echoes the experience of the EU; it coincides with Chapter VIII of the UN Charter, with its strong endorsement of regional arrangements; most importantly, it reflects current thinking on how the UN's reach can be expanded to withstand new challenges.⁹

In the short term, the EU should aim to build regional organisations' capacities so as to compensate for the UN's weaknesses. In the long term it should try to spread the "European effect" – the translation of co-operation on immediate economic and security issues into an acceptance of multilateralism as the primary method for *all* problem-solving: what Robert Cooper has called the post-modern order.¹⁰

Yet, while the EU is uniquely placed to advise and aid others on those matters that are "appropriate for regional action", it has shied away from doing so. It *does* maintain formal or semi-formal relationships with other regional organisations, most notably through dialogues with the African Union and ASEAN. However, the reception of the Solana document suggested that member-states are not prepared to innovate in this area. Whereas the original draft declared that "ASEAN, MERCOSUR and the African Union are important partners" for the EU, the final version confined itself to the observation that such organisations "make an important contribution to a more orderly world." The implication of a potential for agency on the part of the EU was thus lost.

This did not surprise observers – regarding ASEAN, members of the Singapore Institute for International Affairs concluded that the paper

⁹ Chapter VIII states that "regional arrangements" may contribute to peace and security under the auspices of the UN.

¹⁰ Cooper, R., *The Breaking of Nations* (Atlantic Books, 2003).

“confirms Southeast Asians’ long-standing perception that the EU does not understand the strategic importance of the region.” Solana’s strategy recognises the importance of Japan, China and India, implying that bilateral relations with these powers should take precedence over inter-regional co-operation. To date, the EU’s desire for inter-regional discussions has not been backed by a commitment to prioritising inter-regional funding. In 2003, EU projects worth just under 80 million euros had been arranged with ASEAN - while the amount of European Commission bilateral aid going to ASEAN countries totalled 410 million euros *per year*, not including humanitarian projects.

This division of support arguably both reflects and reinforces the relative insignificance of international organisations relative to their members. It is normally EU policy not to attempt to reform the internal behaviour of other organisations: in the case of SAARC, for example, Brussels appears punctilious in respecting the organisation’s non-political status. In the one instance where the EU has attempted to influence an organisations’ internal decision-making – its suspension of “block-to-block” political dialogue with ASEAN from 1997 to 2000 over Burma/Myanmar’s participation – the result was a face-saving formula rather than a meaningful outcome. While the EU continues to prioritise states over regional organisations, the incentive to strengthen the latter – and, in so doing, imitate the European model of security – must be limited.

Referring to Chapter VIII and its own evolution, the EU should reverse its priorities, targeting aid in such a way as to promote intra-regional co-operation. In terms of practical policy proposals, this has three facets: civilian and economic initiatives; military initiatives; relating regionalism to the UN.

3/iii) Tying aid and economic initiatives to participation in regional organisations

In the civilian field, the EU's targets might be achieved by tying funding for social and economic governance to the development of multilateral institutions with executive powers, and providing capacity-building training to support these. This should essentially be seen as a supra-national version of critical engagement – basing positive relations with other organisations on an ongoing process of reform.

To achieve this, the EU will need to set out a new stall of incentives. Some bilateral aid to states should be linked to participation in multilateral schemes, especially on issues such as trade, transport and water distribution. The EU should set aside credits for proposals by other organisations for the promotion of multilateralism. The European Investment Bank, which helps raise finance for the EU's aid and co-operation agreements, should be tasked to give special support to multilateral schemes.

Opportunities to exploit such tools are not rare. When, in January 2004, SAARC's members agreed to form a South Asian Free Trade Area – complementing tentative progress on Kashmir – Romano Prodi declared that “the European Commission stands ready to actively support this move through relevant cooperation if so requested.” The Commission should have adopted a much more pro-active approach, publicly itemising the support it could offer and offering specific help towards the development of trade in South Asia's flash-points.

Such tactics, while building inter-regionalism, are essentially an extension of the EU's current focus on economic reform over political change. However, if the EU is to be serious in promoting regional organisations' contribution to security, it should also aim to enhance their capacity to contribute to peace-making and peace-building. It can do this directly, but it can also do so through capacity-building.

3/iv) Developing military assistance and training for regional organisations

To promote regional peace-building, we must re-appraise Europe's attitude to military aid and co-operation, previously viewed as off-limits. Currently, the EU (as distinct from its members) does not give military aid to countries and organisations. This is in sharp contrast to the posture of the United States, which spends approximately 50% of its international affairs budget on military aid. This involves not only the provision of material resources, but also of training, allowing the US military to shape the cultures of other forces. While US policy in this field is criticised, it has contributed to the training of, for example, the Nigerian peace-keepers crucial to the recent stabilisation of Liberia.

The EU should implement an alternative version of this aid, offering training in – and resources for – peace and humanitarian operations to regional organisations. A series of programmes should be set up to build multi-national groups of peace-keepers and to increase the technical inter-operability of the forces within regional operations. These programmes should be constructed in such a way that their value to individual states will be reduced if those states should choose to withdraw from regional structures. Moreover, military training should be tied to education in the support of civil society, human rights and disarmament.

The EU has made a move in this direction through its 2003 approval for the African Peace Facility, which will provide "financial muscle" for peace keeping missions led by the African Union. However, the Facility will cover operational costs alone (not including arms and ammunition) rather than providing co-ordination and aid to reform the military cultures of target states. The EU should aim to offer such incentives to all credible regional organisations, giving emphasis to the extent to which peace-keeping should contribute to the democratisation of military structures.

To co-ordinate this training and aid, the EU should set up a new cell answerable to the Political and Security Committee responsible for "peace training". This should aim to set up joint cells and

programmes with other regional organisations, as well as the relevant sections of the UN and NATO. Its activities should be audited annually, and it should be barred from co-operating with those organisations deemed insufficiently committed to the principles of peace operations. The EU could, for example, tie its support to ratification of the ICC treaty by at least a majority of countries within any given organisation. It is their forces, after all, that are most likely to apprehend culprits wanted by the court.

In terms of support for specific peace-keeping operations, the EU and its members should prioritise operating with other regional organisations under UN mandates – as the UK effectively did with ECOMOG in Sierra Leone. This would involve employing European forces to facilitate local interventions, while leaving prime responsibility to the local forces. In addition to its joint training cells, the EU should establish formal planning co-operation with organisations such as ECOWAS, referring this work to NATO to confirm that it falls within the remit of the new EU military capacity. By this method, the EU will demonstrate that it can develop an effective defence identity without threatening the bases of other organisations.

3/v) Promoting the formation of a Council of Regional Entities (CORE) within the UN system

Both civilian and military contributions to regional organisations should be understood in terms of a *regional conditionality*, linking the EU's support to an increased reliance on multilateralism as a way of solving actual problems (rather than as a legal or moral good). This should provide an impetus towards increased multilateral decision-making within the latter, but how would it translate to deliberations within the UN and other international organisations? An increase in the capacity of regional organisations should raise the number of opportunities for the Security Council to "utilize" them as foreseen by Chapter VIII. Conversely, it must also mean a shift in the balance of power away from the UN to other, smaller, groupings.

The EU should aim to maintain the balance by defending the right of the state-based Security Council and General Assembly to maintain their current position. However it should also promote the emergence of a forum (formal or informal) for regional organisations to discuss two issues best handled at the regional rather than state level. These are co-ordinated development (on which the forum should work with UNDP) and planning the provision of peace-keepers (where there is a need for co-ordination with DPKO). In the current situation, the UN is often left scrabbling for peace-keeping forces, rarely finding enough troops for particular missions. An inter-regional forum should allow for a better-informed and far-sighted system of planning for future operations.

This inter-regional forum should thus enter into a dialogue with current UN structures, aiding rather than impeding their work. By giving regional voices more weight, the new body should act as a counter to the excessive strength of the big powers on the Security Council, partially compensating for one of the most frequently-criticised aspects of the UN. It should not be supposed that such reforms would halt debate on the Security Council: in a case such as the Iraq conflict – a discretionary war where there was no immediate demand for peace operations – inter-state argument will continue to be essential. But in the broad range of crises which are primarily regional in their scope, new bodies can be most effective.

4) Conclusion: A 12 point implementation plan for the Security Strategy

This report has set out a deliberately optimistic vision of what the EU can achieve in its external policies. Since Iraq, efforts to be positive about Europe's future role have often appeared strained, driven less by serious analysis than a desire for calm after the storm. We have offered some realistic reasons for optimism, an approach we believe to be justified by the activities of Europe's "Big Three" and the substance of the Solana paper. However, it is clearly too early to assume that these advances will translate into lasting progress towards a coherent and effective EU strategy.

There are two reasons for this. Firstly, elements of the Solana paper remain obscure, allowing for numerous - and often misleading - arguments in the future. The precise meanings of "preventive engagement" and "effective multilateralism" are hard to pin down - our purpose has been to define them in terms of a bold goals and tools that can support them.

Secondly, and more seriously, the relationship between the Big Three and Solana's pan-EU strategic thinking is ambiguous. It is impossible to imagine an effective EU external policy that was not backed by - and essentially the responsibility of - France, Britain and Germany. However, even if the three countries accept the need for common action among themselves, that does not mean that they will wish to bow to a single policy document. There may be a contradiction between the potential dynamism of the Big Three and the need for unity within the EU.

Yet, if the bigger member-states will not devolve at least some powers to the Commission and other EU agencies, Europe's role will descend into confusion. As Iraq showed, the EU can retreat into factionalism over external affairs, not least because the larger states are not prepared to discipline themselves. If the Big Three wish to demonstrate real leadership on strategic issues, they must set out mechanisms for self-discipline that will act as the basis for hard policies. This paper has set out some of those mechanisms.

To make preventive engagement work, the EU should:

1. Systematise its relations with problem countries through **contracts guaranteed by EU agencies and member-states**
2. Establish a **formal system of peer review** by which member-states can evaluate and criticise each others' approaches to problem countries;
3. Set up a new **European Monitoring Agency** – institutionally autonomous of the Commission - to report on and analyse the implementation of EU contracts with reforming countries;
4. Establish **formal structures (modelled on the Quartet for Israel/Palestine) for discussing approaches to problem states** with other major powers;
5. Form and fund a **European Foundation for Good Governance**, modelled on the US Endowment for Democracy, to support the work of reformers committed to liberalising authoritarian states;

In promoting multilateralism, the EU should:

6. Publicly **commit member-states and EU agencies to a clearly-stated definition of the “responsibility to protect”**;
7. Act within the UN to gain **formal authorisation for ad hoc operations to prevent humanitarian crises and stem proliferation**;
8. **Prioritise relations with credible regional organisations** over bilateral relations with individual states;
9. **Tie certain aid and trade packages to moves towards regional co-operation** in development and economic affairs;
10. Develop a **programme of security assistance** to other regional organisations, with support oriented towards peace operations;
11. Establish a **new cell for “peace training”** answerable to the EU's Political and Security Committee.
12. Push for the development of a **Council Of Regional Entities (CORE)** tied to the UN to build capacity for DPKO and UNDP.

What these proposals have in common is that they do not propose a rigid approach to foreign and security issues by which the Commission or Council should take command of policy in sensitive areas. Rather, they are intended to reformulate how bigger member-states play the game in external affairs, opening them to increased scrutiny and criticism without blocking their initiatives outright. These structures should add value to current policies by removing anachronisms and duplications, but they are also intended to orient EU members towards new norms of co-operation.

Without such co-operation, EU members may well follow fragmented strategic policies that forfeit their combined potential for leverage. If, as Philip Bobbitt argues, states must now combine law and strategy, the EU must combine strategy with increased regulation, both of itself and of those it engages with. If European leaders are prepared to engineer such a combination, the next phase of the Union's "passive aggression" may begin.