

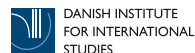


Think Global – Act European

The Contribution of 14 European Think Tanks to the Spanish, Belgian and Hungarian Trio Presidency of the European Union

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GLOBAL GOVERNANCE

Global Governance as Multilateral Regionalised World Order: Planning for the Global Role of the EU in the SBH Trio Presidency

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Towards the new multilateral regionalised world order

In the tough global competition of the early 21st century, which includes conflicting efforts at global governance, the main issue for the EU is globalisation-cum-regionalisation – namely the regionalisation of its neighbourhood as a special kind of the EU ‘widening’ and ‘deepening’. Due to its subsequent enlargements, parallel with its own internal regionalisation, the EU has restructured the political space in its increasing ‘near abroad’ and it has generated external regionalisation around the EU. Rightly so, since a ‘new multilateral regionalised world order’ has been emerging and the EU as a global actor can only be successful if organises its own regionalised neighbourhood. Europe as a soft, civilian power can only play a leading role in the new global governance and world order when and if it organises a special relationship as a means of stabilisation in the West Balkans, as well as in the neighbouring Eastern and Southern mega-regions. The main principle of regionalisation for the EU is ‘integrative balancing’. Integrative balancing means empowering the unequal ‘external’ partners by applying the partnership principle in the process of widening, through which the neighbour states are to be integrated into the common policy-making process at all levels. Integrative balancing implies a sense of partnership with a balancing mechanism by which the relatively weaker partners are empowered, thereby creating synergy by optimally representing common interests.

Globalisation has generated regionalisation at four levels:

- *Mega-regions* embracing continent-size territories of several countries like the EU, NAFTA and ASEAN, or the ‘East’ and ‘South’ around the EU; the dominating trend in the global system has been their interaction and competition with the entry of the mega-region-sized great powers into the global competition, like the BRICs (Brazil, Russia, India and China).

- *Macro-regions* containing some countries within the EU, like the Nordic Region or Central Europe; this regionalisation will be a continued process in and around the enlarged EU – thus the West Balkan region, or Eastern Europe proper (Belarus, Moldova and Ukraine); South Caucasus (Armenia, Azerbaijan and Georgia) are also emerging macro-regions, like the North African and Middle East macro-regions in the South.
- *Meso-regions* like the sub-national regions (NUTS2) in the EU member states and the corresponding territorial units of other states; they can also cooperate intensively with the proper regional partners across borders and they usually strive for some kind of autonomy / self-governance within their states.
- *Micro-regions* like the smaller sub-national territorial units (NUTS3, or earlier NUTS4, now LAU1) in the EU with their trans-border organisations (for instance euro-regions and / or territorial cooperation); again, they can establish strong ties across the state borders, or even across the borders of macro- and mega-regions.

Multilateral regionalisation as widening and deepening of the ENP

The EU Neighbourhood Policy needs its own ‘widening’ and ‘deepening’ to fill the obvious gap in the EU’s planning for its neighbourhood. Widening in this respect means the geographical extension of partial / sectoral European governance, and deepening presupposes the better extended governance with a more differentiated institutional system for more policies. The ENP has been so far a series of the *ad hoc* reactions to the emerging conflict situations in an increasing number of neighbours instead of a proactive project with a coherent vision for the Neighbourhood Policy. The development of widening, like the efforts for extended European governance, has taken place in three main stages. These three efforts for creating the Southern, Northern and Eastern Dimensions came together in the late 1990s and influenced the emergence of the ENP document on 12 May 2004. Since then, beyond the basic convergence, this mega-regional competition and tension between East and South has also re-emerged. For its part, in April 2008 the European Commission formulated “the need for an increased visibility of the European Neighbourhood Policy to advance ownership of the reform process, and to underpin the EU’s support for its neighbours as they come closer to the Union. (...) Within the EU, the importance of strengthening relations with our neighbours has moved closer to the centre of the policy debate”.

In order to make the ENP manageable given this tremendous heterogeneity, it would be necessary to separate the ENP into two regional organisations or units, under a larger common umbrella. First, to create symmetry between its two parts, some kind of an ‘EU-Eastern European Union’ (in brief Eastern Union) would also need to be established in parallel with the Mediterranean Union (in brief Med Union). There are three reasons to organise these two separated ‘Unions’. First, as the above Communication of the Commission has also explained, there is a large “political, economic and cultural diversity among ENP partners”. Therefore it would be better to have a more differentiated institutional framework according

to the existing separation of Association Agreements (AA) in the South from the Partnership and Cooperation Agreements (PCA) in the East. This would enable the East to move forward towards the planned ‘deep’ and comprehensive free trade area as a core element of the New Enhanced Agreement (NEA). Second, the intra-regional cooperation has to be intensified in both mega-regions as “promoting regional integration beyond the borders of the Union”, but the ‘deepening’ of the ENP presupposes the separation of South and East according to their regional specificities. This will allow also the fine-tuning of the sectoral policies, since these sectoral policies still are, and must be even more, mega- and macro-region-specific. Third, although the enlargement to the Eastern Europe proper is not yet on the agenda in the foreseeable future, still the constitutional situation in these two mega-regions is basically different, since the South has no European perspective and the East has a virtual European perspective. The separation of the Eastern and Southern ENP-type of ‘widening’ policies could allow for a more accentuated separation of the Western Balkans (WB) ‘enlargement’ policies.

Under the pressure of global crisis, and as a result of the long-term preparation process, the EU has taken a further step in transforming its own global environment with the Eastern Partnership (ENP-EaP). The main actors in promoting of the EaP have been Germany, Poland and Sweden, since the ‘old’ Baltic cooperation and the ‘new’ Northern Dimension initiatives have been culminating in this new project. The other East-Central European (ECE) member states are not major players, since their main interest is the WB integration, and they have made initiatives in this field (see the Slovenian Presidency). This does not mean that they do not support the EaP initiative. On the contrary, they do so very actively, as the Czech Presidency proves. The EaP is high on the agenda for them too, because of the new key issues for the EU – especially since energy security and the promotion of democracy (with the decline of democracy in Russia) have recently come to the fore. The widening policy towards the East, meaning Ukraine firstly, is important also for the ECE countries, both positively (trade, culture, minority issues) and negatively (migration, crime and black-market labour). Therefore, Hungary plans to continue the EaP initiatives from the Czech Presidency during its Trio Presidency with Spain and Belgium, and to retain momentum in order to hand these over successfully in 2011 to the next rotating presidency, Poland.

For the whole structure of the EU moving to the East, the European Council decided on 20 March 2009 about the Eastern Partnership. On 10 June 2009 the Baltic Strategy was formulated in the Commission document, and the June 2009 European Council “welcomed the launch of the Eastern Partnership”. It may be a breakthrough in the treatment of the six Eastern neighbours as well as in the institution-building policy of the EU. Already in the Declaration attached to the March 2009 Presidency Conclusions the European Council invited the heads of states and governments of the new 27+6 partnership formation to a summit meeting on 7 May 2009 in Prague. The Declaration reorganises that the main objective of the ENP’s Eastern Dimension is “to create the necessary conditions for political association and further economic integration between the European Union and Eastern partners”

by introducing ‘the principle of joint ownership’ and suggesting a ‘multilateral framework’ for regional cooperation. The most important message is that “the European Union’s Comprehensive Institution-Building Programmes will help the participating countries to improve their administrative capacity”. In this spirit “the multilateral framework (...) should operate on a basis of joint decisions of EU member states and Eastern partners”. The Prague Summit has adopted a Joint Declaration on the Eastern Partnership by the participating 33 states. Based on that Declaration there will be a summit of heads of states and governments once every two years, and the foreign ministers will meet once every year. After this basic turning point, introducing partnership at macro level, the elaboration of multi-level and multi-actor democracy can begin in the six Eastern partner states. Given the fact that the EaP is a Swedish-Polish common proposal, the Swedish Presidency has continued to push energetically for this initiative.

All in all, the shift of focus in the ENP from the South to the East has been an unavoidable process with the Eastern enlargement, since it has become necessary to develop new and more intensive contacts with the new neighbour states. As a result, it has also created tensions of necessity between the Southern and Eastern ENP directions, including their financing. These tensions have been increased by French efforts to transform the Barcelona process according to their tastes, which have produced new misunderstandings and controversies. From the very beginning of the Eastern enlargement there have been overheated statements on “the dilution of the commitments of the EU towards the MEDA region” or about “the end of the Euro-Mediterranean vision”. The shift of the focus in ENP to the East should not mean that the EU neglects its commitment to the Med mega-region. On the contrary, it is the clear interest of all member states that the EU should provide enough support for the economic, social and cultural developments of the Med mega-region. Instead of victimising the Eastern ENP for the rebalancing of their relationships with the EU, those directly interested in the development of the Southern ‘Near Abroad’ should investigate the internal obstacles slowing down the Barcelona process. The ‘modest results’ of the Barcelona process have occurred for three main reasons: (i) the failure of democratic conditionality in the South, (ii) the interference of the United States and (iii) the lack of horizontal or intra-regional cooperation of the states concerned. The removal of these obstacles to ENP deepening in the South is of great importance for the EU as a whole. Its delay is not due to any financial controversy, but to the growing uneasiness and reluctance of the Southern ENP partners towards further Europeanisation. Therefore the shift of focus in the ENP to the East has not done any harm to the South – on the contrary, the achievements in the East suggest new ideas for the widening in the South, too.

The functional regions (EBS and EDS) as flagships of regionalisation

The European Union Strategy for the Baltic Sea Region (EBS) and most recently the European Danube Strategy (EDS), and to some extent the Black Sea Synergy, have brought a turning

point in the EU regionalisation / widening policy as in terms of extended European governance. The mega-regions in the East and South, as well as their macro-regions, can be described as large geographical-geopolitical units – but they are not functional units, since they have not been interconnected through some key policies. They hardly form real units because they have not become interdependent by the common functions of the economy oriented policies – or, taken in the wider meaning, they are not organised into one unit by development policy. Of course, the mega-regions (and even more their macro-regions) have their own traditional contacts and forms of cooperation, but usually these are not intensive enough and not made by ‘design’, i.e. not sufficiently planned and regulated, to form a functional macro-region. In fact, the first step was only taken ‘inside’ the EU by the EBS. The June 2009 Communication also claimed to show the model for the other functional macro-regions: “the area could be a model of regional cooperation, where new ideas and approaches can be tested and developed over time as best practice examples”.

Consequently, the regionalism has to be understood as a complex of parallel intra-regional and inter-regional, multidimensional and multilevel region-building processes based on a strategic design elaborated and agreed upon by the partners concerned with the spirit of integrative balancing that empowers all partners. Thus, the EBS goes very much beyond the simple territorial definition of the Baltic Sea area and it has been conceived as a project, involving bigger and smaller states in a common scheme as integrative balancing. The Baltic Sea cooperation occurred organically in its earlier institutions, but the EBS was much more, since it emerged ‘by design’. The strength of the EBS is that it has been built on the existing and well-functioning cooperation schemes – and that it has developed them further by a comprehensive strategic project. This project has also offered a perspective for the ‘outsiders’ – Norway and Iceland on one side and Russia on the other side – to intensify their cooperation in key policies, driven by their own direct interests. The Baltic Sea Region Strategy is a ‘bottom-up’ project, which starts from the existing policies, instead of the usual ‘top-down’ approaches in the EU, in which the EU suggests only general schemes that could be filled by concrete projects as Action Programs, somewhat later if at all.

The strategic commitment of the EBS in the June 2009 document leads to the implementation of the idea of territorial cohesion requested in the informal meeting of Ministers at Leipzig already in 2007: “The Baltic Sea Region is a good example of a macro-region – an area covering a number of administrative regions, but with sufficient issues in common to justify a single strategic approach. Other areas of the European Union are beginning to self-identify as macro-regions and the approach adopted in this strategy will offer important lessons as to the potential of the macro-regional approach. This follows the territorial cohesion proposals of the Commission in the Green Paper of October 2008, whereby interventions are built around the needs of functional regions rather than according to pre-determined financial and administrative criteria. (...) The analysis described above demonstrates the need for a common strategic vision to guide future territorial development for the Baltic Sea Region”.

From boring to daring – from *status quo* to political innovation in the EU

In 2008-2009 there has been a sharp turn from ‘boring’, *status-quo*-oriented and routine approaches to ‘daring’, brave visions in the EU widening policy. The main issue on the Western side is still the incoherent, patchwork character of widening policy. The transformative power of the EU has been tested with little impact so far in the Med Union. It remains to be tested in the WB region as well as in the Eastern Union in the next decade. Therefore, the invention of the future widening policy means above all the creation of a coherent and integrated system by connecting the ‘technical’ issues in ‘low politics’ with the security issues in ‘high politics’, organically and systematically – i.e. the whole range of policy areas has to be arranged into one strategic ‘macro-project’, as seems to be emerging in the EBS, and in the European Danube Strategy (EDS) to follow. Given the reform fatigue or treaty fatigue in the EU, the preparation of a new vision for the EU widening policy can only be a very long process. Hence, the Spanish, Belgian and Hungarian Trio Presidency has to start to prepare a new vision very early in a draft stage by suggesting new ideas and elaborating the next big vision step-by-step, instead of the business-as-usual approach. The WB ‘enlargement’ and the ENP ‘widening’ innovations have to appear well before the new budgeting period in order to be taken into account in terms of financial impact.

Globalisation-cum-regionalisation has been the main effort of the EU to answer the global challenge. This effort has recently been reinforced by the EU due to the global economic crisis. ‘Regionalism’, or organising various levels of regions by strategic design, has come to the fore, as in the cases of EBS and EDS. Multi-dimensional external and internal regionalisation has enabled the EU to play a dynamic role in creating global governance in a multilateral regionalised world order. It has also been a win-win game of integrative balancing for the other global powers, as the first tentative steps of the G20 organisation suggest.