‘Strategic Partnerships’: The European Union’s Quest for Global Clout

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ABSTRACT

The European Union (EU) has revisited many of its external policies with the view to strengthen its relations with strategic partners in the developing world, and to boost its visibility as a pivotal political actor on the global stage. These steps are partly the result of important changes in the global geo-political landscape. China and India, among others, are becoming increasingly significant global actors and have therefore emerged as key interlocutors for the EU.

The need for the EU to re-evaluate the content, nature and structure of its past bilateral partnerships comes in the wake of the European Security Strategy of 2003 and its call to reappraise partnerships in light of the EU’s broader foreign policy priorities. This research paper explores more thoroughly the EU’s expanded network of strategic partnerships agreements, examining what drives the EU in its cooperation with these key global players.

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INTRODUCTION

From the Balkans and the Caucasus to Africa, the Middle East and Asia, the European Union (EU) is flexing its muscles as a global player. This emergence of the EU as a strategic power, able to draw not only on its considerable civilian and ‘soft power’, but also its growing military or ‘hard power’ capabilities, deserves attention.

Over the years, the EU, currently 27 nations strong, has expanded its network of friends and allies by negotiating ‘strategic partnership’ agreements with key countries. EU policymakers hope that such deals — backed by European peacekeeping and humanitarian operations across the globe — will help dispel the long-standing and widespread view of the EU as an economic giant, but a political dwarf. Despite initial hopes, however, these accords remain little more than a catalogue of noble ambitions and unfulfilled goals.

The strategic partnerships have evolved slowly over the years, without any specific mention in a formal foreign policy document, apart from the EU’s ground-breaking European Security Strategy unveiled in December 2003, which, for the first time, identifies a number of key partners — the United States (US), Canada, Japan, China and India — as Europe’s strategic partners.1

The EU’s strategic partnerships have certainly emerged as one of its important public relations tools. EU partnership agreements with key allies, including industrialised nations like the US, Canada and Japan, as well as the Russian Federation, China, India, Brazil and South Africa — and, most recently, the EU–Africa strategic partnership — have helped boost the EU’s visibility as a pivotal political actor on the world stage. There is often substantial media coverage of EU leaders’ summits with their strategic partners and of discussions that cover a vast array of economic and trade issues, as well as a political dialogue covering international flashpoints and regional conflicts.

Although they may help bolster the EU’s global profile, however, these strategic partnerships are more about style and process than content and substance. The focus tends to be on the holding of meetings, the making of high-level visits and the issuing of communiqués. As a result, the agreements are often seen as little more than prestigious and aspirational documents or ‘prizes’ awarded by the EU to countries in recognition of their geopolitical status and clout.

The EU’s strategic partnerships suffer from several weaknesses. Firstly, they are signed with countries that — depending on the issues at stake — can, at the same time, be partners, competitors and even adversaries. European policymakers are therefore torn between their desire to fully engage with these nations and fear of their role as economic and political rivals. As a result, one of the key aims of the partnerships, namely a rapprochement of views between the EU and its strategic allies on crucial global challenges such as climate change, has not been achieved.

Secondly, despite some progress in recent years, the 27-nation EU remains trammelled by its failure to speak with one voice on key political issues. Its repeated failures in the 1990s to broker peace among the warring parties as Yugoslavia disintegrated, followed by deep divisions within the bloc over the US-led war on Iraq in 2003, are two potent reasons for Europe’s reputation as a weak political actor. The EU’s continuing inability to co-ordinate its stance on issues as diverse as the Middle East conflict and relations with the Russian Federation and China has further consolidated its image as a group of 27 fractious and divided nations.
Thirdly, there is still a vacuum at the top, with plans to appoint a first-ever foreign minister — the man or woman that foreign governments could call in times of crises — currently on ice following Ireland’s rejection of the new EU reform treaty. The treaty may or may not enter into force in 2010, depending on whether Dublin decides to submit the blueprint to another referendum.

Finally, despite slow and steady progress in building a defence and military identity independent of the North Atlantic Treaty Organisation, Europe’s focus remains on its ‘soft power’ tools of trade, aid and diplomacy rather than on the use of ‘hard’ military power to project its influence. Many of the EU’s foreign partners, more used to dealing with ‘real’ military players, therefore fail to perceive the EU’s increasing ‘strategic’ security dimension.

THE EUROPEAN SECURITY STRATEGY: THE USE OF SOFT POWER

Still, there is more to the EU’s strategic partnerships — and foreign and security policy ambitions — than meets the eye. The last decade has seen the emergence of a larger, stronger and more self-confident EU, which, as underlined in the European Security Strategy, is determined ‘to share in the responsibility for global security and building a better world’.  

This is being achieved through the deployment of EU crisis-management and peacekeeping missions within Europe and far beyond, with EU soldiers and police officers increasingly involved in conflict prevention, peacekeeping and anti-terrorism activities in Africa, the Middle East, Iraq and Afghanistan, while an EU anti-piracy naval operation is currently under way in the waters off Somalia. Some of these operations are conducted under the EU banner, with one country identified as the lead nation, while in the cases of Afghanistan and Iraq, troops are deployed by individual countries, with no centralised EU command.

A new EU security strategy is currently under discussion. However, no major changes in strategy are expected to be identified, although more attention will be paid to issues like energy supplies and climate change.

The EU has been especially successful in using its soft power tools to bring stability to its immediate neighbourhood. This has been done through successive EU enlargements, including the entry in 2005 of 10 countries, including eight former communist countries, followed by Romania and Bulgaria in 2007. Turkey and Croatia are currently negotiating EU membership, and there is widespread speculation that Iceland, which has been extremely badly hit by the global financial crisis, is set to demand entry into the bloc. Serbia and other Balkan nations have been told that they are part of the European ‘family’, although no dates for accession have been set. In addition, Georgia and Ukraine are knocking on the EU door, although Europe has been lukewarm in its response to both countries. This is partially because of so-called ‘enlargement fatigue’ following the EU’s last expansion in 2007 to include Bulgaria and Romania, and in part because of concerns that any move to bring Ukraine and Georgia into the EU will exacerbate already tense relations with the Russian Federation.

The EU is also increasingly using its so-called ‘normative’ power to spread the principles of democracy, the rule of law, and free and open markets to the rest of the world. The European Security Strategy insists, for instance, that the EU must use a cocktail
of measures, including political, diplomatic, military, civilian, trade and development measures, but also, if necessary, ‘robust intervention’ to prevent crises. As part of the Security Strategy, the focus is also on working closely with multilateral institutions, such as the World Bank, and regional bodies, including the African Union.

Unveiled following the US-led invasion of Iraq, which deeply divided the EU into nations like Britain, which favoured the war and others, like France and Germany, which opposed it, the strategy was meant to provide a clearer understanding of the EU’s strategic priorities. As such, it was meant to illustrate to a watching world that the EU was less focused on military solutions to crises than the US — but that, contrary to the impression that it had no real teeth in the face of aggression, the EU could opt for armed intervention in times of crisis. In fact, the EU has only ever sent its troops abroad either under a mandate from the United Nations (UN) or in response to a request from the African Union.

CHINA AND INDIA AS KEY STRATEGIC PARTNERS

The EU’s priority at the moment is to try and put flesh on the bones of the strategic partnership agreements signed with China and India in 2004. The focus on Asia’s emerging economic powerhouses is not surprising: there are hopes that China and India — which are expected to keep notching up impressive economic growth rates, albeit at a slower pace than prior to the 2008/09 financial crisis — will be able to extend a helping hand to battered European and American economies. As European Commission President José Manuel Barroso told a meeting of 45 Asian and European leaders in Beijing in October: ‘We swim together, or we sink together.’

The partnerships are of mutual benefit. Both China and India have a vested interest in forging ties with Europe. Policymakers in both countries remain anxious to draw closer to the EU in order to balance their ties with the US and are attracted by the EU’s huge market for their goods and services — and possibly also for the export of their labour. Asians are also impressed by the EU’s successive and successful enlargements, the introduction of the euro, and the EU’s growing reputation as a global defence and security actor. Neither China nor India, both of which spend massively on defence, appears to be totally convinced, however, of the EU’s military potential.

Signature of the partnerships has certainly led to increased EU interaction with China and India within the UN framework and on a bilateral level, thereby strengthening ties and expanding the array of subjects under discussions. Significantly, EU meetings with China and India include a review of regional and global hotspots and conflict zones, but also discussions on co-operation in the field of energy, science and technology, maritime transport, and climate change. In October 2008, the European Commission said it wanted to work towards ‘trilateral dialogue and cooperation’ to encompass Europe, Africa and China.

However, a closer look at the EU–India and EU–China strategic partnerships reveal serious shortcomings — and dashed hopes.
EU–INDIA: A MISMATCH OF ASPIRATIONS

The EU’s strategic partnership with India is marked by a mismatch of aspirations and goals. While the parties share common values, including a commitment to democracy, the rule of law and effective multilateralism, they have very different views on what a strategic partnership means in practice. This divergence in outlook reflects differing geostrategic interests and different levels of economic development.

The European Security Strategy says that the EU should seek to develop a strategic partnership in order to build an ‘effective multilateral system leading to a fairer, safer and more united world’. Among other things, the EU wants to use its strategic partnerships to share global responsibilities in order to meet 21st-century challenges, including terrorism, the proliferation of weapons of mass destruction, state failure and regional conflicts.

As an emerging power, India’s immediate concerns are understandably very different from those of the EU and its member states. As it aspires to play a more forceful global role, as illustrated by its demand for a seat on the UN Security Council and participation in international peacekeeping operations, India views its strategic partnership with the EU (and the US) as a vehicle for ensuring greater worldwide visibility, prestige and political clout. It is also often the case that the EU’s ‘post-modern’ understanding of 21st-century challenges and how to deal with them is different from the way in which India views and interprets them.

While developing a strategic partnership with the EU is seen as important, Delhi’s primary focus, however, is on its troubled neighbourhood. Rivalry with China and tensions with Pakistan, as well as political turmoil in Bangladesh, Nepal and Sri Lanka, dominate India’s foreign policy agenda.

The EU has made no secret of its disappointment at India’s failure to stand up for democracy and human rights during Burma’s recent military crackdown on dissidents. EU policymakers have argued that as the world’s largest democracy — and given its growing economic ties with Burma — India must use its considerable leverage to put pressure on the military junta in Rangoon. India has responded that it does not believe that sanctions work, a stance similar to the one taken by China in its dealings with neighbours and with African countries such as Sudan and Zimbabwe.

The EU–Indian strategic partnership has also failed to soften India’s tough line in the Doha trade talks of the World Trade Organisation (WTO), where Delhi continues to resist US and EU demands for further cuts in industrial tariffs. In addition, India has refused to accept Western calls for stricter binding commitments to reduce greenhouse gas emissions in order to combat climate change, arguing that a developing country cannot be expected to slow down the pace of industrialisation.

CHINA: DIFFERENCES OVER TIBET CAST A SHADOW OVER TIES

Sparring over human rights and especially over Tibet has long cast a dark shadow over the strategic partnership between the EU and China. Differences over Tibet came to a head in December 2008, when China cancelled a planned summit with the EU over anger at French President Nicolas Sarkozy’s decision to meet the exiled Tibetan spiritual leader, the Dalai Lama. Beijing’s unprecedented move was a blow to EU governments that were hoping to use the summit to forge a new partnership under which China — with its vast $2 trillion...
of foreign reserves — would extend a helping hand to Europe’s battered economies.

Few in Brussels have any doubt that China’s decision to cancel the summit is an illustration of the country’s growing assertiveness and self-confidence, sentiments reinforced by Beijing’s successful hosting of the Olympics in the summer of 2008. But they are also conscious that the move illustrates that as it gains more economic and financial clout, China will demand not only a stronger voice in the management of global financial affairs — more votes in the International Monetary Fund (IMF), for instance — but also more international respect for its political stance on issues like Tibet, Taiwan and human rights. For Europeans, dealing with a more demanding China requires a serious rethink of past policies and the limits of the EU–China strategic partnership.

Firstly, the 27 EU governments are notoriously divided in their dealings with China, and this inability to speak with one voice on key issues seriously erodes Europe’s credibility and standing in Beijing. Confusion in Europe over how to deal with Beijing was spotlighted in the spring of 2008 when EU leaders disagreed publicly on whether or not to attend the inauguration ceremonies of the Olympics in protest at Chinese action against Tibetan dissidents.

Sarkozy initially said that his attendance at the opening ceremony was conditional on progress in talks between envoys of Beijing and the Dalai Lama on the future of Tibet. In the end, however, the French leader did attend the inauguration, as did many other EU leaders. But by then, China and ordinary Chinese were angered by protests against the passage of the Olympic flame in several cities, including Paris.

In addition, the mood at a meeting of European and Asian leaders in Beijing in October 2008 was strained by a decision a day earlier by the European Parliament to award its annual human rights prize to Hu Jia, a Chinese dissident jailed for subversion after testifying to that body in 2007 on the human rights situation in China.

EU–China trade relations are similarly fraught. Trade disputes between Brussels and Beijing have been on the rise as the EU’s trade deficit with China has ballooned, hitting 160 billion euros ($207.4 billion) last year. In December 2008 Brussels imposed anti-dumping duties on Chinese-made candles and non-alloy steel products and added tariffs to imports of some citrus fruits products. China routinely denies that it breaks trade rules and says that Europe resorts to protectionism against its low-cost advantage.

Many in Brussels and other EU capitals fear that, unlike past disagreements, the latest EU–China tiff is likely to last, as China becomes more determined to link its financial clout with political demands.

EU divisions over China are not new, however. Unlike the US, which has traditionally viewed China as a competitor, EU governments have never quite made up their minds over whether China is a rival or a partner. EU officials insist that the bloc’s ‘fundamental approach to China must remain one of engagement and partnership’, but European governments have long struggled to reconcile their desire for lucrative business deals in China with ongoing public concern over the country’s human rights record. Meanwhile, China’s rise continues to fuel fears across Europe as manufacturers struggle to compete with Chinese exports in an array of sectors, including textiles, footwear and steel products.

As a result, the EU message on China — and to China — is often both confused and confusing. Officials in Brussels, for instance, have a longstanding human rights dialogue with Beijing, and while they also criticise China on the issue, French, German and British leaders sweep these concerns aside to clinch multibillion euro/pound contracts in China.
Routine resolutions by the European Parliament condemning Chinese policies in Tibet, Burma and Darfur go hand in hand with expanding EU–China trade relations and European Commission assertions that China is a ‘responsible’ international actor. Former EU trade commissioner Peter Mandelson in recent months both berated Beijing as an ‘out of control juggernaut’ on trade and recognised that cheap imports from China have helped keep inflation at bay, while China’s integration into the European production chain has boosted EU competitiveness.

Europe has a long catalogue of complaints against Chinese trade practices. Like their counterparts in Washington, EU policymakers in Brussels say that the bloc’s trade deficit with China is ‘unsustainable’. Demands include China stepping up enforcement of laws protecting intellectual property rights, boosting quality controls for exports, and implementing commitments under the WTO to open markets and stop discrimination against foreign investors.

Significantly, while such issues cast a dark shadow over EU–China relations, the tough approach reflects wider European concerns about living in a more complex, increasingly competitive global environment. Opinion polls across Europe repeatedly point to public fears that globalisation steals European jobs, threatens wages and diverts investments to cheaper locations through outsourcing. Increasingly viewing China as the symbol of such challenges, many Europeans believe that managing globalisation means taming Beijing’s economic might.

EU leaders hammer home the anti-globalisation message. During the 2007 French presidential election campaign, Sarkozy repeatedly called on the EU to protect citizens against the negative effects of globalisation and defend Europe’s economic interests more decisively in dealing with China and the US. ‘The word ‘protection’ must not be forbidden in European democracy’, Sarkozy told the European Parliament in November. The focus must be on reciprocity, he explained, because Europe has the duty to ensure its own energy and food independence.

Data on globalisation’s impact on Europe’s economy remain sketchy, however, with many economists underlining that factory closures on the continent are due not only to international competition, but also to factors such as poor productivity and inefficient management. While some job losses in manufacturing — such as in textiles and clothing and the auto sector — are partly the result of international competition, overall, Europe has benefitted from an open economic system.

An additional 3.5 million jobs were created across the EU in 2006 and the EU remains the world’s largest exporter of goods and services, maintaining its 20% share of world trade despite increased competition from China. In addition, competitively priced Chinese products have acted as a brake on EU inflation and interest rates, providing cheap inputs for European manufacturers and a competitive impetus for business, and are a boon to European consumers and retailers.

The challenges facing the EU as it aims to upgrade its strategic partnership with China require hard work at home. Governments of EU member states must pursue the right competitiveness and adjustment policies, moving to develop areas of comparative advantage in high-value and high-tech design and production, foster innovation, and help workers adjust and retrain. Rekindling the EU–China partnership must therefore wait until Europe becomes more confident about its ability to live in a more competitive, globalised world.
CONCLUSION

The EU faces another, even more daunting challenge as it strives to build stronger relations with China and India, especially in view of the current (2009) financial crisis. As Javier Solana, the EU high representative for foreign and security policy, underlined in October 2008, it is no longer just a question of integrating rising powers into the global system.12 Europe and the US must get used to sharing power and be prepared to accept that emerging actors will have their own ideas on reshaping and refashioning global institutions, including the IMF and the World Bank, as well as other multilateral bodies such as the WTO and UN.

By encouraging frequent meetings, dialogues and open debate, the EU's strategic partnerships are designed to promote just such an understanding of the rapidly changing global environment, while also helping Europe and its partners to accommodate each other's interests and points of view when formulating policies. However, this goal appears out of reach, given the very different views of worldwide developments of the parties to the strategic partnerships discussed above and their distinct positions on issues of global governance. As such, unless the parties try harder to give more substance to their partnerships, such mutual comprehension will remain elusive in the EU's strategic partnerships with both China and India.

ENDNOTES

2 Ibid., p. 1.
3 Ibid., p. 11.
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