The Reform Treaty: Its Impact on the Common Foreign and Security Policy (CFSP)

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Among the topics to be included in the series, the following are suggested:

- The collapse of the Constitution and its rescue
- Turkey: prospects of membership
- Immigration crisis and cultural challenges
- Security threats and responses
- The EU and Latin America
- The EU as a model and reference in the world
- The Common Agricultural Policy and other public subsidies
- The euro and the dollar
- EU image in the United States

These topics form part of the pressing agenda of the EU and represent the multifaceted and complex nature of the European integration process. These short papers also seek to highlight the internal and external dynamics which influence the workings of the EU and its relationship with the rest of the world.
Introduction

The Common Foreign and Security Policy (CFSP) was created in 1993 by the Maastricht Treaty as the second of the three pillars that shapes the European Union. The main coordinator of the CFSP is the High Representative for the Common Foreign and Security Policy (High Representative CF/SP). Under the “European Constitution” the pillar structure was going to disappear, which meant that the role of the CFSP would be further incorporated into the functions of the rest of the Union. Moreover, the office of the High Representative was going to be merged with the post of the Commissioner for Foreign Affairs to create a “Union Minister for Foreign Affairs.”

However, the project of the “European Constitution” is programmed to be transformed into a “Reform Treaty”. This paper will examine how the “Reform Treaty” will modify the functions of the CFSP, the position of High Representative CF/SP, and its role on the international stage.

The Role of the CFSP under the “European Constitution”

The Common Foreign Security Policy (CFSP) was established as the second of the three pillars of the European Union in the Treaty of European Union signed at Maastricht in 1993 and replaced the EPC. Its establishment took place during the fall of the Berlin Wall and its main objective was to begin with a progressive drafting of a common security and defense policy for the EU that could help with humanitarian, rescue tasks, and peacekeeping operations, among other tasks. It is very important to highlight that following the signing of the Treaty of Rome, European construction focused on economic aspects and cooperation in the field of international policy was not a priority for the Member States. Hence, for almost forty years of European construction the very expression "common foreign policy" was nowhere to be found in the Treaties.

The structure of the CFSP is characterized as being both centralized, since most policy-making takes place within the Council, and decentralized because member states governments
play a crucial role. Decisions remain intergovernmental with only a limited role for Community institutions and not being a subject to the jurisdiction of the Court of Justice or to the decision-making by qualified majority voting (74-75)\(^2\). Hence, the CSFP must be understood to be both a set of institutions and a policy; it is a product of specific kinds of European Institutions established in the Maastricht Treaty, and, at the same time, it enjoys a policy making processes within the CFSP institution policy-making\(^3\).

It is embodied by the Political and Security Committee (PSC) established during the Nice Council in 2000 as the interim body of the Common Foreign and Security Policy (CFSP), a standing committee composed of high national representatives that meets at least twice a week in Brussels and that is chaired by the member state that holds the rotating Presidency of the Council of the European Union. The CFSP has been completed with the introduction of the European Security and Defense Policy (ESDP) which represents the arrival of the military staff\(^4\).

The CFSP role has been shaped by three important Treaties: Maastricht, Amsterdam and Nice. However, it is important to mention that the important decision, in terms of improving the effectiveness and profile of the Union's foreign policy, was the appointment of a High Representative for the CFSP (an innovation of the Treaty of Amsterdam), Mr. Javier Solana, who took up the post on 18 October 1999 for a period of five years\(^5\). The role of the High Representative for the CFSP is to assist the Council in foreign policy matters, through contributing to the formulation, preparation and implementation of European policy decisions; hence, he acts on behalf of the Council in conducting political dialogue with third parties\(^6\).

Under the Maastricht Treaty, and later by the adjustments made by the Amsterdam Treaty,\(^7\) five fundamental objectives for the CFSP were drafted although these have been criticized for being too general and not offering guidelines for real specific foreign policy actions.

These five decisions were: (1) to safeguard the common values, fundamental interests, independence and integrity of the Union in conformity with the principle of the United Nations Charter; (2) to strengthen the security of the Union in all ways; (3) to preserve peace and strengthen international security, in accordance with the principles of the United Nations Charter, as well as the principle of the Helsinki Final Act and the objectives of the Paris Charter, including those on external borders; (4) to promote international co-operation; and (5) to develop and consolidate democracy and the rule of law and respect on human rights and the fundamental freedoms.

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These fundamental aspects are explained in Title V, article J, of the Maastricht Treaty where it is mentioned that “(t)he union and its Member States shall define and implement a common foreign and security policy, governed by the provisions of the Title and covering all areas of foreign and security policy”. Finally, the Treaty of Nice, which entered into force on 1 February 2003, contains new CFSP provisions but most important it notably increases the areas which fall under qualified majority voting and enhances the role of the Political and Security Committee in crisis management operations.

However, the real change came at Maastricht where, for the first time, the Member States incorporated the objective of a "common foreign policy" in the Treaty. Since the European Union makes its voice heard on the international stage, this treaty expresses its position on armed conflicts, human rights and any other subject linked to the fundamental principles and common values which form the basis of the European Union and which it is committed to defend.

From the Treaty of the Constitution to the Reform Treaty

The European Constitution\(^8\) was going to abandon the pillar structure, and the functions of the CFSP were going to be incorporated into the functions of the rest of the Union. The post of the High Representative of the CFSP was going to merge with the post of the Commissioner for the Foreign Affairs creating what would have been called the “Union Minister for Foreign Affairs” who, at the same time, will be the Vice-President of the Commission. The Draft Constitution was designed to enhance cooperation in the Security and Foreign policies which represents a huge step forward towards the improvement of the EU's capacity to act in even greater foreign and security policy arenas. Hence, the new Constitution was designed to send a strong signal outside the Union that Europe is willing and determined to take action and proving that the EU has a credible and effective European foreign and security policy\(^9\).

In fact, the Treaty establishing a Constitution for Europe stated in Chapter III, Article 296 that

> the Union Minister for Foreign Affairs, who shall chair the Foreign Affairs Council, shall contribute through his or her proposals towards the preparation of the common foreign and security policy and shall ensure implementation of the European decisions adopted by the European Council and the Council. 2. The Minister for Foreign Affairs shall represent the Union for matters relating to the common foreign and security policy. He or she shall conduct political dialogue with third parties on the Union's behalf and shall express the Union's position in international organisations and at international conferences.\(^10\)

However, the Reform Treaty,\(^11\) that should be drafted at an Intergovernmental Council later this year and that will come into force in 2009, has changed these expectations.\(^12\) It had


\(^11\) Still awaiting ratification

\(^12\) The new proposed Reform Treaty merely amends the existing Maastricht and Rome Treaties, which will legally contune to exist under different names, and will replace the failed EU Constitution.
to accommodate the demand of 27 countries to be able to reach a consensus; hence, there have been many items that have been excluded from the new Reform Treaty in order to make possible a final agreement. Valéry Giscard D’Estaing in an interview for the French magazine Le Point stated that the

abandon de la notion de Constitution et de tout ce qui évoque une sorte d’entité étatique de l’Europe. Abandon des symboles : drapeau, hymne et devise « Unie dans la diversité » ; l’appellation "Ministre des Affaires étrangères" dont le titre est ramené à une terminologie néo-colonialiste de "haut représentant."  

Hence, while the Constitution asked for a "Union Minister for Foreign Affairs," the Reform Treaty has delivered a new foreign minister called the "High Representative of the Union for Foreign Affairs and Security Policy." Still, this new post will represent the CFSP and the EU since – as expected by the Constitution Treaty - it merges two existing posts: the High Representative for the Common Foreign and Security Policy and the European Commissioner for External Relations and European Neighbourhood. Nevertheless, according to Valéry Giscard D’Estaing


Furthermore, the new foreign affairs chief will have the profile and the budget to give the EU more clout on the world stage. If appointed by the council, he not only will become vice-president of the Commission but he would also have significantly more powers, as well as control over the EU’s external aid budget. Therefore, the post of Mr. Solana has been “upgraded” since he will have a greater ability to carry out policy (but will not make policy), chair meetings of the foreign ministers, and control a potentially powerful new EU diplomatic service; hence, having a bigger profile internationally. However, it has been agreed that the establishment of the post will not affect the power and responsibilities of each member state when formulating and conducting their foreign policy. Hence, the giant leap of

15 This merger was already contemplated in the Constitution; however, it is the title of the post that has been changed.
16 The Council of the European Union.
faith has not been taken since Foreign and Security policies will be decided by each member state and still will be subject to unanimity in all but a few limited areas.

Still, the Reform Treaty will explain in its article 11 that the competences of the EU in questions related to the CFSP “compris la définition progressive d’une politique de défense commune qui peut conduire à une défense commune.”

The limitations imposed on the post of the “High Representative” were due to reservations on the UK’s side. First of all, the UK had a problem on the title “EU Foreign Minister”, which had to be dropped. Secondly and most importantly, British feared on the possibility that with this new post would make them loose not only UK’s ability to conduct their own independent foreign and defense policy, but also British’s seat on the Security Council. In fact, Prime Minister Tony Blair stated that "we will not agree to something that replaces the role of British foreign policy and our foreign minister." In fact, the “Projet de Déclarations” states that

the Conférence rappelle aussi que les dispositions régissant la politique européenne commune en matière de sécurité et de défense n’affectent pas le caractère spécifique de la politique de sécurité et de défense des États membres.

The Importance of the High Representative of the Union for Foreing Affairs and Security Policy

One of the most important elements of the CFSP is the European Security and Defense Policy (ESDP) established in the Cologne European Council in 1999. The ESDP publishes the “European Security Strategy” which is the policy document that guides the EU’s international security strategy. This document links, therefore, the ESDP and the role of the High Representative since it is drafted under Ms. Solana responsibility.

The first document was published in 2003 and it was titled “A Secure Europe in a Better World.” This neoliberal institutionalist document begins by stating that “Europe has never been so prosperous, so secure nor so free (...) the European Union is inevitably a global player.” The EU agrees with this document on a number of challenges and key threats and states that security is a precondition of development because conflict not only destroys infrastructures, material and social, but also encourages criminality, and deters investment making economic activity and prosperity difficult. The document identifies that the EU faces key threats such as terrorism, proliferation of Weapons of Mass Destruction, regional conflicts, state failure, and organised crime. Furthermore, the document establishes that these activities “are often associated with weak or failing states (...) and taking these different

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22 Présidence de la CIG, “Projet de Traité Modifiant le Traité sur l’Union Européene et le Traité Instituant la Communauté Européenne,” article 11.1


elemenets together (...) we could be confronted with a very radical threat indeed.” (4) In order to fight these threats, the document calls for the development of a strong international society, well functioning international institutions and international order. (9) Finally, the document explains that “European Union has made progress towards a coherent foreign policy (...) but if we are to make a contribution that matches our potential, we need to be more active, more coherent and more capable. And we need to work with others.” (11)

The European Union is not a state; hence, it does not have its own dedicated military forces, although there are a number of multi-national military and peacekeeping forces which are ultimately under the command of the EU. In order to be able to meet all these challenges and fight all these threats, the EU sets a defense budget. However, the budget of the EU does not have a specific program for the CFSP. Nonetheless, the expenditure of the CFSP was established in Article 28 of the Treaty of the European Union where it is stated that “it shall be charged to the budget of the European Community, except for such expenditure arising from operations having military or defense implications.” Finally, the expenditure on the Common Foreign and Security Policy (CFSP) for 2007 is €159.2 million, as proposed by the Council, which represents an increase with respect to the 2006 budget which amounted to €102.4 millions. The following graph shows the evolution of the CFSP’s budget as well as the distribution.


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The European Defense Agency (EDA) was established\(^{31}\) "to support the Member States and the Council in their effort to improve European defense capabilities in the field of crisis management and to sustain the European Security and Defence Policy as it stands now and develops in the future."\(^{32}\) Finally, the EDA has four main functions, \(^{33}\) it is considered an agency of the EU, and High Representative Mr. Solana is Head of the Agency. In fact, Mr. Solana emphasizes "the need to bolster Europe's military capabilities to match our aspirations is more urgent than ever. And so, too, is the need for us to respond better to the challenges facing our defense industries. This Agency can make a huge difference,"\(^{34}\) This agency manages a budget and it was published for the first time in November 2006 showing the distribution of the €193 billion that in 2005 the 24 EDA participating Member States\(^{35}\) spent on defense. Hence, this is the "National Defense Expenditure" for 2005 broken down by country.


Further, on November 2006, the EDA released the comparative study of the EU and U.S. defense expenditures for the year 2005. The table below shows how the U.S. expenditure is twice that of the EU.

<table>
<thead>
<tr>
<th>European-US Defence Expenditure - General</th>
<th>Europe*</th>
<th>U.S.**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Defence Expenditure</td>
<td>€ 193 Bln</td>
<td>€ 406 Bln</td>
</tr>
<tr>
<td>Defence Expenditure as a % of GDP</td>
<td>1.81%</td>
<td>4.06%</td>
</tr>
<tr>
<td>Defence Expenditure Per Capita</td>
<td>€ 425</td>
<td>€ 1,363</td>
</tr>
</tbody>
</table>


Note: *Europe means 24 EDA participating Member States. **Euro/Dollar exchange is based on average for 2005: Rate of 1,2441

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\(^{33}\) (1) Defence capabilities development, (2) armaments cooperation, (3) the European defence technological and industrial base and defence equipment market, (4) research and technology.
\(^{35}\) Rumania, Bulgaria and Denmark are not EDA participating member states
The European Security Strategy in its final paragraph states that "the transatlantic relationship is irreplaceable. (...) Our aim should be an effective and balanced partnership with the U.S. (...) We should continue to work for closer relations with Russia, a major factor in our security and prosperity." (14)

However, as of today, Europe is hostage to a Security Dilemma between the U.S. and Russia. Theoretically speaking, the security dilemma refers to the situation where two or more countries feel insecure vis-à-vis the other state and are drawn into conflict (and even war) over security concerns even when none of the countries involved want relations to neither deteriorate nor have desire for armed conflict. However, as each state acts militarily or diplomatically to make itself more secure, the other state interprets this action as threatening. The Security Dilemma is associated with the realist paradigm in International Relations for which war and conflict are the regular and inherent conditions of life.

This theory can be applied to explain today’s situation between the U.S. and Russia. The U.S. announced, at the beginning of 2007, the intention to deploy antiballistic missiles in Poland and the Czech Republic to protect Europe from what the U.S. calls “rogue states,” such as Iran. The plan for Washington is to place ten interceptor missiles in Poland and a powerful tracking radar in the Czech Republic to defend Europe against airborne attacks from such “rogue states.”

Despite General John Craddock’s assurance that Russia had "absolutely" nothing to fear from a planned U.S. anti-missile system, Moscow does not accept Washington’s argument that the system is purely defensive and has strongly objected to the U.S. plan; in fact, Russia is threatening to retaliate if the system is installed in central Europe. As a solution, Russian President Putin has proposed to U.S. President G. W. Bush to share an existing radar alert system located in northern Azerbaijan. However, although “the Russian proposal is interesting, it has not been rejected. It is being looked at as a complimentary system to the installations in Poland and the Czech Republic, not as a replacement,” reported Poland President Lech Kaczynski.

Therefore, since President Putin’s proposal has not been accepted and U.S. defensive shield seems to continue as planned, President Putin “issued a stark warning yesterday that Europe would be turned into a “powder keg” if the United States was allowed to install a missile defense shield on the Continent.” The Financial Times has reported that “Russia could site cruise missiles in Kaliningrad, the Russian enclave between Poland and Lithuania, if the U.S. goes ahead with plans for a missile defense shield in central Europe.” These comments were made days after Putin proposed, during informal talks with President Bush, using a new radar station being built in southern Russia in place of a planned U.S. radar in the C. Republic. President Putin declared that “if our proposal is accepted, then the need will disappear for us to place … new weapons in the European part of the country, to counter those threats that … will appear if the decision is taken to place the missile defense system in Poland and the C. Republic” This reinforces President Putin’s repeated warnings of a new arms race in Europe.

36 Supreme commander of NATO forces in Europe
In the middle of this international dispute is the EU, Mr. Solana explained his view on the participation of European countries in the US missile defense system to the plenary of the European Parliament on March 2007. He explained that “the Union is not a military alliance. For that reason, we cannot adopt decisions within the Union on an issue of this kind. Such decisions are for the Member States to take at national level.” Hence, the EU chief diplomat believes that each EU country is free to decide whether to accept the U.S. proposition although he recognized that placing components of the shield on EU soil will affect the bloc relations with third countries such as Russia. However, NATO has warned that Iran has tested missiles with a 1,243-mile range, which could hit Turkey, Bulgaria, Romania or Greece and that North Korea has shipped missiles with 2,175-mile range which could target countries as far as Germany. Hence, since there is agreement among NATO nations that the ballistic missile threat exists and is increasing, Mr. Solana and German Defence Minister, Mr, Jung, have proposed that the system should become part of a wider NATO framework, a move that would ease Russia’s security concerns. Hence, U.S. Secretary of State Condoleezza Rice complained that Russia was applying Cold War logic to the missile defense issue and said that any suggestion that the system was directed at Moscow was “ludicrous.” Finally, on July 15, 2007, Russia’s angered President Putin notified NATO governments that Russia will suspend its obligations under the Conventional Forces in Europe Treaty ending with a key cold war-era arms limitations agreement. This decision has further increased tensions over the U.S.’s missile shield plan in Europe and has been called “regrettable” by the High Representative for whom “this treaty is fundamental for the stability and security of Europe.”

One solution for the EU to avoid being caught in the middle of a security dilemma would be to strengthen its regional power and become a regional security complex. In order to do so, the EU has to meet three requirements: (1) enjoy a considerable size defined by territorial land and population; (2) the opportunity to become strong in its area because the US is across the ocean and Russia is still trying to recover; (3) the political will which is represented by a strong leadership in defense and security matters and legitimate institutional capacity to back up the decisions taken. Of these three points, the EU only lacks a strong leadership in defense and security matters although Mr. Solana has been doing an excellent job in filling in this gap. His performance over the last years is worldwide recognized and it is expected that with the new functions under the “Reform Treaty” will be able to finally solve this problem.

Final Word

The European Union enjoys a strong international position in the fields of trade and development cooperation thanks to effective powers and clarity of procedures; however, in the diplomacy or security arena, the EU is having a more difficult journey.

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45 Class notes from National Security and U.S. Foreign Policy, University of Miami, Summer 2007
During the last years the EU and its institutions have worked in order to acquire a better position in the fields of foreign, security and defence policies. In fact, the CFSP and the ESDP were created with a double purpose, to give the EU competences in defence and security matters, but without taking powers away from each Member States. However, in the last ten years, the international community has witnessed the rise of new threats in the form of terrorism, failing states, international criminal groups, etc. that are pushing for a more coherent cooperation in the security field. The role of Mr. Solana is growing in strategic importance due to the demand of a strong EU in the world. No longer can the EU afford broken actions when it comes to security. The EU now more than ever needs a High Representative, to solve Henry Kissinger's ¨apocryphal question: ´You say Europe, but which number should I call?¨46

46 Timothy Garton Ash, "Unless Europe gets its act together, the world will continue to ignore it," The Guardian, Thursday June 21, 2007, http://www.guardian.co.uk/commentisfree/story/0,,2107736,00.html