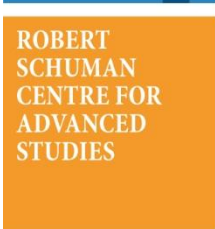




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The Lisbon Moment – Challenges and Innovations for  
EU Diplomacy

Gerhard Sabathil and Wenwen Shen



European University Institute  
**Robert Schuman Centre for Advanced Studies**  
Global Governance Programme

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European University Institute

Badia Fiesolana

I – 50014 San Domenico di Fiesole (FI)

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## **Abstract**

The increasing complexity, interdependence and acceleration of global developments, digital media and the growing share of global public goods, have all contributed to the publicitisation, sectoralisation and summitization of foreign policy worldwide. In this context, the Lisbon Treaty since 2009 has substantially changed the foreign policy organisation and functioning of the European Union. Of all the 20 foreign policy innovations included in the new treaty designed to improve the effectiveness of the Union's foreign policy, the most visible was the creation and progressive development of the European External Action Service. This lecture addresses the efficiency of this core foreign policy area which is being tested by the 21st century's tectonic shift in geo-economics, including the current sovereign debt crisis in the euro-zone.

## **Keywords**

Lisbon Treaty - Foreign Policy - Complexity - Interdependence - Volatility - EEAS





## **I. The Change in International Relations and Foreign Policy\***

This section contextualises the international dimension within which EU foreign policy operates, and captures the trends and changing dynamics of the international system in the 21<sup>st</sup> century. While the EU seeks to shape international affairs, it is also shaped by changing nature of international politics.

### ***The International Dimension***

There are three distinct themes that can be identified that have recently begun to shape the changing nature of international relations: increased complexity, enhanced interdependence and volatility. Each of these themes poses specific challenges for the conduct of the EU's nascent foreign policy.

#### **1) Complexity**

Globalisation is a widely accepted phenomenon, if one that still lacks consensus on its origins, historical uniqueness as well as benign effect. What is agreed, however, is that globalisation goes hand-in-hand with increased complexity. Old certainties have given way to diversity, competing paradigms and innovation making the international system more dynamic and more challenging. Both the practice and the study of international relations has come to embrace a wider array of topics, new topics, new actors (supranational, nation-state and non-governmental), as well as accommodate Westphalian thinking within an increasing multilateralised world. There are more subjects, new subjects as well as more and new players emerging in international relations. One manifestation of this proliferation of new actors on the international stage has witnessed a growing importance of International non-governmental organisations (INGO), such as rating agencies, terrorist groups or whistle blowers, for example. To this increased complexity can be added the “unknown unknowns”, such as the 2010 Icelandic volcano eruption which more effectively paralysed European aero space for weeks than any act of international political event in the last decade.

The re-emergence of both China and India within the international system has further multiplied complexity while promoting multi-polarity in both breadth and scope.

#### **2) Interdependence**

Globalisation has also promoted, implicitly and explicitly, greater interdependence. There has been an increase in the share of global public goods at the expense of purely national goods, thus we have seen changes in the traditional nature of international relations. This process was facilitated by the historic fall of the iron curtain and collapse of the Soviet Union. Issues, threats, opportunities are no longer state-bound but jointly shared by concerned states; for instance combating diseases, migration, non-proliferation of WMD, organised crime, the fight against terrorism, addressing climate change, and regulating the international monetary systems are all global in nature. As national sovereignty erodes and borders disappear, the challenges of the 21<sup>st</sup> century are certainly rooted in the inevitable connectivity, transmission and proliferation of the interdependent world.

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\* This article is based on a lecture during a diplomatic training course in Florence EUI on 10 October 2012 and reflects only the personal opinions of the authors. Dr Gerhard Sabathil is the Director for East Asia and the Pacific in the European External Action Service in Brussels and a Guest Professor at the Prague Economics University and the College of Europe, Bruges. Dr Wenwen Shen currently works at the European Parliament and is an associate fellow at Brussels Institute Contemporary China Studies.

### 3) Volatility

The speed of global development and change has accelerated unprecedentedly since the turn of the 21<sup>st</sup> century, facilitated primarily by the explosion of digital technologies including the rapid expansion of social media. The improvement in the efficiency of mass communication from this revolution has a profound influence in global markets and the ways in which individuals interact. On the one hand, it empowers citizens to demand more democracy and good governance; on the other, it can lead to new forms of networks through which extremist identity politics, xenophobia and populism are reinforced. In this context, while the citizens from across the world become increasingly netizens and converged by global media and information technology, international affairs has become more volatile as national leaders have to confront new and unknown challenges in decision-making and/or democratic processes. The Arab Spring is a case in point: the potential effectiveness of action by an individual was magnified by this technological development, resulting in a greater impact on the course of events in the region.

#### ***The Diplomatic Dimension: Change in Foreign Policy***

These challenges induced by globalisation and technological revolution have changed the world of diplomacy, too. Independent of the Lisbon Treaty or the dynamics of European integration, this global trend is reflected in the change in foreign policy in three ways: summitization, sectorisation and popularisation.

#### 1) Summitization

First of all, as the boundaries between internal and external policy fields have become increasingly blurred, there has been a decline of national foreign ministries - domestic policies are now becoming a summit matter. Issues such as finance, migration and climate change have been transferred from the national level to a regional or global level. International bodies, such as the UN, G8 and G20 also assist and encourage national leaders to respond to challenges that are global in nature. Thematic, regional or like-minded multilateral summits such as those concerned with climate, nuclear, ASEM, OSCE, BRICS, IOS, for example, take place without the presence of foreign ministers.

#### 2) Sectorization

In the meantime, government sectoral ministers have become more important than foreign ministers in their roles in global affairs. This is reflected by the fact that when influential leaders meet, they are often accompanied by sectoral ministers who are equipped with necessary technical knowledge. Foreign ministers have also been "kicked out" of the European Council; and how comparatively unimportant national foreign ministers nowadays have become, compared with finance and economic ministers or the offices of Prime Ministers and Presidents, when issues of global nature need to be addressed. Under the current sovereign debt crisis in the Euro-zone, the foreign policy of the EU has inevitably become a matter of economic policy, and vice versa. Consequently, the role of foreign ministries has been increasingly challenged by finance and economic ministries.

#### 3) Popularisation

In the past, the protagonists of international relations used to be exclusively national leaders, now international organisations, NGOs, multinational corporations, media organisations, and even influential individuals can also be stakeholders. This has led to a change in the characteristics and skill-sets of national diplomats. Historically, diplomacy was conducted in secrecy; in contrast now sophisticated communication skills are required for public diplomacy. As more stakeholders are

involved, second-track or third-track diplomacy is the necessary response to the popularisation of global goods and international affairs.

The EEAS was thought to be part of the answer for the EU in response to these global changes and changes in world diplomacy. The EU operates the only supranational diplomatic service; the only and most comprehensive Foreign Service covering the 3Ds - diplomacy, defence and development. All these opportunities facilitated by the EEAS are dependent upon the political will to implement the Lisbon Treaty. However, the Lisbon momentum seems to have been derailed by the Euro-zone sovereign debt crisis, making the EEAS vulnerable against the tsunami of this crisis. As a result, the EU's foreign policy partners are often more interested in the EU's domestic economic and financial situation than in European foreign policy.

## **II. Eight Fields of EU Foreign Policy**

This section offers a brief descriptive overview of eight distinct fields of EU foreign policy. These fields are both fundamental to the EU and also reflect how the EU wants to actively address the abovementioned challenges.

### ***1) Human Rights***

As core values of the European Union, human rights are embedded in the EU's founding treaties and the normative basis in its diplomacy. By actively promoting and defending human rights within its borders and beyond, the EU is not just driven by strategic, self-interested thinking, but also by values that are deemed universal and indivisible. Standing for universal principles such as human rights thus becomes a litmus test for the effectiveness of EU foreign policy. Other normative areas such as good governance, consensual democracy, rule of law are also included in this category forming the foundation of the foreign policy of the EU.

### ***2) Global Governance/Effective Multilateralism***

In order to spread these values in the face of global challenges, a stronger United Nations (UN) and more and stronger global governance are required. While the EU itself is to certain extent a global actor, it can only promote more global goods by strengthening formal and informal international organisations and by resorting to multilateralism, instead of limiting itself to those available at the national and regional levels.

### ***3) Strategic Partners***

In order to perform and achieve results on global governance, strategic partners are indispensable. Although still in need of a clear definition, a strategic partnership with the EU, in practice, upgrades a country's diplomatic status beyond the level of purely bilateral engagements to embrace summits and extra minister-level and expert-level meetings that help the EU to work more effectively with other powers on the world stage. Addressing not just bilateral but global issues such as energy security, financial stability, climate change, cyber security/freedom forms an integral part of all strategic partnerships and helps to build a broader and more effective international consensus.

### ***4) Neighbourhood***

The Neighbourhood is a natural/genuine foreign policy field that addresses a number of cross-cutting issues such as border security, migration, the promotion of the liberal values beyond the external borders. In the mean time, Member States do not have their own 'neighbourhood' anymore; instead they share the common external borders with their neighbours within the EU. Thus, the neighbourhood

policy, unique to the EU, collectively addresses sixteen countries within the EU's immediate geographic sphere; unsurprisingly, this grouping is marked by heterogeneity among these countries, spanning North Africa through to Eastern Europe. To varying degrees, each presents the EU with the task of conflict prevention and raise serious security concerns for the EU itself.

### ***5) Development***

The 1957 Treaty of Rome recognised and acknowledged the colonial pasts and responsibilities of several Member States and the subsequent development policies of the twentieth century (Yaounde Convention 1963-1975, the Lomé Convention 1975 -2000) and the twenty-first (the Cotonou Agreement 2000-2020) have been emblematic of the EU's commitment to addressing these historical legacies. This commitment to global development has also become a cornerstone underpinning EU foreign policy. Irrespective of any implied post-colonial guilt and retribution, the EU has been a strong and long advocate of overseas aid. Cumulatively, the EU and the Member States have consistently provided in excess of 50% of total Official Development Aid (ODA) globally and the EU has set itself the ambitious target of achieving 0.7% of GDP as its ODA target by 2015. This, coupled with the incorporation of all eight Millennium Development Goals (MDGs) as the core of the contemporary EU approach to development, again by 2015, distinguishes Europe's foreign policy from other leading international actors.

### ***6) Security and Defence***

The 2003 European Security Strategy and the accompanying Common Security and Defence Policy (CSDP) began the belated process of defining EU competences in the security and defence areas. These initiatives seek to forge a collective response to meet global challenges such as terrorism, WMD and, increasingly, non-traditional security threats in cyber-space. So far the EU has been active in the regional conflict resolutions such as the Western Balkans, Middle East and Africa, evidenced by 27 CSDP missions of civilian and police character in the last decade. However, the initial enthusiasm for joint action in this field may have waned recently, security and defence remains a key field of EEAS activity.

### ***7) Trade and 8) Enlargement***

Commentators have often argued that the EU's greatest "foreign policy" success has been the enlargement process, a view that again adds to the blurring of internal and external policy competences. Similarly, trade has typically been seen as a major tool of EU soft power and influence. In both these areas the EEAS plays a role, though perhaps a more marginal one concentrating just on political relations with countries such as Turkey, Iceland, for example, and leaving the everyday policy agendas to other Commission agencies.

## **III. Twenty Foreign Policy Innovations of the Lisbon Treaty**

Building on the initial attempts to describe the parameters of CFSP under the 1993 Maastricht Treaty, the Lisbon Treaty codifies for the first time the clear values, objectives and principles of EU foreign policy. There are at least twenty innovations of the Lisbon Treaty that provide us with a tool box to address the key areas of the EU's foreign policy.

### **1) Values, Objectives and Principles**

For the first time in an EU treaty, the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights which are the founding principles of the Union as a peace project, have become the legal basis for its foreign policy.<sup>1</sup>

### **2) Legal Personality**

Having its own international legal personality has a major influence on the EU as international actor in world politics. To date, the most striking illustration of this new characteristic was how it facilitated the recognition of the EU by the UNGA on 2 May 2011, leading to President Van Rompuy speaking at the following September's General Assembly on behalf of the EU for the first time.<sup>2</sup>

### **3) Solidarity Clauses**

In spirit of solidarity, all Member States should act jointly in mutual assistance in response to terrorism, natural or man-made disasters and energy related issues. This should take place between Member States within the Council. While the Council assesses the nature of the event, the Political and Security Committee will assist the Council in the framework of CSDP if necessary.<sup>3</sup>

### **4) HR/VP**

A key innovation of the Lisbon Treaty is the creation of the post of High-Representative/Vice-President (HR/VP) of the Commission. Therefore, the Treaty merges formal functions of the High-Representative for Foreign Affairs and Security Policy with the Commissioner responsible for external relations, adding the permanent chairmanship of the Foreign Affairs Council in which development and defence ministers also can meet. Therefore, this initiative ends the rotating six-month presidency by the Member States in foreign affairs by the triple hatted HR/VP between institutions. The previous idea of calling this triple-hatted function – the EU's foreign minister was abandoned after the 2005 referendums. The appointment, for a five-year term, answers Kissinger's reputed question "who speaks for Europe" in foreign policy.

### **5) Permanent European Council President representing CSFP**

Under the Lisbon Treaty, the European Council is chaired by the Permanent President of the Union, instead of the rotating presidency. With important external functions to represent CFSP on the head of state/government level and in multi-lateral summits with third countries, the President of the Council, alongside the Commission's President's role, represent the Union's external competences. Besides the HR/VP, the Permanent European Council President constitutes the second high profile innovation. This position, held for two and a half years renewable once, is responsible for building the necessary consensus within the European Council to develop EU policy sectors including foreign policy.

### **6) EEAS**

The Lisbon Treaty has radically reformed how the EU expresses itself externally. In order to assist the HR/VP, the External Action Service composed of the external relations' directorate' general of the

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<sup>1</sup> Article 2, 3.5, 21 of the Lisbon Treaty

<sup>2</sup> Article 47 of the Lisbon Treaty

<sup>3</sup> Article 42.7 on mutual assistance; Article 222 on mutual solidarity, see also Article 194 on event referring to terrorism, catastrophes/natural disasters and energy related issues

Commission and the Council, and the foreign ministries of the Member States was established. It has transformed the former delegations of the Commission in third countries into the EU's Delegations responsible for CFSP and expanded the network into some 150 national capitals globally. The functioning of the External Action Service established by the decision on 10 July 2011 will be reviewed in 2013.

### **7) CSDP**

The Common Security and Defence Policy (CSDP), developed upon its predecessor the European Security and Defence Policy (ESDP), lies at the core of the novelty of the Lisbon Treaty. It strengthens the operational capabilities using its civilian and military assets under new Petersburg tasks, and allows the Union to deploy missions in new areas such as joint disarmament, military advice plus assistance, pre/post conflict resolution, as well as in the fight against terrorism. In December 2012, the EU's heads of state and government mandated the High-Representative and the Commission to strengthen the CSDP in its effectiveness, visibility, impact, defence capabilities as well Europe's defence industry.<sup>4</sup>

### **8) QMV in CFSP and CSDP**

For the first time, QMV applies to all policies other than CFSP - with four possible exceptions defined in Article 31(2) of TEU and the new exception where the HR/VP proposes a decision following a "specific request" from the European Council. Overall, the use of QMV under certain defined conditions in cases of the CFSP and the CSDP helps to overcome national vetoes and streamlines the decision-making process in the European Council, thus creates opportunities for the EU to act more coherently.

### **9) Human Rights**

The Lisbon Treaty introduced many changes on human rights and could have major implications for human rights protection in the EU, the most significant of which is to make the EU Charter of Fundamental Rights a legally binding law which share the same status as other primary EU law. The Lisbon Treaty also makes the EU a single legal entity able to join the European Convention on Human Rights (ECHR), paving the way to the first and ever adoption of a global and comprehensive human rights strategy in June 2012.<sup>5</sup>

### **10) Trade**

Under the Lisbon Treaty, the Common Commercial Policy is unequivocally positioned under the competence of the EU, which means the EU alone is able to legislate and conclude international trade agreement and is also part of the EU foreign policy.<sup>6</sup> The Lisbon Treaty also provides for QMV for all aspects of trade policy with three defined exceptions such as transport. Additionally, the European Parliament has become a decisive player alongside the Council.

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<sup>4</sup> 17438/1/12 REV 1, Press Release 3209<sup>th</sup> Council meeting, Foreign Affairs, 10 December 2012, Brussels.

<sup>5</sup> Article 2 and 21 of the Lisbon Treaty

<sup>6</sup> Article 3 of the Treaty of Lisbon

### ***11) Investment and Protection***

One of the major innovations of the Lisbon Treaty on trade issues is to broaden the scope of the EU's commercial policy, particularly, to integrate foreign direct investment (FDI) and investment protection into the Common Commercial Policy in trade negotiations. The EU investment treaty will frame the numerous bilateral Member States' agreements and 'grandfathering' the existing bilateral agreements between Member States and the third countries.

### ***12) European Defence Agency***

At its infant stage, the European Defence Agency supports the Council and the participating Member States on the Union's defence capabilities throughout the entire defence spectrum. Although intergovernmental and lacking any binding authority, the EDA was established to make the EU's defence industries more efficient and competitive in times of economic constraints, the EDA's strength is in its promotion of cost-effectiveness in arms production and trade.<sup>7</sup>

### ***13) Rapid Access to the Union's Budget and a Start-up Fund***

In response to the need for urgent financing of initiatives under the CSDP, the Council has established a rapid access to the Union's budget. A start-up fund contributed by the Member States was established to complement those activities that are not covered by the Union's budget.<sup>8</sup>

### ***14) The Permanent Structured Cooperation***

When some Member States with higher military capabilities and more binding commitments to one another on the most demanding missions regarding defence, the Permanent Structured Cooperation in Defence mechanism can be established with the endorsement of the Council and the High Representative.<sup>9</sup> In the long-term, this may possibly lead to the creation of a European army.

### ***15) Development Cooperation***

Under the Lisbon Treaty, the EU's powers on development cooperation are treated as shared competences. In practical terms, the EU can conduct an autonomous policy which does not prevent the Member States from exercising theirs in areas that are not yet regulated by the EU, nor does it reduce the EU's policies in these areas to mere complementary policies. Development cooperation thus becomes an integral part of the European Foreign Policy, and strengthens the security development nexus in external relations and ends contradictory treatment of certain countries providing assistance at the same time when the sanctions are applied. Also for the first time, the European Development Fund for the ACP countries could be integrated in the overall budget of the EU.

### ***16) Neighbourhood Policy***

The European Neighbourhood Policy is not a new legal instrument, but for the first time in an EU treaty, the ENP is included as a treaty reference which reflect the importance of the EU's relationship with the 16 states that are considered in the neighbourhood.<sup>10</sup> Thus, the ENP is a policy in its own right, and should not be taken for granted as a pre-enlargement matter.

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<sup>7</sup> Provisions on the Common Security and Defence Policy, Article 45, Preamble of the Lisbon Treaty

<sup>8</sup> Article 41.3 of the Lisbon Treaty

<sup>9</sup> Article 42.6, Article 46 and Protocol No. 10.

<sup>10</sup> Article 8 of the Lisbon Treaty

### ***17) Humanitarian Aid***

Under the Lisbon Treaty, humanitarian aid for the first time becomes a policy in its own right in the EC Treaty. Thus, humanitarian aid is now a shared parallel competency, which means that the EU conducts an autonomous policy which is managed by a Commissioner.<sup>11</sup>

### ***18) Energy, Climate, Border Control, Asylum, Migration***

For the first time in EC treaties, energy and climate are explicitly mentioned, and the external dimension of these areas positioned to be an important part of EU foreign policy. On issues to do with border control, asylum and migration, unanimity is replaced by QMV which allows such issues to be addressed in foreign policy in a more flexible and dynamic manner.

### ***19) Consular affairs***

The Lisbon Treaty has established, for the first time, consular affairs as the second pillar of EU foreign policy besides the pure inter-state relations, giving the European citizens the direct access to the external representation of the EU in third countries. It is a significant development for those smaller Member States who lack their own consular and diplomatic capacities to exercise such functions.

### ***20) End of Membership***

For the first time, general international law provisions of cancelling international obligations are specified for either QMV or unilateral withdrawal from the Union after two years. The absence of any mechanism for a Member State to withdraw from EU membership had long been a point of democratic criticism. The Lisbon Treaty now provides this possibility, although so far it has remained hypothetical.

## **Conclusion**

This lecture has identified three themes that have contextualised the development of EU foreign policy: the increased complexity, interdependence and volatility of the international context. The EU's response in the form of the EEAS and Lisbon Treaty has provided both new policy areas and legal instruments for the conduct of more effective policy. The twenty innovations have provided the EU with the means to be an effective diplomatic force where there is a concerted and collective political will to do so. In that sense the EU is not hamstrung or constrained as an international actor. It possesses a full range of foreign policy tools at its disposal and is developing the necessary diplomatic character to turn aspiration into reality. It depends on the political will to implement the Lisbon Treaty by a coherent and single voice in international affairs.

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<sup>11</sup> Article 214 of the Lisbon Treaty



**Authors contacts:**

**Gerhard Sabathil**

Director East Asia, Australia, Pacific

European External Service

Rond Point Schuman 9A

B-1046 Brussels

Email: Gerhard.SABATHIL@eeas.europa.eu

**Wenwen Shen**

5 Avenue des Scarabées, Boite 8

B-1000 Brussels

Belgium

Email: Wenwen Shen <wenwenshen7@gmail.com>