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BRIEF

THE ROAD BACK TO EUROPEAN POWER

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SUMMARY

- As the second phase of the EU's global strategy review begins, it is time to discard illusion and understand the world as it is. To Europe's east and south, old orders are giving way and new threats emerging that pose an existential challenge to core European interests.
- The EU can still act effectively in protection of its interests and values - provided that it is severely realistic in its approach, and has the active support of member states.
- The global strategy should prioritise the European neighbourhood. It should adopt a supportive approach towards its eastern neighbours and a 'tough love' policy towards Russia based on a mixture of sanctions and outreach.
- In the Middle East, the EU should encourage regional actors to take responsibility for their own region, but still be prepared to engage in de-escalatory diplomacy. Europeans should also prioritise assistance to those countries that are not yet engulfed by crisis.
- A new division of labour in transatlantic relations should run through the global strategy, with the EU playing a central role in security, and Europe's larger states – notably Germany – taking on greater responsibility within the alliance.

At a time of urgent global challenges, the EU needs to ensure that its approach to the world is based on a realistic and tough-minded vision that is actively supported by its member states. The gravity of the crises that surround us and the depth of the fundamental changes underway in the world mean that the EU cannot afford to persist with policies that are rooted in an outdated picture of Europe's influence or left without clear definition in order to conceal a basic lack of alignment between European countries.

To Europe's east and south, old orders are giving way and new threats emerging that pose an existential challenge to core European interests. We cannot insulate ourselves from the impact of Russia's attack on the post-Cold War European system, or from the breakdown of states and spread of conflict in the Middle East and North Africa, along with the surge of migration and terrorism these changes have spawned. Further afield, shifts in the distribution of global power and changing economic and technological trends have reshaped the environment in which the EU seeks to define its place.

Our security, prosperity, and credibility depend on our response to these developments – but we must find policies for a world where we are less able than ever to set the rules of the game. The EU's task is to define a foreign policy that accepts the limits on our power, but is still ambitious enough to match the stakes at play and does not abandon the EU's goal of reflecting its core values in its external action. The novelty and importance of this challenge explains why ECFR has for some time been calling for a

comprehensive stocktaking of Europe's external relations.¹ We therefore welcome the reflective report that Federica Mogherini put to national leaders at the recent European Council.² This ECFR policy brief is intended to help kick-start the strategic phase of this discussion by suggesting how the EU can best define its foreign policy for a world that is being reordered around us.

The EU has the instruments to play an active role in the region surrounding it and in the wider world, from diplomacy to development, from security to the use of economic power. In other areas, such as military force and the emerging domain of cyberspace, we have the potential to mobilise and deploy our resources more coherently. But, on all these instruments, power lies primarily with the member states. The EU will only succeed in acting in a serious and focused way in the world if it defines a strategy that member states are prepared to put their weight behind, and that goes beyond fudging the differences in outlook that currently divide us. EU foreign policy needs to understand the range of differing national interests and preoccupations without succumbing to them; to accord a leading role to those with particular interests or expertise; and to develop the practice of solidarity so that those who do not much care are predisposed to give their support to those who do. For this reason, it is essential that the second phase of the European Security Strategy review is a frank conversation between member states, rather than simply a Brussels-led operation.

A realistic global strategy demands not only an assessment of Europe's place in the world and the different perspectives of the EU28, but also a hard-headed awareness of which issues are most urgent to tackle. An aspirational approach that ascribed equal importance to addressing all dimensions of the convoluted global scene would be a recipe for inaction. Europe's first priority must be to limit the damage caused by the crises on its eastern and southern borders.³ Beyond this, our policies and relationships with other powers will help determine the context in which we respond to these crises and pursue our longer-term goals. This paper sets out ECFR's vision of how the EU should define its strategy in the most important policy areas that confront it, as well as some suggestions for how the EU's strategic review should proceed.

Russia and the new European order: operating in the new environment

Many people in Europe still hope that the Minsk process on Ukraine will lead to a durable peace in Europe. But the last 18 months suggest that, in reality, the West cannot resolve

the underlying clash of interests. In these circumstances, Europe's role might be a constraining one, trying to manage the situation, because it cannot be quickly fixed.

The origins of Russia's problematic behaviour are multi-layered. Vladimir Putin's personality plays a role, influenced by his worldview and his experience with the West, as he interprets it. The nature of the regime also contributes: lacking democratic legitimacy based on free elections, it needs to create emotional legitimacy by mobilising the population against an enemy – real or imagined, internal or external. It may also stem in part from the economic model of an oligarchic petro-state. But Russia's centuries-old self-identification is also crucial. Russia wants to see itself as a great power and its definition of great power status includes spheres of influence – hence the persistent wish to dominate its neighbours. We cannot expect to achieve profound change just by removing one or two of these sources. Russia's wish to dominate its neighbourhood has survived regime change before. It will ultimately disappear only when a profound rethink happens in Russia.

There is also a natural tension in Russia's relationship with the countries of the EU's Eastern Partnership. Since 1991, their independence has been hijacked by corrupt elites, resulting in stagnation, which was largely agreeable to Russia. Now, the Eastern Partnership societies are maturing and starting to demand better governance and the rule of law. The EU cannot but sympathise with this effort just as Russia, fixated on corrupt elites, has little choice but to resist it. The societies' attempts to democratise will become an inevitable source of tension both inside the countries and between Europe and Russia – for as long as Russia's soft power continues to be based on muscle mixed with corruption rather than on attraction.

In these circumstances the EU should adopt a supportive approach towards the eastern neighbourhood, and tough love towards Russia. We should try to bolster the independence of Russia's neighbours, which in practice means expanding our policies towards them to include help in security-related fields: security sector reform and the training of border guards and special services. Where we can, we should also support their economic independence – for example, in the fields of energy security and access to markets. All this will be complicated not just because of Russia but because many of the eastern neighbours are still governed by self-serving elites.

On Russia, we should adopt a dual strategy of sanctions and outreach. Sanctions boost our credibility with Moscow and constrain Russia's room for manoeuvre. At the same time, we should articulate that at the end of the day we want to have a functioning relationship with Russia – if not based on shared values then at least organised in ways that allow Europe not to undermine its own values. Cooperation between the EU and the Eurasian Economic Union (EEU) could well be one such element – if and when the EEU starts to work as a proper customs union and trade bloc.⁴

1 See Susi Dennison, Richard Gowan, Hans Kundnani, Mark Leonard, and Nick Witney, "Why Europe Needs a New Global Strategy", European Council on Foreign Relations, October 2013, available at http://www.ecfr.eu/page/-/ECFR90_STRATEGY_BRIEF_AW.pdf; and also Nick Witney, Mark Leonard, François Godement, Daniel Levy, Kadri Liik, and Vessela Tcherneva, "Rebooting EU Foreign Policy", European Council on Foreign Relations, September 2014, available at [http://www.ecfr.eu/page/-/ECFR114_EU_BRIEF_SinglePages_\(1\).pdf](http://www.ecfr.eu/page/-/ECFR114_EU_BRIEF_SinglePages_(1).pdf).

2 "The European Union in a changing global environment", European External Action Service, 30 June 2015, available at http://eeas.europa.eu/docs/strategic_review/eu-strategic-review_strategic_review_en.pdf.

3 For a more detailed analysis of EU policy towards its eastern and southern neighbours, see Nick Witney and Susi Dennison, "Europe's Neighbourhood: Crisis as the new normal", European Council on Foreign Relations, 23 June 2015, available at http://www.ecfr.eu/publications/summary/europes_neighbourhood_crisis_as_the_new_normal.

4 For more on the idea of EU-EEU cooperation, see Ivan Krastev and Mark Leonard, "The New European Disorder", European Council on Foreign Relations, November 2014, available at http://www.ecfr.eu/page/-/ECFR117_TheNewEuropeanDisorder_ESSAY.pdf.

How to engage with the new geography of power in the Middle East

To the south too, the crisis is current and impacting directly on the EU, as the dreams both of the migrants who are trying to come here in search of a better life, and of Europeans who believed in a post-war project based on solidarity, are shattered on the Mediterranean shores. The proportion of the Middle East and North African (MENA) region immersed in full-scale conflict has expanded further over the past year, including through the Islamic State's (ISIS) extension of its territorial reach in Iraq and Syria and spawning of progeny in North Africa, the Sahel, and beyond. The hard reality is that the scope for Europe – and indeed the United States – to play a significant role in handling this growing threat, or managing other aspects of the chaos engulfing the Middle East, is and should remain limited. Developments are orchestrated from within the region, largely among the triangle of Gulf Cooperation Council (GCC) states, Iran, and Turkey. The implosion of major states (with Egypt, Iraq, and Syria all sidelined as regional powers) has shifted the centre of gravity of regional political power eastwards to an unprecedented degree, to the Saudi/Iranian fault-line. The nominal recognition by Iran and Saudi Arabia of the common threat posed by ISIS has not translated into a common strategy, but has instead fuelled their blame-game narratives and sectarian escalation.

European states are divided on how to position themselves in relation to these complex regional struggles, even as their impact on Europe intensifies with the migration crisis, security threats from foreign fighters, and terror attacks in European cities. Europeans benefit from different and even competing sets of historical economic ties and contemporary profit opportunities in the region (GCC direct and funded arms purchases from France, for instance, add up to around €14 billion so far in 2015, as the Gulf has become one of the world's largest buyer of arms).⁵ Amid the relentless turmoil, EU member states often disagree on the priority pressure points and alliances for de-escalating chaos. America has not only turned inwards and towards Asia, it is also dealing with the effects of a Congress so tethered to a small clique of donors that it has become more divorced than ever from global realities. The implications for the reliability of US Middle East policy and by extension for European thinking on that region are shown by the Republican senators' recent letter to the Iranian Supreme Leader – an unprecedented intervention in a US diplomatic negotiation.

EU states should encourage the trend of regional actors squaring up to take responsibility for their own neighbourhood. But until the local powers find a modus

⁵ Our estimate is based on the following media reports: "Saudi Arabia becomes world's biggest arms importer", Middle East Eye, 8 March 2015, available at <http://www.middleeasteye.net/news/saudi-arabia-becomes-worlds-biggest-importer-arms-1761403816>; Josh Irish and Cyril Altmeyer, "France and Qatar seal \$7 billion Rafale fighter jet deal", Reuters, 30 April 2015, available at <http://uk.reuters.com/article/2015/04/30/uk-france-qatar-rafale-idUKKBN0N0RE20150430>; Oliver Holmes, "French weapons arrive in Lebanon in \$3 billion Saudi-funded deal", Reuters, 20 April 2015, available at <http://www.reuters.com/article/2015/04/20/us-mideast-crisis-lebanon-army-idUSKBN0N0G120150420>; and Julien Ponthus and John Irish, "France's Hollande says Egypt to buy Rafale fighters, frigate", Reuters, 12 February 2015, available at <http://www.reuters.com/article/2015/02/12/us-egypt-rafale-idUSKBN0L1QV20150212>.

vivendi, Europeans will need to be more engaged with de-escalatory diplomacy across a range of regional conflicts. Most of these involve the GCC states and Iran to varying degrees (although Libya sees GCC states at odds with each other, and the UAE in particularly unhelpful mode). Different EU states, particularly among the Quint (the E3 plus Italy and Spain), can use the relative closeness of their relations with Saudi Arabia and Iran respectively to nudge and create openings for problem-solving progress. Europe should not be taking sides in this sectarian struggle, but instead should be thinking about how to build on an Iran nuclear deal to promote broader regional engagement, and at the same time reassure and support the capacity of Gulf countries while not "compensating" allies in counter-productive ways.

Europeans will have to fortify their own national resilience against the likelihood of further extremism-motivated atrocities in European cities and against EU citizens in the region. Europeans should not jump head-first into Middle Eastern quagmires: ill-conceived responses to past provocations have advanced the extremists' agenda through European over-reaction and Islamophobic policies at home that sharpen distinctions and foment radicalisation. An improved European global strategy should not involve curtailing domestic civil liberties in response to supposed Middle Eastern threats. Europe's role as a normative actor in a liberal rules-based system will only be further tarnished.

In this old/new Middle East, Europeans should find a way to coherently articulate the inter-play between interests and values; this includes acknowledging where the former are being acted on without performing somersaults to suggest that the latter are somehow uppermost in our mind. We will deal with Cairo, Riyadh, and Tehran even if they do not share our values, and with Tel Aviv despite its violations of international norms, because it is in our interest to do so; but none should be showered with accolades or privileged partnerships while abuses and breaches of international law continue. Only lonely Tunisia is worthy for now of such support, which should itself be more meaningful. And we should recognise that our aid and assistance, while still necessary in many cases, will buy less, especially with the Gulf showering billions on pet projects (for example, \$23 billion in Gulf aid to Egypt in the 18 months after President Mohamed Morsi's ouster).⁶ We should therefore be more selective in where we deploy our limited largesse – continued subsidising of the Israel/Palestine status quo via Palestinian Authority funding might be a good place to draw a line. On the other hand, we might seek to add value in this complex region by focusing our support on the countries – including Jordan, Lebanon, and Tunisia – that are not yet engulfed by crisis but are under severe pressure from it.

⁶ Tom Arnold, "Egypt got \$23 billion in aid from Gulf in 18 months – minister", Reuters, 2 March 2015, available at <http://www.reuters.com/article/2015/03/02/egypt-investment-gulf-idUSL5N0W41XL20150302>.

Beyond aid and peacekeeping: redefining the relationship with Africa

As European leaders seek solutions to the most immediate humanitarian consequences of instability across the MENA region, there is a longer-term and broader dimension to this crisis. How can the EU do more to tackle conflict, instability, the rise of terrorist networks, and the effects of climate change, and create better economic prospects in the broader southern Mediterranean, Sahel, and sub-Saharan African regions? In the early months of 2015, of the thousands of migrants crossing the Mediterranean Sea to Europe, the majority were from sub-Saharan Africa, Eritrea, and Somalia (as well as Syria).⁷ Europeans can no longer ignore the reality that Africa is now a major strategic test for the EU, for economic, security, and geopolitical reasons.

The old pillars of Europe's relationship with Africa – development aid, humanitarian assistance, and peacekeeping – relate to another time for both partners. Although EU countries (individually and collectively) remain major donors despite the financial crisis, development aid is a declining source of influence. Chinese and other outside investment now overshadows the impact of EU aid and there is a growing debate about the value of aid among European states. Meanwhile, recent events across the Middle East, from Syria to Libya, are overwhelming humanitarian aid budgets.

The migrant crisis and instability in Mali and the Sahel also point to the limits of European powers' efforts to build security in Africa by funding UN and African-led peacekeeping operations. These multilateral operations have scored successes in stabilising countries such as Sierra Leone and Liberia, but struggled in cases such as Darfur, South Sudan, and now Mali, where Islamist terrorist groups regularly ambush and kill UN troops. The rise of Boko Haram in Nigeria has further underlined the potential for escalating chaos on the continent.

While many European governments are instinctively wary of sending their own troops to Africa, the convergence of humanitarian crises and terrorist threats on the continent is changing their calculations. After France led the way in intervening in Mali and the Sahel, the Netherlands, Estonia, Scandinavian countries, and even Germany have sent smaller numbers of troops to Africa in the last two years.⁸ But these efforts are still often piecemeal and have only a limited impact – the same was arguably true of early European efforts to help Nigeria fight Boko Haram, which often seemed tokenistic rather than strategic. The current EU plans to target people-smugglers off Libya display a similar short-termism.

But there are strategic opportunities for Europe in Africa, too. African governments, in particular Nigeria and Senegal, want better security cooperation against extremist groups (and Europeans still have greater security assets in Africa than China) and we should set up a stronger Euro-African

⁷ "Migrant Deaths Soar in the Mediterranean", International Organization for Migration, press release, 17 April 2015, available at <http://www.iom.int/news/migrant-deaths-soar-mediterranean>.

⁸ See ECFR's European Foreign Policy Scorecard in 2013, 2014, and 2015 for leader/slacker data relating to contributions to CSDP and other missions, available at <http://www.ecfr.eu/scorecard>.

framework to manage this. European aid should also be better targeted to support crisis prevention, governance, and the rule of law in the continent's most fragile states, including Liberia, Sierra Leone, and Guinea, which were deeply affected by the 2014 Ebola epidemic. Without progress towards these goals, other economic development initiatives are typically futile in any case.

The rise of Asia and the evolving multilateral system

A further long-term challenge, with far-reaching implications for Europe's ability to respond to the crises that it faces to the east and the south, is that the international institutions that supported the post-World War II order are being eroded. Beyond the much-discussed power shift away from the West, there is clearly more competition for rule-making and implementation. Nothing symbolised the shift in international order better than China's successful Asia Infrastructure Investment Bank proposal, which won the support of 56 nations – among them 14 European member states.⁹

Many of the founders of the post-war liberal order are ready to work with new institutions; indeed, in some cases they seem more ready to do this than to consider changes to existing structures. But, more often than not, the initiators of these new institutions are emerging states suspicious of international intervention and demanding norms, and they promote a scaled-down version of the international order focused on their own priorities: sovereignty, stability, and growth.¹⁰ The EU has more to lose than any other actor if international institutions are further fragmented, and if international norms are degraded. Its member states should overcome the temptation to adapt to this new environment tactically and individually, but instead aim at a collective response.

While we have discovered that India too is willing to reject aspects of the liberal international system, and Putin crystallises a popular rejection of the West's encroachments, it is China that has done most to work towards a new, low-cost, and incentive-driven international order.¹¹ China promotes an international system driven by commercial and financial incentives, rather than soft or hard power. The order it is constructing minimises norms and legal enforcement while enshrining trade and capital flows from the protected vantage point of a self-styled developing economy on track to being the world's number one. The question for China's partners, and in particular the West and competitors among emerging nations, is where they should compromise in order to preserve China's integration in the global system, and what points cannot or should not be negotiable. How far will China's combination of competitive offers, growing military might, and an avoidance of responsibility compel others to minimise their own commitments to the

⁹ For more on this development, see François Godement, "China's promotion of a low-cost international order", European Council on Foreign Relations, 6 May 2015, available at http://www.ecfr.eu/article/commentary_chinas_promotion_of_a_low_cost_international_order3017.

¹⁰ For a fuller exploration of the evolving UN system, see Richard Gowan, "Bursting the UN Bubble: How to Counter Russia in the Security Council", European Council on Foreign Relations, June 2015, available at http://www.ecfr.eu/page/-/Bursting_the_UN_bubble.pdf.

¹¹ India signed both oil and nuclear-reactor construction deals with Russia in the second half of 2015 after the EU had adopted its sanctions on Russia.

international order? Will military intervention become such a high-cost proposition (from a political as well as humanitarian point of view) that the threshold is set higher and higher?

Sanctions and conditionality have been seen as Western weapons of choice, reducing military conflict while achieving results. But, in almost every case, backdoors exist that have been used by China, with the justification that they resist conditionality and promote win-win. More generally, how much will developed societies cut down their norms to match the less optimal set of rules that sustain the dynamism of emerging economies? Is “strategic caution” a consequence of the long-term competition with China? Finally, if diplomacy is about making compromises with people who do not share one’s views, the EU in particular needs to recalibrate its approach to projecting norms and values, and find the level most appropriate for coalitions of interest to further its objectives.

This is no easy task. Simply “becoming more like them” is not an option for a continent that has aspired to global rule-making for so long. And indeed, European values remain attractive to individuals. In relation to Ukraine as well as in the Mediterranean refugee crisis, Europe has in fact underestimated its attractiveness. But in many other ways, Europe, as Japan did in preceding decades, has priced itself out of the competition by insisting on a complex “empire of norms” that is hindering its competitiveness, repelling many partner states, and not answering the global demand for growth.

As a starting point, the EU might seek to prioritise within the human rights and social agenda, perhaps focusing more on implementation and on economic actors for environmental targets in relationships where norms are most contested, and deepening the European toolbox for international finance. These goals should also be better integrated into overall European strategy, so that when, for example, European representatives are meeting with China, there is a common understanding about what issues will be on the table and what will not. Rather than isolating itself with overambitious normative goals, Europe might set a shorter list of priorities, to form a core part of each regional approach.¹²

A new transatlantic bargain

A nostalgic view of the EU–US relationship is a common thread running through Europe’s unrealistic approaches to the four challenges outlined above. Global power shifts – the rise of the rest – argue for a reinforced partnership across the Atlantic in defence of shared values and interests. Yet the current picture is one of continental drift, as Americans and Europeans become decreasingly capable of or interested in working together effectively in an ever more contested world.

The transatlantic relationship is at once the relationship on which Europe most depends for hard security, and the relationship in which Europeans are most prone to wishful thinking. The shared values and culture across the Atlantic tend to promote such complacency, of course. But it also stems from a belief that the long and successful history of transatlantic partnership has put in place a more or less permanent security bargain. According to that bargain, the US retains ultimate responsibility for peace and security in Europe, while Europeans contribute what they can and generally support the US politically on major international security issues. Many European governments, even as they complain of American policy in many areas, retain a belief – or at least a hope – that the old bargain still applies.

For better or for worse, the reality is otherwise. The old bargain is quite simply no longer on offer. In a more contested world that America can no longer dominate, the US is undertaking a fierce effort to husband its resources and prioritise its commitments. President Barack Obama’s ambition has been to disengage from wasteful conflicts in the wider Middle East and refocus American attention and efforts on the Asia-Pacific. In American eyes, Europe’s role in the new transatlantic bargain should have been to facilitate this rebalancing by taking up the slack – assuming more responsibility for stability and security in its own backyard.

It is not just events – the rise of ISIS, the emergence of an aggressively recidivist Russia – which have dramatically slowed the intended rebalancing. Few Europeans have shown any appetite for new responsibilities – or even for investing properly in their own defence. Europe, of course, remains a valuable, indeed invaluable, US partner. Recent cooperation on, for example, the development of sanctions on Russia has shown yet again that many aspects of US strategy can only be delivered in collaboration with Europe.

Yet too often in recent decades, Europeans have been content to tag along behind the US in international affairs. A new, more realistic, transatlantic bargain will require a stronger European sense of Europe’s own interests and identity. In a world of many problems, America needs partners not followers. The development of a global strategy provides the right moment to agree to a more productive approach to the transatlantic partnership. There is scope on both sides – and a desire in Washington – for a new division of labour whereby the EU plays as central a role in transatlantic security relations as NATO, and in which Europe’s larger states – notably Germany – can leverage their geo-economic power to take on greater responsibility within the alliance.

Division at home: the challenges to delivering a new strategy

The ultimate reality is that there are no straightforward answers to any of the five issues that this brief has explored. The “right approach” to tackling them is differently assessed in Berlin, Brussels, Rome, Warsaw, and other EU capitals. The idea of a common foreign policy across all regions of interest is a fantasy. National political concerns are, inevitably, paramount for EU governments, and their

¹² For more on a more effective approach to supporting values in European foreign policy, see Susi Dennison and Anthony Dworkin, “Towards an EU Human Rights Strategy for a Post-Western World”, European Council on Foreign Relations, September 2010, available at <http://www.ecfr.eu/page/-/towards-an-EU-human-rights-strategy-for-a-post-western-world.txt.pdf>.

implications for foreign policy differ from member state to member state. Concerns about the impact of austerity policies and immigration have fuelled a rise of the far right, of anti-EU, and of anti-establishment parties across the continent – some with sympathy for Russia’s recent actions in the European neighbourhood. The surge in support for these groups in the European Parliament elections a year ago, the lurch towards “illiberal democracy” in Victor Orban’s Hungary, the growth in strength of Podemos in Spain, and the election of Syriza in Greece all testify to this phenomenon in different ways, and contribute to the multifarious European political picture.¹³ Meanwhile, the euro crisis continues to preoccupy EU states, contributing to deep internal divisions between creditor and debtor countries, and limiting the resources that member states are willing to devote to any aspect of foreign policy.

From this point of view, Federica Mogherini was right to spend time early in the European Global Strategy review process in the member states, listening to their outlooks on the world. Now that her review team has mapped the global picture, the indispensable next stage is for some frank conversations with the member states about where on this map their priority interests and perceived threats lie, and where the real tensions between interests, values, and intra-EU solidarity might arise. Mogherini’s team will be organising a series of discussions around the EU; but this public activity would be usefully underpinned by the creation of a private working group with senior officials from each of the 28 member states, to function as a sort of “intergovernmental conference” – spelling out the different priorities, and red lines, of different national capitals. Building on this exchange, the review team could identify the interests that are common to all member states, those shared between some, and those of individual or minority concern. This does not mean that we should be aiming for a collective foreign policy pitched at the lowest common denominator. Indeed, as the example of the adoption of sanctions on Russia in 2014 demonstrated, where Europe as a whole faces an overriding threat, it is capable of coming together around a strong policy, even one that has domestic costs. As part of the second phase of the Global Strategy review, however, there may be merit in exploring whether the EU needs better institutional mechanisms for establishing and sustaining unity on these issues, and ensuring that policy is followed through and implemented, in order that the burden of responsibility does not fall unduly on leading member states, in particular Germany.

Where collective interests and threat perceptions do not overlap so completely, “variable geometry” – coalitions in which one or more member states are willing to lead – may be the only realistic option for an effective European foreign policy. But, as the example of European inaction over the collapse of the Libyan state in 2014 showed, this cannot always be ad hoc. Although instability in Libya and its wider region is of direct concern to many countries in Europe, a belief that other countries would take the lead in

shaping a European response ultimately resulted in no EU state or institution doing so – with dramatic consequences for Europe in terms of migration inflows and the expansion of ISIS. The intergovernmental process in phase two of the Global Strategy review should establish ground rules for coalitions of the willing on policies where all 28 states are unlikely to place resources – starting with invariable involvement of the External Action Service, with the job of ensuring that non-participant member states are kept in the picture as necessary.

Conclusion

The first phase of the Mogherini review puts the EU foreign policy community in a strong position to develop a new Global Strategy. This can only be done on the basis of a full understanding of Europe’s new, less central, place in the international system, and the implications that this has for the immediate crises with which Europe is grappling to the east and south, as well as the more structural challenges in the transatlantic relationship, in the changing multilateral system, and in the EU’s relations with Africa.

Having come this far, member states should devote time and effort at this point to an honest discussion about where their foreign policy priorities lie, and where they have influence on the key issues confronting them. Clarity about what the EU wants to achieve in its region and the world is the indispensable foundation for an effective strategy, and that will only come through incorporating rather than glossing over member state perspectives. It is therefore critical that member state engagement in phase two of the Global Strategy review does not take place only in Brussels, or through the outreach events within the think-tank community, but also involves a network of nominated officials in each of the 28 member state capitals. A process that ensures ownership of the developing strategy by member state governments is essential if the result is to be the basis for a decisive and vital foreign policy, rather than an aspirational document that the new realities of today’s world quickly render obsolete.

¹³ Christian Keszthelyi, “Merkel questions Orban’s term ‘illiberal democracy’”, *Budapest Business Journal*, 2 February 2015, available at <http://bbj.hu/politics/merkel-questions-orbans-term-illiberal-democracy-91829>.

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