

# TAPF Policy Paper

## TRANSATLANTIC POLICY FORUM

*Time for strengthening EU-US cooperation  
in the EU neighbourhood*

*December 2008*

Leading Partner:



Project partners:



*Project is supported by the European Commission Delegation in Washington D.C. and by the European Affairs Information Department of the Office of the Government of the Czech Republic*

## **TAPF Policy Paper**

### **Time for strengthening EU-U.S. cooperation in the EU neighbourhood**

**By Věra Řiháčková, with contributions by Ilona Teleki (CSIS),  
Nathalie Tocci (IAI), Stephen Larrabee (RAND), John Glenn  
(GMF) and Christian Lequesne (Sciences Po/CERI)**

The EU neighbourhood is a strategic area both for the EU and the U.S. with the EU following additional interests in the field of migration management or its future enlargement; their agenda is primarily security-driven and securitized. The EU is facing several tensions at the moment. First, the EU is becoming increasingly aware of the urgent need to speak with one voice on the international scene, however, even the Lisbon Treaty ratification does not mean that the EU members will have a single view but merely one place that may articulate the lack of consensus. The divergent positions of the EU member states on specific issues create enormous problems, particularly in relations with Russia. Second, there are competing discourses within the EU on the future arrangements of its relations with neighbour countries and on EU enlargement. Third, EU is balancing the multilateral approach embodied in the enlargement policy and partly ENP (EU as a normative power, projecting its norms, rules and ideas), which is losing its incentive and appeal, with the customized approach and bilateral agreements, preferences and interests.

In the last years, the US has been largely focused on the wars in Afghanistan and Iraq, as part of its global war on terror. It has adopted a differentiated approach towards the countries of the European neighbourhood, pursuing a series of disparate policies toward individual states and several regions (the Balkans, Middle East). It tried to give these policies coherence, but generally came to the conclusion that the countries of region were too different

to have an overarching approach. The selective bilateral approach was based mostly on prioritizing security and counterterrorism issues.

Should minimal transatlantic cooperation prevail, both the EU and U.S. would strive to secure relations with some important countries, especially for alternate routes for energy imports to Europe. They would be avoiding clashes with local, non-democratic regimes, searching for ad hoc supporters with the EU continuing not to want to put its image at risk. The competing interests and structures would allow the target countries to ‘cherry-pick’ from U.S. and EU-generated initiatives. More ambitious cooperation and coordination could aim at addressing a wider agenda.

The goals of both the U.S. and EU are complementary, but often minimally coordinated. At the start of a new U.S. administration and new EU Presidency, and with the upcoming April NATO summit and June EU-U.S. summit, the strategic cooperation of the EU and U.S. in the European neighbourhood should be given a fresh boost. The upcoming political period could allow for more effective EU-U.S. cooperation and coordination.

### ***Possible points of convergence***

- **Energy security.** There is a joint interest in securing the flow of energy resources to Europe, at least to Turkey (competing pipeline projects). The U.S. is mostly interested in transport capacities and securing the routes (but also in fair and consistent treatment of foreign investors in the Russian market) and the EU, as a consumer, (some member states are 100% dependent on Russian imports) is interested in reaching a complex deal with Russia, allowing for transposition of its regulatory framework on the Russian energy market and Russian companies. Unfortunately, there is no consensus within Europe on the issue of energy security.
- **Self-sustaining stability in the Balkans in the long run.** Both the U.S. and EU have prioritized self-sustainable democracies in the Western Balkans with the responsibility for this region shifting towards the EU.
- **Need for a Black Sea Region strategic concept.** Both the U.S. and EU agree that the region has become a new strategic frontier for the transatlantic partnership and Russia with a future of Ukraine as a key issue, and Turkey as an essential regional player.

- **A need to ease Russian pressure on EU neighbouring states.** There is agreement between the U.S. and some EU member states that Russian pressure on EU neighboring states must be eased and that those states that wish to integrate into Euroatlantic structures should be permitted to do so. However, the positions of the U.S. and EU member states differ widely on the speed of integration of EU neighboring states into Euroatlantic institutions.
- **The objective to spread democracy.** There are similarities on the ground in terms of assets and liabilities, however, both EU and U.S. discourses have experienced gradual erosion and remake in interactions with the actual policy takers with the clear democratization objective being muffled.

### *Possible points of divergence*

- **NATO Enlargement.** The future of NATO and its role in European and transatlantic security.
- **Conceptual views on the EU integration and enlargement.** Some EU member states – mainly France and Germany – have been resentful of the U.S. push for continued EU enlargement considering the widening of the Union will diminish the EU’s ability to participate as a key actor in a multi-polar world. The U.S. belief has been that EU membership is the sole best catalyst for democratic reform and that the European project has no set boundaries as a precondition of such a role.
- **Policy towards Russia.** Not least because of diverging positions of the EU member states. Under the George W. Bush Administration the U.S. engaged Russia for stability, security, and counterterrorism efforts, whereas EU engagement has been directed primarily toward energy security and some issues of world diplomacy. At the same time, EU policy may shift after bargaining over the energy package (linking the internal and external aspects of the relations with Russia into one strategy). However, it seems the ethos for a single policy towards Russia is waning in the EU. Russia’s recent aggressive foreign policy has been shifting U.S. thinking a bit away from engagement. U.S. policy toward Russia may change with the incoming Obama Administration.
- **Recognition of Kosovo.** Not all of the EU member states have recognized Kosovo for various reasons; the problem is rather intra-EU than across the Atlantic. The U.S. would like to see a single European policy of recognition for Kosovo.

## ***The main challenges***

### **Black Sea Region, relations with Russia and the future of Ukraine**

The Black Sea region is of enormous strategic importance both to the EU and the U.S., however, there is no effective EU-U.S. coordination in the region (sometimes rather a coordinated absence of effective policy). The US prioritizes democratic reform in addition to security ties; it utilizes its strength in security issues to develop bilateral relations. The US approach to democracy promotion is rather selective and tends to prioritize strategic, security oriented, concerns (the EU follows more stability oriented goals). When engaging, the US is rather focusing on the support of (liberal) opposition actors against incumbent regimes (whereas the EU is adopting a more politically 'neutral' approach to political changes but promoting a more comprehensive process of political change; being so minimal and loose in its commitment EU's results have been less visible so far). The EU and its member states, despite the crucial importance of the region energy security-wise, stick to the ENP tools and democracy promotion discourse but in fact there is lack of EU strategic vision towards the region. The issue of the frozen conflicts is gaining enormous importance after the crisis in Georgia. The existing peacekeeping and negotiating formats proved dysfunctional with Russia using the UN and Organisation for Security and Co-operation in Europe (OSCE) peacekeeping mandates to legitimize its military build-up in the region. Russia utilizes every U.S. or EU move to legitimize its own actions and its moves have shown its determination to stymie the Euro-Atlantic aspirations of the countries in the region. Ukraine's future is key for the region and the possible Russian aspirations vis-à-vis Crimea is yet another geostrategic challenge for the transatlantic partners. Similarly, the important role of Azerbaijan in constructing an alternative energy route to Europe (East-West corridor) has been missed by the EU and U.S. Another problem is the Nabucco project, desired by the Europeans as an alternative energy route and supported by the U.S., but lacking the financial commitments to set the project in motion. Many in the region look at building their alliances and future prospects primarily through the lenses of relations with Russia (impact of the Georgia crisis on the political developments in Ukraine or Azerbaijan population); a coordinated policy should take this seriously into account.

### **Western Balkans**

EU Enlargement policy has been for a long time the EU's principal democratization strategy – a powerful tool, able to deliver real change. However, besides Croatia, Macedonia, and

possibly Serbia, further enlargement is unlikely in the mid-term perspective (despite the 2003 Thessaloniki declaration commitment). Public concern within the EU member states over the EU's ability to absorb new members did not remove the carrot of EU entry, which had enticed and pushed each candidate to conduct appropriate reforms, but has rather made the carrot more elusive in the Western Balkans now. The reforms and stability of the Western Balkans are increasingly seen as a European issue, with the U.S. encouraging that the EU takes the lead. Much of the EU's future success in the Western Balkans now hinges on making sure that EULEX is successful in Kosovo (despite its inauspicious start and delays in emplacing the mission). Despite the fact the EU and U.S. share the same goals in the region and the U.S. has acknowledged the EU enlargement as a credible tool to achieve its own goals in the region, a further coordinated effort is needed in order to tackle the situation in Kosovo, Bosnia and Herzegovina, Serbia and Macedonia.

### **Turkey**

Both the U.S. and EU are losing Turkey. Popular and political support for the U.S. and EU has dropped significantly in Turkey over time. The ultimate strategic goals of the transatlantic partners are convergent (Turkey is crucial in terms of energy security both for the EU and the U.S., as it is a pivotal player in efforts to bring Caspian oil and gas to world and European markets, etc.), but the means has been diverging for some time. While the US sees Turkey primarily from a strategic perspective and exclusively as a foreign policy issue, and as such tends to be less concerned with the details of Turkey's domestic political situation, the EU's approach is more complex given the candidate status of the country for EU membership; for the EU the context of Turkish EU accession is also a domestic politics issue and thus the importance of Turkey's domestic situation is exponentially higher. The U.S. wants to anchor Turkey to the West for strategic reasons and therefore favours Turkey's EU membership, lobbying the EU governments on the issue. At the same time, the accession of Turkey to the EU is being de-coupled from the Western Balkans as a 'special case'. Some EU governments, notably France, Germany and Austria are questioning any prospect of Turkish EU membership. A triangular setting of the relationships should be re-thought and re-balanced by the transatlantic partners in a way of what can be done together. A consistent pressure should be developed in order for Turkey to deliver on lacking political freedoms and to keep the reform pace, with the U.S. rather lobbying Ankara and then some of the EU capitals on the accession issue.

## ***Recommendations***

On the basis of this assessment, the following recommendations are made:

- The EU and U.S. should reiterate their commitment to upholding and strengthening the transatlantic alliance. The Euro-Atlantic area remains a space of shared values despite the turmoil and challenges arising on the international scene. There is no need for fully shared views on strategic challenges, but there is a need for political willingness to share the solutions and complement each others' assets.
- The first overseas trip of the new U.S. president should lead to Brussels or to any 'special EU summit' convening the heads of states and governments of the European Union, the European Commission, and European Parliamentary representatives. This would send a strong message that the EU is the key strategic partner of the United States. The EU should also voice clearly that the transatlantic relationship is the EU's first commitment.
- No 'Russia first' policy. If deals are made with Russia first, there is not much that can be offered to the countries in the EU Eastern neighbourhood seeking stable democracies and Euro-Atlantic integration. The key determinant of EU and U.S. relations with the neighbours should be the latter's performance and not Russia (neither in a positive nor a negative sense). On the other hand, the EU and U.S. should not deepen engagement with the neighbours just because Russia doesn't want this, and thus exacerbating great game politics in the region, which harm not only EU/U.S.-Russia relations but also the domestic and international relations of the neighbours themselves.
- In the Black Sea region a bottom-up approach should be promoted and supported further. Increased funding is needed to facilitate person-to-person contact and public diplomacy measures.
- A set of democratic standards should continue to be a driving goal in the European neighbourhood otherwise the credibility and legitimacy of the transatlantic partners (in Bosnia and elsewhere) is damaged. Democratization in the neighbouring countries' societies should be entrenched by targeting the civil society (and at EU side, better channelling the financial assistance), while keeping the political focus on countries' development.

- Strengthen EU and NATO communication. The existing structural obstacles could be by-passed using informal initiatives in order to improve dialogue. Turkey must play a key role in this communication.
- Improve communication between the U.S. and EU. Better coordination requires an improvement of the communication channels and emergency lines between the transatlantic partners. Structured communication with the EU representatives (EU Council Presidency or the Trio, CFSP High Representative, etc. not just some of the capitals) should be implemented, which will require better coordination mechanisms within the EU itself as a result.
- EU's ENP should be revised due to its insufficient transformative potential; ENP is not working well as a political label. The EU is failing to offer attractive short-term incentives. The prevailing answer to the question how to improve EU's performance is further differentiation among the countries and further borrowing from the enlargement policy toolbox.
- EU Enlargement policy has been for a long time the EU's principal democratization strategy; it has been clear for some time it is no longer such a powerful incentive for democratic reforms in the neighbourhood. Besides some countries of Western Balkans, further enlargement is unlikely in the mid-term perspective, not least while the EU seeks to ratify and then implement the Lisbon Treaty. Without the incentive of enlargement, the EU needs to combine a values-based approach with other realistic incentives to stimulate good governance and democratisation in its neighbourhood.