GLOBAL AND REGIONAL ORDER

GLOBAL EUROPE AND GREAT POWER COMPETITION

Options and Possible Solutions from an Eastern European Perspective

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Today’s geopolitical reality, defined as it is by instability, unilateralism and great power competition, faces the EU with difficult strategic choices and challenges.

The EU itself has thus far produced little in the way of much-needed strategic coherence to navigate a fast-changing world. This could reinforce East-West and North-South dissonances, exposing vulnerabilities which could be opportunistically exploited by others.

Eastern Europe, with its own understanding of strategic sovereignty and distinct views of the strategic environment, needs to be taken on board if the EU is to leverage its collective potential on the global stage.
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For most of the XX Century, Eastern Europe was little more than an appendage to great powers’ sundry and disparate interests in the region. In the aftermath of the Soviet collapse and end of the Cold War, much of the seductive appeal of joining Western-crafted organisations such as NATO and the European Community was related to the notions of pursuit of freedom, economic prosperity and cultural modernity, but also a hope of stepping into a »more integrated world«¹, where power competition between states was held in check by »a continuous pattern of institutionalised cooperation«². And, in practice, the project of European integration since 1989 has been embraced by Eastern Europe as an alternative model to great power competition.

Thirty years later, Eastern Europe is an integral part of what is now a wider and more united Europe, boasting the biggest single market in the world, the world’s largest diplomatic corps, and the highest levels of spending on development. However, the international environment is rapidly unravelling and geopolitical rivalry, including in areas like technology, infrastructure development, trade, and sea power, is ratcheting up to new levels. Multilateralism has arrived at a critical juncture. Geopolitical realities, with a rapidly rising China and a revisionist and assertive Russia, is facing Europe with difficult strategic choices and challenges. Unless it can leverage its collective potential to protect and promote its distinctive values, qualities, and policies around the globe, and play a crucial, stabilising role in an increasingly unstable world, Europe risks becoming an impotent observer, sidelined in areas of direct vital interest or, worse yet, a playground for other global powers.

Like no other part of the European continent, Eastern Europe is directly experiencing the pressures associated with re-awakened forces of great power competition. Moreover, despite strenuous efforts to strengthen foreign policy cohesion among the Member States, the EU itself has so far produced very little of the strategic coherence that is so sorely needed to navigate a fast-changing world. Furthermore, this erosion in foreign policy cohesion is exacerbating the East-West and North-South divide, exposing vulnerabilities which are being astutely exploited by others.

While recognising that on this subject the countries that are generally assigned to the EU’s eastern part may have different, and sometimes very specific, views that need to be explored in their own right, this paper seeks to offer an assessment from a general Eastern European perspective of the options available for EU foreign policy in navigating through a complex and fast-changing tempest of mounting competition between the great powers. Whereas the opinions characterised here as »Eastern European« constitute an aggregation, approximation and generalisation of political options and opinions seated in Central and Eastern Europe, this paper’s intention is not to highlight divisions such as »old Europe« versus »new Europe«, but instead to underscore what primarily needs to be addressed inside the Union and in what manner, while also seeking to adopt an inclusive approach when it comes to Eastern perspectives.

There are burning questions which warrant deeper-going analysis in the East as well as in the West of the continent. After all, there can be no common European strategic culture without a strategic dialogue among its Member States. Is there an Eastern European understanding of strategic sovereignty for Europe? How does this understanding affect perceptions in this part of Europe regarding the strategic challenges facing the European bloc? Based on these questions, the following pages try to reflect on how the EU’s ability to cope with these strategic challenges could be improved and what direction the EU should take when dealing with today’s great powers, be they friends or competitors. Spelling out perceptions and attempting to come up with some answers could offer focus and clarity of purpose for what a united Europe »on its feet« could look like in the world going forward.

When examining Europe's ability to engage on an equal footing with other actors in the international system, much consideration is afforded to the notion of »strategic sovereignty«. But is there a common understanding of this concept and the ideas that stand behind it at EU level?

In Brussels, the idea of European strategic sovereignty or autonomy emerged as early as 2016. An increasingly divided and dysfunctional multilateral system, great powers' protectionist tendencies and assertiveness, with not least the COVID-19 pandemic wreaking havoc throughout the entire world since early 2020 – all this creates an environment fuelling Europe's growing desire to cooperate and coordinate with partners, but also to have the power to operate independently whenever necessary. These are far from normal times, hence, far from normal measures are needed.

To be more precise, Europe is compelled to reassess the changing global context, which means taking into account the fact that China is no longer merely an economic player, but a rising global power and an indispensable actor; that the US has been trending more towards unilateralism and protectionism in recent years, putting a strain on Europe's most reliable system of alliances; that Russia's aggression and its malign influence, not least through subversive actions and targeted disinformation campaigns, continue to greatly affect especially Europe's Eastern Neighbourhood; that relations with Turkey have reached a low point, especially at the present juncture, when the security situation in the Mediterranean, Europe's Southern Neighbourhood, is deteriorating; not to mention the Brexit conundrum, the sudden proliferation of trade wars, the rising challenge of reigning in the new tech companies whose business models and social platforms are being used by enemies to destabilise Europe's democracies, help spread disinformation and undermine personal data protection, not to mention the pressing problem of climate change.

Despite its timeliness, strategic sovereignty has always been a somewhat hazy concept, oftentimes used interchangeably with strategic autonomy, as many pundits on European affairs and scholars of international relations have struggled to define, differentiate, and conceptualise. Ironically, more emphasis has been placed by political voices on what strategic autonomy does not mean rather than what it actually does mean, with officials underscoring that this does not represent autarky, protectionism or self-reliance, albeit offering little insight when it comes to a widely accepted definition.

In September 2020, the President of the European Council, Charles Michel, delineated in his speech to the Bruegel think-tank what the defining elements of Europe's strategic autonomy would be³. In this paper, instead of analysing the conceptual differences between terms such as autonomy, sovereignty, independence, empowerment, we simply accept Charles Michel's statement that »whichever word you use, it's the substance that counts«.

This substance, according to Michel, revolves around three main objectives that the EU needs to pursue: stability, propagation of European standards, and promotion of European values. With regard to the objective of stability, Charles Michel addresses several types of security, more specifically physical, environmental, economic, social, and digital security. Without a doubt, these are all important aspects, but the one where Western European perceptions differ most from Eastern European ones involves concerns over physical security and defence, as this is being challenged most strikingly in Europe's Eastern and Southern Neighbourhoods.

2.1 SECURING STABILITY TO THE EAST AND SOUTH

To the East, the protracted conflict in Eastern Ukraine with deadly flare-ups on an ongoing basis, the frozen conflict in Transnistria, as well as ferment in the Abkhazia and South Ossetia regions, coupled with Russian assertiveness in Belarus, are a few of the most salient reasons why states in Eastern Europe are deeply concerned when it comes to Russia. In fact, in their National Defence Strategies more and more countries have cited Russian aggression as one of their main security concerns.

To take one example, Poland's new National Security Strategy clearly states that the main threat is the »neo-imperial policy of the government of the Russian Federations, thereby using much blunter language than in the past⁴. Romania's new National
Defence Strategy also mentions Russian “aggression” and its various “violations of the rules of international law”, contributing “to the deterioration of regional stability”,\(^5\) which in turn prompted Russia’s Foreign Ministry to accuse Bucharest of subservience, plagiarism and betrayal of its own interests\(^6\). Moreover, the crisis which has recently flared up in the South Caucasus region over Nagorno-Karabakh gives additional cause for concern for Europe.

To the South, the Eastern Mediterranean, with its extension through the East Africa-Red Sea corridor, is becoming an ever more perilous region, as geopolitical fault lines continue to become entangled. The frozen conflict in Cyprus, the scramble for prized gas fields, as well as the increasingly complicated wars in Libya and Syria threaten the stability of the region.

In the face of these risk-fraught conditions, which are very real and close to its Eastern and Southern borders, Eastern Europe will most likely stick to its conviction that when it comes to strategic sovereignty it is hard security and defence aspects, such as the ones mentioned above, that truly matter.

This perception shapes in a decisive manner how Eastern Europe views European autonomy/sovereignty: first and foremost, a strong bond to collective deterrence through NATO coupled with strategic engagement with the United States, as the only real alternative in terms of ensuring security for the region. Eastern Europeans consider this to be of paramount importance, and yet many decision-makers in Western Europe still react with bewilderment to developments involving NATO or initiated by the US that have been embraced by Eastern European countries in recent years and months: the relocation of US troops to Poland and Romania, the ramping up of military and non-military cooperation across the region, or the launch of mammoth energy and infrastructure projects with the blessing of the US in formats such as the Three Seas Initiative (3SI).

Different understandings of “hard” security needs, deriving from Eastern Europe’s direct exposure to Russian threats, can contribute to divergences in terms of what European policies the EU Member States feel compelled to support or adopt. For example, although at the EU level attempts are being made to move forward in the area of energy integration, states continue to treat energy security issues as a national domain, with current projects such as Nord Stream II only accentuating differing perceptions. Whereas Germany has a market-oriented mindset and considers the project’s significance to be logical from an economic perspective, States such as Poland, which view the geopolitical and strategic equation vis-à-vis Russia with foreboding and apprehension, believe that the pipeline decreases (energy) security. It is evident from this issue alone that there are pointedly different views on what strategic sovereignty ultimately means. This lack of a common understanding could prove to be a hindrance for other integration initiatives at the EU level.

2.2 EUROPEAN STANDARDS AT HOME FIRST

The second objective of Europe’s strategic autonomy, as explained by the President of the European Council, rests on the ability to disseminate European standards. He touches on standards relating to the safety of food and other products, the General Data Protection Regulation (GDPR) and online privacy, putting an end to hate speech, and setting climate and environmental standards. This may be easier said than done, since, from an Eastern European perspective, the notion of “European standards” should be extended to include the achievement of internal standards in addition to those set by the European Union in relation to external partners. The standards that the world perceives when it thinks of Europe, and the standards usually taken as benchmarks, have been set by Western Europe. These are the ones that the EU seeks to propagate around the world.

From the Eastern European perspective, however, it can be seen that Europe is talking about standards that it has yet to fully implement throughout its entire territory. This has a negative impact on how the EU’s international efforts are perceived by East Europeans, as their reading of the situation is that Europe is being disingenuous by not first making every effort to bring about an internal convergence in standards before it reaches out to the world to promote them. In other words, the East sees the legitimacy upon which the EU could build its international clout to be what it does in its own front yard – an approach which would then also have the full buy-in and support of Eastern Europe.

This is not to deny that Eastern and Central Europe have witnessed dramatic economic growth over the last thirty years in comparison to other regions of the globe. Nor does it mean that the EU should lower its standards. However, there is at least one issue that must be addressed in earnest should Europe want to define sovereignty with inclusivity at its core: social and economic cohesion, with regard to which divergences persist between Eastern and Western Europe.

When it comes to economic competitiveness and purchasing power, it should not come as a surprise that Eastern Europe feels less “sovereign” and generally less able to cope with perceived dependencies, such as a massive “brain drain” and unsustainable imbalances characterising local labour markets, which coupled with poor access to financial resources, a persistent dearth of know-how and a failure to sufficiently modernise infrastructures act as a brake on the economy, hampering any real efforts at intra-European convergence. Instead of seeing these exclusively as painful weaknesses afflicting the new Member States, they should instead be viewed as asymmetries and shortcomings of the Internal Market that warrant more attention. Truth be told: the difference between being sophisticated, economically

6 https://balkaninsight.com/2020/06/12/romanian-warning-about-russian-security-threat-riles-kremlin/
highly competitive and globally integrated, as opposed to underdeveloped, dependent on others and parochial, shapes Eastern Europe’s perceptions of the strategic environment just as much as do weaker government performance and corruption, the role of religion, differences in mentality, with some of these being vestiges of the communist era.

2.3 THE CONUNDRUM INVOLVING VALUES

The third and last objective is promoting European values. According to the President of the European Council, the financial resources and competences of the EU are solid instruments that can be used in this regard. In the same way as the second objective, »European values,« although conceived to be at the core of the European Union, can be manifested in differing depths, especially when it comes to Western versus Eastern Europe. In fact, few words are to be heard more frequently than »sovereignty« in discussions of values – in the West as well – and this has weighed heavily on relations with some Member States for almost a decade.

What is particularly striking is that oftentimes positions and reactions stemming from Eastern Europe have been at odds with exactly what could be described as the »fuzzy membrane« of the EU, the one built around a universalist understanding of human rights and liberal democracy, which would permit it to interact with the outside world and would indeed be more consistent with the ambitions of being more in touch with the rest of the world. The vision of Hungarian leader Viktor Orban and some of his Visegrad Group (V4) colleagues of constructing a »fortress Europe« and erecting fences to protect it from the outside world is not without irony. To be fair, there are populist and extremist political forces in Western Europe as well entertaining similar views.

How serious the issue of values is and how easily it could turn into a make-or-break situation is reflected by the concerns relating to rule-of-law in Hungary and Poland as well as in some other countries, which reached a peak with these two countries’ obstruction of approval of the next Multiannual Financial Framework (MFF) (the EU’s seven-year budget) and the Recovery Fund, which was established to confront the recession triggered by the COVID-19 pandemic because the package included a new rule-of-law-mechanism.

Irrespective of persisting internal tensions when it comes to the interpretation of how all the States benefit from stability, European standards and values, the fundamental question surrounding the topic addressed by the President of the European Council is how the EU, in the words of Charles Michel, can apply this »quiet strength« to rise to the challenges ahead and »have a positive impact on the world«?

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7 The two Member States are at the forefront of a row with the European Commission (EC) and the European Council over the deteriorating independence of the justice system and the preservation of fundamental European rights and liberties, but come after four years of disputes regarding their national sovereignty, which, as they see it, was provoked by the European migration and relocation scheme with which the EU tried to manage the 2016 migration crisis.

RESTORING TRUST IN THE TRANSATLANTIC PARTNERSHIP

What path should the EU take towards the major actors in the international system that are once again embroiled in great power confrontation? In the great power competition and the trade war between the US and China, the EU is at risk of being caught in the middle between one protectionist power (the US) and an expansionist one (China).

None of these two approaches can realistically be an option for the EU due to the bloc’s very nature and limited capacities to enter into direct competition with either the US or China. The EU has no other alternative than to build on its tried-and-tested strengths and seek to bring everyone back to the global negotiating table. The EU’s power comes from its standard-setting capacity and ability to sustainably define and promote norms, a model of governance that has proven itself in terms of its success and resilience; and which can be replicated should we experience better times, at least in part, at multilateral level.

In this process, one cannot overlook the pressing need for normalisation of relations with the US in a pragmatic and constructive manner. Worries about the Donald Trump’s White House commitment in NATO aside, economic and trade relations between the EU and the US have been challenging as of late, to say the least, eroding trust and confidence between the two traditional partners. With tariffs first being slapped on EU exports of steel and aluminium and President Trump threatening additional tariffs, Brussels’ threat to reciprocate with retaliatory measures of its own, and the interminable Airbus-Boeing dispute before the World Trade Organisation, the problems seem to keep piling up in a disorderly manner. A reinvigorated and balanced EU-US partnership is a much-needed development and a hope shared by many, especially in the context of the need for economic recovery in a post-pandemic world.

However, the prospects of a trade agreement between the EU and the US are uncertain, with the Transatlantic Trade and Investment Partnership (TTIP) talks now moribund and no other alternative on the table. The transition of power in the White House provides a window of opportunity to rekindle the dialogue on the transatlantic trade relationship; but, even in a scenario of renewed commitments on both sides, managing expectations will remain key.

One should note that a good portion of the EU population is not enthusiastic about the previously negotiated trade agreement with MERCOSUR and, against this background, an opening up of markets to the US could prove to be tenuous to say the least; while at the same time about half of the US population, if not more, rejects a further opening of the US economy, a further intensification of internationalisation and globalisation, and acceptance of any exogenous rules and regulations, as witnessed by the negotiations over NAFTA 2.0 (officially USMCA), and the general scepticism toward the WTO in the country⁹.

Thus, although the chances of strengthening economic relations appear greater under the Biden Administration, much work and negotiations are needed to make it happen. After all, the last 30 years have been dominated by economic and financial forces headquartered in the US and Europe vying to grab the biggest share of the pie in the frenzied, neoliberal world inviting excesses that followed in the wake of the more sober and cautious Cold War world. This period of exuberant deregulation and an unbridled quest for easy profits, at times at the transatlantic partners’ own expense, but most of the times at the expense of other nations, has long since come to a close. The transatlantic partners find themselves unable to pick up the broken pieces and pay for the damage that has been done – in terms of economic governance, the environment, disruptive technologies, migration pressures, etc. It would be wise for the EU to use the European Green Deal commitments to address these issues and assume full responsibility for such, and to become more assertive in this regard on the world stage, but without abusively leveraging its economic and technological superiority.

The UK is part of the transatlantic partnership and this should remain so. Perhaps an even more daunting task, but no less crucial, would be to conclude the Brexit negotiations without causing any permanent damage to bilateral EU-UK relations and find an appropriate format for “re-bonding” with London – given not only the United Kingdom’s geographic proximity and the intensity of economic exchange, but also the UK’s irreplaceable role in the transatlantic community. Arguably, this does not depend on Brussels alone. But negotiations are moving forward slowly but surely, and important progress has been made on technical matters.

9 Not least because of the Airbus-Boeing row, but also because a sufficient share of the country believes the WTO failed to check China in its use of the US-created global economic system.
From trade in goods, services and investment, to police and judicial cooperation in criminal matters and all the way to cooperation in intelligence, defence and security matters, it is of paramount importance that the EU remain committed to an ambitious future partnership with the UK, as the Chief Negotiator for the EU, Michel Barnier, put it¹⁰. While the EU is correct to keep insisting on the principle of non-regression from social, environmental, labour and climate standards, it should also remain aware of the fact that any efforts to build a meaningful strategic sovereignty for Europe would quickly run out of steam without the backing and loyal cooperation of the British – in security and defence matters above all, but not only.

It may well be the case that the dictum »Brexit means Brexit« has been voiced so many times that there is a risk of forgetting that continental Europe for its part needs to respond in kind with the same loyal cooperative attitude. Eastern Europe seems to be more adept at coming up with more feasible avenues for future cooperation with the United Kingdom, especially in its quest to balance and counter worrying developments in its Eastern and Southern Neighbourhoods, a concern better understood on the Thames than in Brussels or in other Western European capitals.

The EU needs to become more keenly aware of this reality and embrace it as a working framework – or better yet an issue where Eastern Europeans can be trusted to enhance the EU’s autonomy and sovereignty. This in turn could reduce internal frictions inside the Union, with the added benefit of giving the Eastern Europeans a sense of true ownership and participation in sensible decision-making processes which at present they only seem to find in NATO.

There is a need to realise that the »free and democratic world« includes parts of the world not only bordering on the Atlantic Ocean, and as such, any expansion of trade and exchange (scientific, technologic, human) as well as cooperation and dialogue in the areas of security, disarmament, nuclear non-proliferation and conflict management should include all of Europe’s partners at present, or new partners in the world of tomorrow. Along these lines, it should be noted that neither the EU nor the US have helped their cause by the plethora of agreements they have proposed to the world, rather than trying to build a framework that would apply to all those that wish to join. Now the transatlantic partners have the chance to build just such a framework – and then expand it to include partners in the Indo-Pacific, with or without China.

¹⁰ https://ec.europa.eu/commission/presscorner/detail/en/STATEMENT_20_1

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Looking Beyond Transatlantic Shores: The Pivot to Asia and the Indo-Pacific Strategy

Sooner rather than later the post-pandemic world may well confirm that the »Asian Century« is not just a metaphor. Therein lies a major challenge, and we are already witnessing a shift in the epicentre of world growth and development toward Asia and the Pacific. Actively reconfiguring its partnerships in the region, the EU can only benefit if it joins forces with those nations that have demonstrated their potential and dynamism.

Since 2011 and following the establishment of the EEAS, the EU has systematically pursued a process of expanding relations in the region, starting with the four so-called »strategic partners« (China, South Korea, Japan, and India), but also with the ten ASEAN nations, as well as Australia and New Zealand. Compared to the US at present, despite a smaller military presence in terms of hardware and »boots on the ground«, the European Union is better equipped to engage. Notwithstanding the fact that the US has already lost some leverage given Donald Trump’s Administration move to leave the Trans-Pacific Partnership, the EU has already concluded a number of Free Trade Agreements (FTAs) as well as Partnership and Cooperation Agreements while promoting a wider region-to-region forum (Asia-Europe Meeting), with regular summits and ministerial level meetings, all of which helps nurture a moderately visible profile as a valuable player with a strong economic and trade dimension.

In spite of the current downturn in global trade due to COVID19, strategic and economic trends are all pointing towards a growing interest in and around Asia. This alone should compel the EU as a whole, as well as individual Member States with more pronounced direct interests, to continue refining their strategies. The Commission ought to make concrete efforts to accelerate and finalise negotiations over FTAs with India, Australia, New Zealand, ASEAN (a region-wide agreement), Indonesia, Malaysia and the Philippines. Otherwise, sooner rather than later, the EU might find itself simply out of step with the region. The recently concluded trade agreement, the Regional Cooperation and Economic Partnership (RCEP), underscores that Asian states are keen to deepen intra-regional cooperation.

Therefore, the EU needs to finally put together its own Indo-Pacific Strategy, focusing on the economic dimension and fostering engagement with the region. Ideally, there would be more than just an economic dimension in what the EU tables. Apart from strengthening economic ties with the most dynamic countries in this region, an effort to diversify can help the EU reduce its dependency on countries such as China and the US, and, as a bonus, stay clear of the geopolitical battle between these two. This diversification should aim for higher value-added products and services as well; for example, the EU should make the most of technological and research exchanges it may have with some of the Indo-Pacific countries.

This is part of the reason why two European countries for whom China is the biggest trading partner in the region, namely Germany¹¹ and the Netherlands,¹² have published their first official strategy papers for the Indo-Pacific region. Another Member State, France, was the first to adopt such an approach - in 2018.¹³ Both the German and Dutch strategies include, alongside economic cooperation, issues such as climate change, regional peace and security, respect for human rights and the rule of law – issues that the EU traditionally opens with. With mixed results, one must admit. It is worth noting that the German strategy includes a military element, with a pledge to participate in maritime exercises in the region and increase efforts at security and defence cooperation. In contrast, the French document does not mention any of this – yet France is an active participant in naval exercises and operations in the Pacific.

Therefore, it is very important that the EU manage to foster discussion along these lines, find a common ground between diverging perspectives and come up with its own European strategy. The so-called Free and Open Indo-Pacific Vision needs political contours and concrete details on how it is to be implemented as well, explicitly spelling out the breadth, depth and scope of the cooperation the EU is willing to engage in.

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Reflecting considerable strategic judgement, the EU, at the level of its External Action Service as well as the Commission, has adopted two relevant strategies that, at least on paper, could enhance its chances to stay connected and produce appropriate responses to developments in the region: the Council Conclusions adopted by FAC (28 May 2018) on Enhancing EU Security Cooperation in and with ASIA; and Connecting Europe and Asia – Building Blocks for an EU Strategy (19 September 2018) on promoting sustainable, rules-based Europe-Asia connectivity with high-quality infrastructure development. Unfortunately, both still suffer from limited implementation in the way of concrete operational projects.

Comparatively speaking, Japan has started its own version of international development and cooperation centred on high quality infrastructure and rules-based regimes, and it rose to be recognised as a major player on these issues in the Global South, earning it the cooperation of the EU, Australia, and the US. It is unclear whether internal considerations have held Europe back – such as deciding on the technologies and type of connectivity they want to use, or if competition with the great powers at a global level has drained too much of Europe’s capacity to act and invest with an impact.

Meanwhile, one should recall that for decades Asian countries were accustomed to accepting the presence and actions of a balancing power in the region, a global power guaranteeing stability and preventing a new challenger from rising to dominate them. A greater balance of forces acting in the region would be welcomed. Some observers believe that Asian countries may go along with or secretly hope that the US and Europe will engage more in the region, even as they are recalibrating relations with China. This »secret preference« should not be interpreted as an allegiance or in any emotional way; rather, it is the expression of, and acknowledgement that, Indo-Pacific countries, in their assessment, consider that the presence of a force counter-balancing China will allow them the space to manoeuvre and grow, while quite possibly increasing their opportunities as well.
As an Indian journalist recently noted: »Once US President-elect Joe Biden’s administration has made the relatively easy decisions to re-join the Paris climate agreement, remain in the WHO and attempt to reboot the WTO, it will be confronted with three key foreign-policy issues. In order of importance, they are China, China, and China.«

For the European Union, a »Geopolitical Commission« which can decide on market access based on its own norms and standards in principle has a strong negotiating position towards a China, which is increasingly seen as a competitor and even a »systemic rival«, as stated in the EU’s 2019 Strategic Outlook. Chinese assertiveness and European concerns about human rights issues, including Hong Kong and the Uighur detention camps, have only contributed further to a new and more solid consensus within the EU on the need to rebalance relations with China. All these recent developments are pushing Europeans out of their »comfort zone«.

In fact, it is to be acknowledged that, initially, the EU succeeded in building a reliable, stable and predictable framework of relations with China – probably more fluent, productive and extensive than what the US has achieved in strictly bilateral terms – structured across a wide and rather unique range of meetings and cooperation arrangements, ranging from the regular EU-China Summits, the Annual Strategic Dialogue, the High Level Economic Dialogue, to over 60 sectoral cooperation mechanisms.

Back to the present, where current circumstances such as specific US policies, Brexit, Asian dynamism, China’s assertiveness, etc., are driving the EU to carefully re-examine the current framework of EU-China relations, re-confirming what is viable, what has been working and should be kept, and how much should be reconsidered from a new angle.

The new US Administration could present a more appealing and balanced offer for renewing transatlantic cooperation on everything from reducing dependency on Chinese trade and investment to setting global norms and standards. From trade to big tech and climate change, there are many important things the US could offer Europe. The mechanism of consultation agreed between Secretary of State Pompeo and High Representative Josep Borrell may serve the purpose, but the roadmap for cooperation is sensitive and difficult to rewrite/overwrite after years of disrupted communication and general uneasiness plaguing the partnership. But even then, it will still be necessary to engage with China, even with the combined strength of the transatlantic partners in full swing.

Given the high stakes, forging a convergence of views and principles between the EU and the US would help matters, but both transatlantic parties should brace themselves for a long haul. Despite reassuring conventional wisdom (such as »the West makes the rules and controls the whole game«), the reset with China may take years, probably decades, and the four years of President Trump’s term of office have just shown how tough the challenge can be.

In the meantime, China is quietly making one move after the other with strategic consistency and rigour. It would not be unreasonable to say that for the last 30 years the West generally underestimated the capacity of the Chinese decision-makers to make the best out of a given situation. And yet, as has happened on many occasions, they never failed to surprise.

Beyond embedded features of the Chinese political system, which allow for tighter control of the public administration and economy and facilitate the precise adjustment of their political economy according to needs to a much higher degree than the inertia-laden economies of the EU, Europeans should pay closer and more careful attention to Chinese actions. While some foreign observers quickly dismissed the new Beijing policies as backsliding toward inward-looking self-reliance and defensive withdrawal, the preliminary debates about the next Five-Year economic plan and long-term projection of a »double-circulation« could produce a significant repositioning of China with global consequences. Chinese planners may seek to bring about a new international division of labour, could begin to prepare in economic terms for a selective or a managed decoupling from the world economy or even brace for a period of intense polarisation. They have these options and, if Europe plays its cards badly, it may also add to China’s incentives.

Since the early 1980s, Chinese policies have reflected pragmatism, flexibility, and strategic inspiration in exploring

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policy options beyond conventional understanding and thinking. The danger could be that both sides fly at sight and the whole thing turns into a wild ride. One may discover at a certain point that Europe is operating with an outdated picture of China. And that the EU is one step behind. In fact, this has already happened with the whole unveiling of the Belt and Road Initiative. And, on a lesser scale, with the 17+1 Format\textsuperscript{16}. In both cases, events proceeded quickly, far outpacing the ability of EU institutions to devise any proper response, or do much more than vent frustrations and issue warnings.

It is worth recalling that the EU diplomatic service was not able to update the old bilateral agreement with China dating back from 1985 until this December, and even now the agreement is merely »in principle«\textsuperscript{17}, i.e. not yet on paper. If Brussels had gone for and had agreed earlier on an EU-China FTA, challenging formats such as BRI and the 17+1 cooperation may have not found enough space and oxygen to breathe within the EU.

A more patient approach in reading the Chinese mind may help prevent a loss of confidence in Europe’s own diplomats, experts, and businesspeople – who are at times blamed for falling under the Chinese spell or suspected of »localitis«. Unfortunately, Europe’s sinologists are gradually losing touch. Mainly because their direct access to Chinese contacts and sources have been curtailed. Secondly, because the Chinese are becoming more sophisticated. Chinese notions and its policy framework, which seemed somehow familiar or resonated with Europe’s development and commercial narrative in years past, are increasingly distant, codified as it were in an »alien« political narrative\textsuperscript{18}.

As a solution to Covid-19 appears to be within reach, this will allow the EU to return to its normal agenda and focus on solving the things that it had to put on the back-burner under the pressures of dealing with the pandemic. As it happens, this moment coincides with the upcoming rotation to the next Presidency of the European Council (first half of 2021), which will be held by Portugal, a country with a recently developed special relationship with China\textsuperscript{19}. This will be a test for Portugal, but a challenge to the EU, as the EU could attempt to leverage and benefit from the China-Portugal relationship, but at the same time it needs to adopt a rather more assertive stance. The EU-China »Leipzig Summit« that had been scheduled for the German presidency (in the second half of 2020) was never held as a summit due to the Covid pandemic; and the leaders’ virtual encounter has not really furthered the relationship between the two sides in any meaningful manner.

\textsuperscript{16} The 17+1 Format refers to the Chinese initiative to promote business and investment relations between China and 17 countries of Central and Eastern Europe.

\textsuperscript{17} https://www.euronews.com/2020/12/30/eu-and-china-set-to-sign-historic-investment-deal-but-could-human-rights-concerns-scupper-

\textsuperscript{18} As defined by the Communist Party in the jargon of "Chinese characteristics".

\textsuperscript{19} Portugal has been notable for its dynamic approach in working with China: it is the first country in the EU to issue public debt, Panda Bonds, in Chinese currency (Renminbi), while introducing a Golden Visa scheme that fast-tracks Chinese investors seeking Portuguese citizenship, allowing a private bank to issue credit cards with a company from China, making possible takeovers of important national Portuguese assets in the critical infrastructure (national grid) by big Chinese companies.
TOWARDS A MORE COHERENT RESPONSE IN FOREIGN POLICY MATTERS

None of this will be possible to achieve if the EU fails to put internal mechanisms in place that enable it to take decisions and act fast. The current architecture of the EU treaties clearly establishes specific voting procedures for aspects of foreign or defence policy requiring unanimity. And it is this required unanimity that has been highlighted as one of the obstacles in the path toward an efficient and collective response by the EU. Due to the requirement that voting be unanimous, any State can effectively block decisions in order to advance or protect national interests.

The European Union’s situation stands in stark contrast to that of NATO. The same Member States make up a majority in the two organisations, but such blockages are not known to have happened in NATO. It may be worthwhile considering the possibility that either the EU has designed its systems inadequately to deal with the inevitable dissensions that appear during negotiation processes, or that operationally NATO has learned how to deal with these aspects better. Yet there may also be another explanation: NATO may prioritise its members’ defence interests in a more mutually respectful and inclusive manner than the EU, for which the institutional agenda enjoys a higher priority than other interests, or where the institutional and economic capacity of the various Member States may play a role in the way specific points and positions are forwarded for adoption by the EU’s diplomatic apparatus.

The aspect of a »level playing field« then becomes a painfully evident potential issue that prevents the EU from achieving internal coherence and agility in its CFSP. After all, the EU places a greater emphasis on small but essential institutional and economic matters, which makes decision-making so much more difficult than in NATO. These asymmetries in positions and the requirement of unanimity have proven to be deal-breakers in virtually all attempts to develop a common EU foreign policy²⁰.

Another argument weighing against the requirement of unanimity is that it makes the bloc more vulnerable to foreign power meddling in its affairs. Countries such as Russia can influence things from within, as they only need to convince one Member State to oppose a resolution for it to be turned down. This heightens the incentive to employ divite et impera tactics if only because it can lead to the desired outcomes. Thus, it could be argued that the unanimity requirement, while initially meant to drive unity, now holds the potential to aggravate existing divisions within the EU.

Under Jean-Claude Juncker’s leadership, the Commission officially proposed to change the unanimity requirement to Qualified Majority Voting (QMV) in specific CFSP areas. The current Commission President, Ursula von der Leyen, has voiced her support for such a change²¹.

The most important advantage that such a voting system would mean is the speed and efficiency it would add to EU decision-making processes, thus helping the EU to become a stronger and more assertive actor in a perilous international and regional environment. If it takes only one country to block a resolution, then there is no need for that country to offer any lengthy justification for its stance aside from this merely being in its own interest. With a majority voting system, the task would be to win over a majority of other Member States for one’s position. Some observers argue that this voting system would actually unite States more. Due to the increased need for discussion and formation of coalitions, countries which are outvoted could still present their views and pertinent arguments, and there would be less »shaming« of single countries blocking collective interests for narrow, parochial reasons.

However, there are also negative aspects to be considered – some of which are particularly important for the Eastern Member States. Smaller States fear being marginalised and their voices left unheard if bigger and more influential countries can take decisions by themselves. Moreover, the introduction of QMV could raise questions of legitimacy and impact the EU’s image as a united body of countries. If a minority of countries are consistently outvoted, this could have a tremendous impact on how the EU is viewed by external parties and partners. But even worse, it could impact how Member States’ governments and societies regard the Union. In the worst-case scenario, this could lead to a dangerous increase in EU-scepticism among voters and domestic political backlash.

²⁰ Most recently, the sluggish response in the case of Belarus was a result of one country, Cyprus, making sanctions against Belarus contingent upon sanctions being imposed on Turkey.
What is ultimately needed is for countries to put their differences aside and realise the importance of the EU’s relevance and geopolitical agency in these unstable times. It is not easy for 27 States that have their own national priorities and ways of looking at the world to come together to form common, unified European interests. However, if the EU wants strategic autonomy, the main long-term goal has to be to foster this collective interest and strategic culture. The Strategic Compass²², an initiative announced in June 2020 and meant to define Europe’s security ambitions and forge a common strategic outlook, is a step in the right direction.

The practical initiatives and proposals discussed above, which would arguably help the EU improve the cohesion and efficiency of its decision-making processes in the area of foreign and security policy, have stirred heated debates in Brussels and EU capitals. For example, an idea put forward by Germany and supported by France for a European Security Council (ESC) would satisfy the aims of conducting strategic discussions, engaging with the UK after Brexit, and easing the decision-making process. However, it is unclear what shape and format this Council would take. It could be something similar to the United Nations Security Council, with permanent and rotating members, in which the most powerful States have veto rights; or it could be something more like the African Union Peace and Security Council, with members being elected for a certain period of time and from within regional groups; or it could be something similar to the present Foreign Affairs Council (FAC), but then joined by the UK.

From an Eastern European perspective, these are very different approaches. The first two objectives mentioned above, namely conducting strategic discussions and engaging with the UK, could be more easily put into practice. However, whether an ESC would actually help in forming a coherent and unitary European policy is debatable. Depending on its format, it could help Eastern European countries gain a voice and have the space to put forward their own proposals. However, it could also have the opposite effect, with States such as France and Germany increasing their global influence, but smaller countries within the EU remaining unheard. Moreover, it could undermine the role of NATO, and some Member States might indeed oppose this idea out of fear of curtailing the role played by the US in European security. What is clear is that turning a European Security Council into a win-win for all its constituents is a daunting task. In essence, one returns full-circle to the same problem which needed to be addressed at the outset, namely, how to map national interests and unite them in a common, European framework of interests. Trying to circumvent this problem is not likely to produce any major useful results.

Also, although the creation of a new Directorate-General for Defence Matters and a post of commissioner for defence has been an idea bandied around for some time, the increased need for European strategic autonomy and geopolitical assertiveness have given it more enhanced contours. This would allow a centralisation of defence issues and strategic discussions, and would assign a specific person to be in charge of overseeing, incorporating, and potentially unifying different national perspectives.

Moreover, the more frequent use of EU Special Representatives could offer a solution to improve Europe’s mode of involvement in other parts of the world. Usually, it is contemplated that these representatives would be out in the field, where they would be able to seize opportunities as they arise and be able to take a more risk-tolerant approach. By assigning special representatives on the ground, the EU not only transmits the idea that it is engaged in the matter – it obtains a more accurate assessment of the situation. Also, a coordinated EU position in the field offers an opportunity to meet with local politicians, participate in local forums with diplomats and engage and cooperate with other representatives from other international or regional organisations, such as the UN, OSCE, NATO and African Union. For example, the EU supported the UN’s involvement in the Democratic Republic of Congo’s political transition process, and all the EU’s programmes and missions there were coordinated by a special representative.

The drawback to this proposal is similar to the previous ones, however. Although it seeks to enhance the EU’s geopolitical position, the issue of divisions between Member States is still not properly addressed. If countries do not agree on a specific
direction, then the EU special representative can be left with little room for manoeuvre.²⁵

Another proposal discussed in recent years on a regular basis is using so-called «core groups» of Member States. In and of itself, this is a practice that recognises the fact that it is very difficult to find common ground between all 27 Member States, and rather than chasing after the impossible, it implies that European countries with comparable intent, willingness and capabilities can form groups. These «core groups» can invest resources to elaborate option papers and help find compromises and reconcile competing positions within the EU.

From an Eastern European perspective, such groups could provide an opportunity to make Eastern perspectives heard. A recent example is Romania’s initiative to discuss in-depth the protracted conflicts in the Black Sea region. In a letter to Josep Borrell, the Romanian Minister of Foreign Affairs Bogdan Aurescu and ten of his counterparts (from Bulgaria, Czech Republic, Estonia, Latvia, Lithuania, Poland, Portugal, Slovakia, Slovenia and Sweden) emphasised the need for the EU to pay more attention to this region, and proposed discussions between the foreign ministers and EU officials in order to focus, in particular, on tools and possibilities for an effective EU response. This as well as other similar initiatives constitute a positive signal of a desire for coordination among Member States.

²⁵ For example, EU Member States have very different approaches towards Kosovo. But, in an effort to revive the dialogue in the region, including against the backdrop of the United States’ attempt to facilitate the normalisation of relations between Serbia and Kosovo, in April 2020 the EU appointed Miroslav Lajčák as EU Special Representative for the Belgrade-Pristina Dialogue and other Western Balkan regional issues. In September 2020, the Serbian President and Kosovo Prime Minister pledged to normalise economic relations by signing an agreement in the presence of US President Donald Trump in Washington. However, this does not represent a legally binding agreement. Moreover, it has been decided that Serbia and Kosovo will move their embassies to Jerusalem, with Israel officially recognising Kosovo. Moving embassies to Jerusalem goes against the official policy of the EU. However, in an interview with the EU High Representative for Foreign Affairs and Security Policy, Josep Borrell, in October 2020, he affirmed that the Serbian President and Kosovo Prime Minister confirmed during their last visit to Brussels that their highest priority is European integration and the EU-facilitated dialogue. This raises questions regarding the actual efficacy of EU special representatives and how much European interests, if there are any clear ones, could be put forward.
In its historical evolution, the EU has always moved in a similar fashion when it comes to adopting new areas of competence in its toolbox: from a club of those willing to engage in inter-governmental cooperation, to some form of institutionalisation, followed by shared or exclusive competencies. While much of the foreign policy of the continent still resides with the Member States themselves, the European External Action Service (EEAS) and the office of High Representative and Vice-President HR/VP were created specifically to increase the coherence of the EU’s external action and to ensure the effectiveness and efficiency of joint action. A decade of post-Lisbon EU foreign policy may well beg for an assessment of how the roles of the HR/VP and the EEAS have evolved. They both were positioned to enhance the coherence of various instruments in the EU’s external action, to provide effective leadership and promote a closer coordination between national diplomatic services and the Brussels EU machinery.

From an Eastern European perspective, the third holder of the HR/VP position needs to confirm accumulated institutional experience and the full maturity of this uniquely multidimensional mandate by performing the complex linkage between the various dimensions of EU external action.

In general, while not always completely successful, the EEAS has performed well in satisfactorily reaching the relevant objectives of its mission: exploring the basic principles of convergence or elements of common positions or policies, and based on the smallest common denominator, having all the Member States on the same page in their response to a foreign political issue. Furthermore, it has enhance a much-needed visibility for the EU as a whole in various parts of the globe by increasing its footprint on the ground, and ensuring proximity to crucial outside events.

Focusing on conceiving and organising joint responses, principled and politically feasible, to major foreign political issues or international developments and events, which mainly means those that are generally too big or too sensitive for a single Member State to tackle alone, has been a standard approach for EEAS. Although expectations have not changed much, over the years a number of institutional shortcomings or new requirements have been perceived by the Member States. One issue that has been raised is that the EEAS could think more strategically, and get a better grip on its all too evident inclination to act as a political «firefighter on duty», a mechanism for damage control and crisis management. It may well be outfitted with certain qualities suited for this, but this is a tendency which snowballed and solidified during HR/VP Mogherini’s years, a product not only of pressing circumstances, which may have conditioned such an approach, but of design, as it was directed and shaped in this direction, given its preference as a publicly more visible show of strength, display of virtues and effectiveness. In order to change this, the High Representative should revisit and substantially update the EU Global Strategy, a document which has in fact accomplished so much in style, but remains riddled with generalities and beset by Brexit.

Another issue that has come to light is that the EEAS needs to be more political, and less bureaucratic – an aspect which was inevitably encouraged by the dominance of its staffing originating with the Commission or the Council. Irrespective of the initial decisions in respect to the percentage to be represented in the EEAS staffing to come from diplomats selected from national diplomatic services of the Member States, over the years, out of parochial or personal concerns for their own career opportunities and trajectories, members of the EEAS’ middle or lower management levels have prevented «outsiders» from joining. Consequently, the EEAS has remained dominated by staff from the Commission and, implicitly, by virtue of institutional loyalty, subject to its control and less independent.

The EEAS is still visibly struggling to connect with other important parts of the EU machinery, and routinely has to break «silos» in the Commission. Tactically, many officials display old ways of thinking in these terms: the Commission on the one side, the EEAS and the Member States on the other – »us« and »them«. Of course, everyone has specific roles, competences, and prerogatives. Some wise voices have enjoined that »we cannot afford to spend time on silly arguments, at least not now, in times of crisis«. But, for the sake of improved coordination and more effective policy implementation, attitudes need to evolve.

26 The «silos» metaphor stands for a parochial mentality and practice of decoupling or reluctance to coordinate on the side of the EC.
A »Geopolitical Commission« should seek a deeper understanding of the political role of the EEAS and resolve to work more closely together as needs dictate.

Furthermore, on certain issues the EEAS should come up with more convincing reasons to encourage an overly cautious Commission to act. As a big institutional machine, the Commission has shown itself to be prone to overly careful planning, thereby delaying, under various pretexts, the negotiation of certain agreements (FTAs, partnership cooperation agreements, etc.). With certain relationships, this has either exacerbated political sensitivities or contributed to missed opportunities (Mercosur, ASEAN, China).

Finally, the EEAS can and needs to become more incisive and assertive in promoting value-oriented foreign policy, at times perhaps with a license to be »less diplomatic«. The usual practice has shown that in many places in third countries, it has frequently been the case that, confronted with infringements of human rights or other principles, the resident EU Member States’ embassies, mindful to avoid souring the mood of their own bilateral relations with local authorities, have preferred to ask the resident EU Delegation and the EU Ambassador to take critical positions publicly – »on behalf of the EU«, of course.
CONCLUDING REMARKS

The opinions presented in the foregoing as »Eastern European« are an aggregated approximation of perceptions stemming from the Central and Eastern Europe part of the European Union. These perceptions not only affect how the strategic environment in and around Europe is gauged, but also shape the very understanding of what »strategic sovereignty« could mean for Europe. In drawing attention to these perceptions, it has not been the aim of this paper to exhaustively examine all the policies and aspects that play a role in Europe’s destiny in the realm of great power competition; rather, the aim has been to highlight some of the most critical aspects that ought to be addressed if the EU’s political and foreign policy profile is to gain in coherence and weight.

The paper adopts the view that a Europe that is strong, respected, projects economic, hard and soft power, inspires the world and competes as equals with China and the US must rest on the foundations of internal peace and consolidation. This means first doing the best one can at home before spreading European values universally throughout the world and inviting other countries to embrace Europe’s world view. In short, a vision is built at home and it needs to be coherent within the political body for which it stands before speaking up internationally.

In the post-Covid era, Europe needs to assume a greater role on the world stage. The US has been telling Europeans this for more than a decade as a friend and as a challenger, while China paid Europe the courtesy of waiting on us for a while before it set about to become more assertive itself. Internally, the EU has become ever more ambitious, currently aspiring to the status of world leader in science, innovation, and sustainability. Such developments presuppose a more agile, global Europe that can act as a balancing force. From mending relations with its old partner across the Atlantic to dealing with China more wisely and leveraging the opportunities the Indo-Pacific region is presenting, the EU must find the courage to think big and act accordingly. It certainly has the strengths and the resources needed, and Eastern Europe is willing to play its part.

From its many strengths, one sets it apart: the EU knows how to be a »convenor«. But to succeed above and beyond just getting everyone to sit down at the discussion table, it needs to become more agile – in terms of reaction speed; and more elastic – less bureaucratic, and allow for degrees of freedom, depending on the particular initiative; and more willing to accept a proliferation of approaches, formats, and initiatives, both from within as well as with partners. Such flexibility and institutionalisation of a diversity of thinking, with its openness to variable geometries and formats, would allow the EU to adopt new ways of thinking about its strategic environment and develop a true common European strategic culture. This will make it better equipped to stand »on its feet« among the great powers of the future and shape the twenty-first-century global order.
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The international environment is unravelling at a breathtaking pace, and geopolitical rivalry, including in the areas of technology, infrastructure development, trade, and sea power, is shifting once again into overdrive. This should be reason enough to compel the EU to adjust and tune its internal mechanisms and calibrating instruments if it wants to improve its coherence and weight in the global arena. Eastern European views and perspectives should be included and made an integral part of how the EU defines its notion of strategic sovereignty in order to make the most of its collective potential, by protecting its distinctive values and playing a stabilising role in an increasingly unstable world.

The EU has no other alternative than to build on its tried-and-tested strengths and bring everyone to the global negotiating table, as the great power competition and trade war between the US and China poses the risk of the EU being caught in the middle between a protectionist power (the US) and an expansionist one (China). None of these two approaches can realistically be an option for the EU due to the bloc’s very nature and limited capacities to enter into direct competition with either the US or China.

Instead, the EU should seek to mend relations with its transatlantic partner, rebuild the transatlantic community, and find an appropriate way to engage with China in a more assertive, carefully crafted manner, not least by pivoting to the Indo-Pacific region. But to succeed, it needs to become more agile and more nimble in its responses as well as less bureaucratic and more willing to accept a proliferation of approaches, formats, and initiatives, both from within, as well as with partners.

More information about this subject can be found here: www.fes.ro